



ORANGE COUNTY FIRE AUTHORITY

AGENDA

BOARD OF DIRECTORS REGULAR MEETING
Thursday, March 28, 2019
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 Chaplain Robinson

PLEDGE OF ALLEGIANCE by Director Bartlett

ROLL CALL

1. PRESENTATIONS

A. Requests for Commendations and Proclamations

Submitted by: Sherry Wentz, Clerk of the Authority

1. Recognition of OCFA's Immediate Past Chair Ed Sachs
2. Recognition of former Directors Basile, Deaton, and Spitzer
3. Drowning Prevention Proclamation

Recommended Action:

Approve requests as submitted and make presentations to those present.

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. 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 LEGAL COUNSEL – - ANTICIPATED LITIGATION

Authority: Government Code Section 54956.9(d)(2) and (e)(5) – Significant Exposure to Litigation (1 case)

CS2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

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

CLOSED SESSION REPORT

REPORTS

REPORT FROM THE BUDGET AND FINANCE COMMITTEE CHAIR

REPORT FROM THE FIRE CHIEF

- Recognition of retiring Division Chief Kovacs
- Introduction of newly promoted Division Chiefs
- Sacramento Meeting Update

2. MINUTES

A. Minutes from the February 28, 2019, Regular Board of Directors Meeting

Submitted by: Sherry Wentz, Clerk of the Authority

Recommended Action:

Approve as submitted.

3. CONSENT CALENDAR**A. FY 2018/19 Mid-Year Budget Adjustment**

Submitted by: Robert Cortez, Assistant Chief/Business Services Department

Budget and Finance Committee Recommendation: *APPROVE*

Recommended Action:

Authorize the proposed mid-year budget adjustments and transfers as detailed in this report.

B. Award of Public Works Contract for Modular Classrooms

Submitted by: Jim Ruane, Assistant Chief/Logistics Department

Recommended Actions:

1. Accept the Design Space bid dated March 14, 2019.
2. Approve and authorize the Purchasing Manager to award the public works contract to Design Space in the amount of \$238,594.95, plus a 10% contingency amount of \$23,859 for a total amount not to exceed \$262,453.95.

END OF CONSENT CALENDAR**4. PUBLIC HEARING(S)**

No items.

5. DISCUSSION CALENDAR**A. City of Irvine – Settlement Agreement**

Presented by Lori Zeller, Deputy Chief/Administration & Support Bureau

Recommended Action:

Approve and authorize the Board Chair to sign the proposed Settlement Agreement between the Orange County Fire Authority and the City of Irvine.

B. Fire Services & Emergency Medical Services Agreement with the City of Garden Grove

Presented by Lori Zeller, Deputy Chief/Administration & Support Bureau

Recommended Actions:

1. Approve the addition of the City of Garden Grove as a member of the OCFA Joint Powers Authority, effective August 16, 2019.
2. Approve the submitted Fire Services & Emergency Medical Services Agreement with the City of Garden Grove, effective August 16, 2019, and authorize the Board Chair to execute the Agreement, including any non-substantive amendments as determined by Legal Counsel.

C. Fiscal Year 2017/18 Backfill/Overtime and Calendar Year 2018 Total Earnings/Compensation Analysis

Submitted by: Lori Zeller, Deputy Chief/Administration & Support Bureau

Budget and Finance Committee Recommendation: *APPROVE*

Recommended Actions:

1. Direct staff to continue pursuing reductions in overtime by filling permanent vacancies as quickly as possible after the positions become vacant.
2. Authorize staff to temporarily exceed the number of authorized firefighter positions on the Master Position Control to maximize the number of firefighters hired into each academy, pending attrition/promotions that occur following academy graduations.
3. Authorize staff to temporarily exceed the number of authorized Hand Crew firefighter positions on the Master Position Control to maximize the number of Hand Crew firefighters hired from each Hand Crew firefighter recruitment process, pending attrition/promotions that occur as Hand Crew firefighters promote to the firefighter rank.
4. Authorize staff to temporarily exceed the number of authorized dispatcher positions on the Master Position Control to maximize the number of dispatchers hired into each academy, pending attrition/retirements that will occur.
5. Direct staff to continue using overtime to fill temporary vacancies rather than hiring additional personnel, recognizing this as a cost-effective practice for temporary needs.

BOARD MEMBER COMMENTS

ADJOURNMENT – The next regular meeting of the Orange County Fire Authority Board of Directors is scheduled for Thursday, April 25, 2019, 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 21st day of March 2019.

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

UPCOMING MEETINGS:

Budget and Finance Committee Meeting

Wednesday, April 10, 2019, 12 noon

Executive Committee Meeting

Thursday, April 25, 2019, 5:30 p.m.

Board of Directors Meeting

Thursday, April 25, 2019, 6:00 p.m.

DROWNING PREVENTION AWARENESS

WHEREAS, drowning is the leading cause of death and disability in California for children under five years of age; and

WHEREAS, roughly one third of drowning victims in Orange County are age 50 and older, who also experience a greater likelihood of dying from these injuries; and

WHEREAS, the Orange County Fire Authority and the Orange County Health Care Agency convened the Orange County Task Force on Drowning Prevention to educate the community on ways to prevent drownings; and

WHEREAS, fatal and non-fatal drowning is a silent event, occurring in as little as two inches of water, including swimming pools, spas, lakes, the ocean, and any other body of water; and

WHEREAS, the themes of this year's water safety campaign "Always Watch Your Child Around Water" and "Never Swim Alone," gives in-depth information that will be provided by staff on what Orange County residents can do to prevent drowning; and

WHEREAS, the initiatives set forth in the "ABCs of Water Safety" program will increase public awareness regarding proper procedures to prevent this needless tragedy; and

WHEREAS, the Orange County Fire Authority, in collaboration with the Orange County Task Force on Drowning Prevention, will be taking this opportunity to increase public awareness about drowning prevention through a diverse community outreach campaign; and

WHEREAS, OCFA will launch its 24-week water safety campaign in May and continue through October.

NOW, THEREFORE BE IT RESOLVED, that the Orange County Fire Authority Board of Directors does hereby proclaim its participation in the "Always Watch Your Child Around Water" and "Never Swim Alone" 2019 campaigns—that kick-off in May and continue through October by encouraging all families, parents, residents, schools, recreational facilities, businesses, and homeowner associations to become partners in preparedness by increasing their knowledge of proper safety measures in drowning prevention.

MINUTES

ORANGE COUNTY FIRE AUTHORITY

Board of Directors Regular Meeting
Thursday, February 28, 2019
6:00 P.M.

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

CALL TO ORDER

A regular meeting of the Orange County Fire Authority Board of Directors was called to order on February 28, 2019, at 6:02 p.m. by Chair Muller.

INVOCATION

Senior Chaplain Dave Keehn offered the Invocation.

PLEDGE OF ALLEGIANCE

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

ROLL CALL

Lisa Bartlett, County of Orange
Sergio Farias, San Juan Capistrano
Dave Harrington, Aliso Viejo
Noel Hatch, Laguna Woods
Robert Johnson, Cypress
Thomas Moore, Seal Beach
Sandy Rains, Laguna Niguel
Michele Steggell, La Palma
Steve Swartz, San Clemente
Juan Villegas, Santa Ana

Letitia Clark, Tustin
Carol Gamble, Rancho Santa Margarita
Shelley Hasselbrink, Los Alamitos
Gene Hernandez, Yorba Linda
Neeki Moatazedi, Lake Forest
Joseph Muller, Dana Point
Vince Rossini, Villa Park
Don Sedgwick, Laguna Hills
Tri Ta, Westminster

Absent: Elizabeth Swift, Buena Park
Dave Shawver, Stanton

Ed Sachs, Mission Viejo

Also present were:

Fire Chief Brien Fennessy	Deputy Chief Dave Anderson
Deputy Chief Lori Zeller	Assistant Chief Randy Black
Assistant Chief Lori Smith	General Counsel David Kendig
Assistant Chief Pokey Sanchez	Assistant Chief Robert Cortez
Clerk of the Authority Sherry Wentz	Assistant Chief Jim Ruane
Communications Director Colleen Windsor	Human Resources Director Brigitte Gibb

ADMINISTRATION OF OATH OF OFFICE FOR NEW MEMBERS (F: 11.02C)

Clerk of the Authority Sherry Wentz administrated the Oath of Office. Chair Muller welcomed newly appointed Director Thomas Moore of Seal Beach.

1. PRESENTATIONS

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

Chair Muller deferred the recognition of former Chair Sachs to a future meeting as Director Sachs was not in attendance.

PUBLIC COMMENTS (F: 11.11)

Stephen Wontrobski, Mission Viejo resident, addressed private vs. public ambulance service, the unfunded actuarial accrued liability, and the 401(a) Deferred Compensation plan.

Director Harrington arrived at this point (6:14 p.m.).

CLOSED SESSION (F: 11.15)

CS1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Authority: Government Code Section 54956.9(d)(2) and (e)(5) – Significant Exposure to Litigation (1 case)

CS2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

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

CS3. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

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

CS4. CONFERENCE WITH LABOR NEGOTIATOR

Negotiators: Lori Zeller, Deputy Chief/Administration & Support Bureau;
Brigette Gibb, Director of Human Resources; and Peter Brown,
Liebert Cassidy and Whitmore

Employee Organizations Orange County Professional Firefighters' Association,
Local 3631

Authority: Government Code Section 54957.6

CS5. CONFERENCE WITH LABOR NEGOTIATOR

Negotiators: Lori Zeller, Deputy Chief/Administration & Support Bureau

Employee Organizations Unrepresented employees: Director of Human Resources and
Director of Corporate Communications

Authority: Government Code Section 54957.6

General Counsel David Kendig reported the Board would convene to Closed Session to consider the matters on the agenda identified as CS1 through CS3, Conference with Legal Counsel – Anticipated Litigation, and CS4 and CS5, Conference with Labor Negotiator.

Chair Muller recessed the meeting to Closed Session at 6:20 p.m.

Chair Sachs reconvened the meeting from Closed Session at 7:25 p.m.

CLOSED SESSION REPORT (F: 11.15)

General Counsel David Kendig stated there were no reportable actions.

REPORTS

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

Human Resources Committee Chair Johnson reported at its February 5, 2019, meeting, the Committee received and filed updates on the following: California Employment Laws, Lexipol, Professional Standards, and Recruiting Diversity, and voted unanimously to send the Implementation of 401(a) Deferred Compensation Plan for Executive Management, and the Amendment to Personnel and Salary Resolution to the Board of Directors for approval of the recommended actions. The Committee held elections for the Chair and Vice Chair positions, electing unanimously Vince Rossini as Vice Chair, and himself as Chair for the ensuing term.

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

Budget and Finance Committee Chair Hasselbrink reported at its February 13, 2019, meeting, the Committee voted unanimously to send the Monthly Investment Reports and Second Quarter Financial Newsletter to the Executive Committee for approval, and the Approval of Limited-Term Positions to Increase Vehicle Outfitting Capacity to the Board of Directors for approval of the recommended actions. The Committee held elections for the Chair and Vice Chair positions, electing unanimously Don Sedgwick as Vice Chair and herself as Chair for the ensuing term.

REPORT FROM THE FIRE CHIEF (F: 11.14)

Fire Chief Fennessy deferred recognizing the retiring division chiefs, and the introduction of those newly appointed for a future meeting. He introduced Legislative Analyst Jay Barkman who reported Chief Fennessy has been asked to testify in Sacramento before the Joint State Assembly and Senate Committee on Governmental Organization relative to public safety issues and emerging wildfire technologies.

2. MINUTES

A. Minutes from the January 24, 2019, Regular Board of Directors Meeting (F: 11.06)

On motion of Director Johnson and second by Director Hernandez, the Board of Directors voted unanimously by those present to approve the January 24, 2019, Minutes as submitted.

3. CONSENT CALENDAR (Agenda Item No. 3B was pulled for separate consideration)

A. Implementation of 401(a) Deferred Compensation Plan for Executive Management (F: 17.09)

On motion of Director Ta and second by Director Hernandez, the Board of Directors voted unanimously by those present to adopt Resolution No. 2019-01 entitled A RESOLUTION OF THE ORANGE COUNTY FIRE AUTHORITY BOARD OF DIRECTORS ADOPTING A 401(a) GOVERNMENTAL DEFERRED COMPENSATION PLAN.

B. Amendment to Personnel and Salary Resolution (F: 17.02)

Deputy Chief Zeller requested the item be pulled from the Consent Calendar to defer it to a future meeting.

C. Approval of Limited-Term Positions to Increase Vehicle Outfitting Capacity (F: 17.20) (X: 17.10H1)

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

1. Authorize additions to the Master Position Control:
Additional Limited-term Fire Apparatus Parts Specialist: Five full-time; Four part-time
Additional Limited-term Fire Delivery Driver positions: Two full-time; One part-time
2. Approve a budget adjustment increasing expenditures in the FY 2018/19 General Fund (121) budget by \$277,400 to fund the proposed positions for the remainder of this fiscal year.
3. Direct staff to provide annual reports to the Budget and Finance Committee regarding the status of vehicle outfitting capacity and associated staffing needs.

D. Reject all Bids for the Purchase and Installation of Modular Classrooms (F: 19.07)

On motion of Director Ta and second by Director Hernandez, the Board of Directors voted unanimously by those present to reject all bids submitted in response to Invitation for Bid RO2348 for the purchase and installation of two new modular classrooms.

END OF CONSENT CALENDAR

4. PUBLIC HEARING(S)

No items.

5. DISCUSSION CALENDAR

No items.

BOARD MEMBER COMMENTS (F: 11.13)

Director Johnson reported attending the 11th Annual Best and Bravest Awards Ceremony, commenting that it was a great event.

Director Bartlett noted attending the Best and Bravest Awards Ceremony. She presented concerns raised by several Homeowners Associations (located within her Supervisorial District) in their efforts to comply with OCFA's fuel mitigation requests.

Director Hernandez noted attending the Best and Bravest Awards Ceremony.

Director Rains noted her participation and appreciation for those involved in the Board Orientation.

Chair Muller thanked staff for hosting the Board Orientation, welcomed newly appointed Seal Beach Director Moore to the Board, and thanked the many OCFA Directors that were in attendance at the Best and Bravest Awards Ceremony.

ADJOURNMENT (F: 11.18)

Chair Muller stated this evening's Board meeting will be adjourned in memory of the passing of Garden Grove Fire Chief Tom Shultz. The next regular meeting of the Orange County Fire Authority Board of Directors is scheduled for Thursday, March 28, 2019, at 6:00 p.m.

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



Orange County Fire Authority
AGENDA STAFF REPORT

Board of Directors Meeting
March 28, 2019

Agenda Item No. 3A
Consent Calendar

FY 2018/19 Mid-Year Budget Adjustment

Contact(s) for Further Information

Robert Cortez, Assistant Chief Business Services Department	robertcortez@ocfa.org	714.573.6012
Tricia Jakubiak, Treasurer	triciajakubiak@ocfa.org	714.573.6301
Deborah Gunderson, Budget Manager	deborahgunderson@ocfa.org	714.573.6302

Summary

This item is submitted to request approval to adjust revenues, expenditures and transfers to reflect changes identified after adoption of the FY 2018/19 budget.

Prior Board/Committee Action

Budget and Finance Committee Recommendation: *APPROVE*

A comprehensive mid-year financial review was presented to the Budget and Finance Committee and the Board of Directors in January, highlighting proposed mid-year changes that are needed to the FY 2018/19 budget based on events that have occurred since the budget was adopted last May. The Board directed staff to return in March with the technical budget adjustments required to implement the proposed changes.

At its regular March 13, 2019, meeting, the Budget and Finance Committee reviewed and unanimously recommended approval of this item.

RECOMMENDED ACTION(S)

Authorize the proposed mid-year budget adjustments and transfers as detailed in this report.

Impact to Cities/County

The proposed mid-year adjustments to the FY 2018/19 budget will have no impact to cash contract city charges in the current FY. Future increases for cash contract cities are currently estimated at 4.5% per year for FYs 2019/20 and 2020/21 (excluding the catch-up provision) based on the Five-Year Financial Forecast.

Fiscal Impact

Financial impact is detailed in the report.

Background

This report is submitted to request approval of the technical budget adjustments following the January mid-year financial review. The following is a summary of the significant changes being requested (See Attachment 1 for the total proposed adjustment for each Fund).

The following are estimated changes to the General Fund budget that are needed since the adoption of the FY 2018/19 budget in May 2018. Overall the currently proposed changes in the General Fund result in an estimated total revenue increase of approximately \$7.7 million and an estimated total expenditure increase of \$9.1 million. Of the \$9.1 million in expenditure increases, \$7.1 million are cost neutral as they are offset by corresponding sources of revenue. These adjustments are further described below:

FY 2018/19 Potential Revenue Adjustments - \$7.7 million

Property Taxes: Based on secured tax billings provided by the Auditor/Controller, preliminary projections indicate an approximate \$300K increase over budget. **\$300,000**

Assistance by Hire (ABH): ABH is the term used when OCFA responds to requests for assistance to incidents outside our area of responsibility, on a reimbursement basis. Current year activity is \$7.1 million greater than budget due to various out-of-county responses. Staff will be monitoring this source of revenue for additional reimbursements. An expenditure adjustment is also proposed to the overtime/backfill category to cover the costs associated with providing the ABH services. **\$7,124,232**

Miscellaneous: This category of revenue adjustments includes the following: updates to cash contract city maintenance charges; interest earnings, SB90 reimbursement, Accounts Receivable late payment penalty, revenue from Southern California Edison (SCE), adjustments to ALS and ambulance supplies reimbursements, Santa Ana College agreement, restitution, and sale of surplus. **\$318,715**

FY 2018/19 Potential Expenditure Adjustments - \$9.1 million

Assistance by Hire/Emergency Incident Costs: As mentioned under Revenue for Assistance by Hire, an adjustment of approximately \$6.3 million is needed for out-of-county responses, primarily in the overtime/backfill category, but also for response-related supplies. **\$6,333,410⁽¹⁾**

Personnel: This category is comprised of several updates to salary and employee benefits, the largest in the amount of \$1,317,016 being the determination by OCERS that paid vacation in excess of accrual limits for employees in the Legacy Retirement Plans and on-call pay are now pensionable salary items. Employer and employee retirement contributions began to be withheld beginning in July. Other miscellaneous adjustments related to salary and benefits comprise the balance of this category. **\$1,392,760**

Supplies/Equipment/Professional Services: This category includes various adjustments increasing funding for the purchase of particular pieces of equipment and professional services which were unknown, or costs have increased since budget development. These include: replacement of obsolete Neopost machines, various HazMat training, supplies and protective equipment, EMS supplies and increased training costs, increased HR costs related to recruitments and Department of Industrial Relations user funding assessment, WEFIT expenditure increases, and costs to provide a set of turnouts to our level 1 reserves. These increased costs are offset by the removal of funding for Forward Looking Infrared cameras for Air Ops who decided not to pursue the purchase and installation of these cameras. **(\$229,511)**

Miscellaneous: This expenditure category includes miscellaneous increases to the budget for: Integrated Document Imaging Solution, Huey helicopter maintenance; various Information Technology licenses, software, equipment and contract increases; additional costs to update the Plymovent systems at all remaining fire stations, and Ops training. **\$943,171**

Expenditures with Revenue Offset: These expenditure items are completely offset by a corresponding revenue adjustment and include equipment rental expenditures associated with road grading completed through contract as well as costs to upgrade modems in our Zoll cardiac monitors. **\$57,089⁽¹⁾**

Interfund Borrowing: At the time of budget development, staff was in the process of analyzing if OCFA's cash flow needs could be 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 2018/19. The money is borrowed from the CIP funds and repaid with interest which is reflected as a cost to the General Fund. **\$651,310**

¹ This expenditure increase is cost neutral, offset by a corresponding revenue source

General Fund and CIP funds –and Budget Transfer Adjustments

- **Budgeted beginning fund balances:** As part of the annual mid-year adjustment, budgeted beginning fund balances will be adjusted in accordance with the FY 2017/18 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 2018/19.
- **General Fund Surplus Budget Transfer(s) to CIP Funds:** The most recent update to the Financial Stability Budget Policy allows for transfers of General Fund Surplus to the CIP funds at fiscal year onset to maintain positive fund balances in the CIP funds. This year the General Fund Surplus calculation at Mid-year does not allow for further transfers to the CIP funds nor additional payments to pay-down pension liability.
- **Fund 12110 – General Fund CIP:** An adjustment decreasing expenditures in the amount of \$1,745,000 is needed. The following project budgets are being adjusted to reflect the actual project expenditure timing in subsequent fiscal years: High Pressure Airbags; Fire Shelters; Fire Station (FS) Paging/Public Address system; RFOTC Admin Phone System Upgrade; Station Bathroom upgrades; FS 26 kitchen, flooring and bathroom remodel; Tarmac repairs at FS 41; Dormitory Privacy at FS 53; Dormitory privacy, training and kitchen remodel at FS 41; and bathroom modifications at FS 44.
- **Fund 123 – Fire Stations and Facilities:** The revenue budget in this fund will be adjusted by \$5,869 to reflect updated interest earnings. An adjustment decreasing expenditures in the amount of \$13,993,080 is needed. The following project budgets are being adjusted to reflect the actual project expenditure timing in subsequent fiscal years: Replacement of FS 9 and 10; RFOTC Training Grounds expansion/upgrade; FS 49 Apparatus Bay floor reconstruction; infrastructure security enhancements; and retrofit of existing station fire/life/safety systems.
- **Fund 124 – Communications and Information Systems:** The revenue budget in this fund will be adjusted by \$58,532 to reflect updated interest earnings. An adjustment decreasing expenditures in the amount of \$4,024,898 is needed. The following project budgets are being adjusted to reflect the actual project expenditure timing in subsequent fiscal years:

OCFA Enterprise Audio Video Upgrade; OCFA Disaster Recovery Co-Location Facility; Community Risk Reduction Automation – Integrated Fire Prevention replacement.

- **Fund 133 – Fire Apparatus:** An adjustment decreasing interest earnings in the amount of \$500,125 will be made in the fund. An adjustment decreasing expenditures in the amount of \$1,016,577 is needed as several vehicle purchases are being postponed.
- **Fund 171 – Structural Fire Fund Entitlement:** Interest earnings are being adjusted to reflect a \$12,860 increase in interest earnings.
- **Fund 190 – Self Insurance:** The revenue budget in this fund will be adjusted by \$168,987 to reflect updated interest earnings and receipt of insurance settlement. A decreased expenditure adjustment in the amount of \$4,377,037 is needed to match the cash flow timing of workers' compensation payments this fiscal year, per the updated workers' compensation actuarial. Note that this adjustment is not a change 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.

The attached Combined Budget Summary (Attachment 2) represents the total adjusted budget for the OCFA and details the revenue and expenditure budgets in each fund assuming these proposed adjustments are approved.

Attachment(s)

1. FY 2018/19 Mid-Year Budget Adjustments
2. Combined Budget Summary

FY 2018/19 Mid-Year Budget Adjustments

The following adjustments to the FY 2018/19 budget are requested:

General Fund (Fund 121)

Revenues: \$7,742,947 increase

Expenditures: \$9,148,229 increase

General Fund CIP (Fund 12110)

Expenditures: \$1,745,000 decrease

Fire Stations and Facilities Fund (Fund 123)

Revenues: \$5,869 increase

Expenditures - \$13,993,080 decrease

Communications and Information Systems Fund (Fund 124)

Revenues: \$58,532 increase

Expenditures: \$4,024,898 decrease

Fire Apparatus Fund (Fund 133)

Revenues: \$500,125 decrease

Expenditures: \$1,016,577 decrease

Structural Fire Fund Entitlement Fund (Fund 171)

Revenues: \$12,860 increase

Self-Insurance Fund (Fund 190)

Revenues: \$168,987 increase

Expenditures: \$4,377,037 decrease

**ORANGE COUNTY FIRE AUTHORITY
COMBINED BUDGET SUMMARY
FY 2018/19**

	121 General Fund	12110 General Fund CIP (1)	<u>CIP Funds</u>			<u>Other Funds</u>		Total
			123 Fire Stations & Facilities	124 Communications & Info. Systems	133 Fire Apparatus	171 SFF Entitlement	190 Self Insurance	
FUNDING SOURCES								
<i>Property Taxes</i>	260,369,047	-	-	-	-	-	-	260,369,047
<i>Intergovernmental</i>								
State Reimbursements	19,643,757	-	-	-	-	-	-	19,643,757
Federal Reimbursements	3,444,777	-	-	-	-	-	-	3,444,777
Community Redevelopment Pass-thru	12,323,410	-	-	-	-	-	-	12,323,410
<i>Charges for Current Services</i>								
Cash Contract Cities	100,414,324	-	-	-	1,446,217	-	-	101,860,541
HMS Revenue	-	-	-	-	-	-	-	-
Fees - Community Risk Reduction	6,925,735	-	-	-	-	-	-	6,925,735
Other Charges for Services	105,446	-	-	-	-	-	-	105,446
ALS Reimbursements, Supplies	3,929,330	-	-	-	-	-	-	3,929,330
Charges for Workers' Comp	-	-	-	-	-	-	17,366,238	17,366,238
<i>Use of Money and Property</i>								
Interest	1,036,063	-	536,925	195,302	356,327	28,285	1,735,554	3,888,456
<i>Other</i>								
Developer contributions	-	-	-	-	-	-	-	-
Miscellaneous	1,410,239	-	361,800	-	-	-	215,248	1,987,287
<i>Other Funding Sources</i>								
Total Revenues & Other Financing Sources	409,602,128	-	898,725	195,302	1,802,544	28,285	19,317,040	431,844,024
Operating Transfer In	-	3,928,761	-	150,000	2,000,000	-	-	6,078,761
Beginning Fund Balance	54,705,371	1,847,036	25,756,381	10,612,727	9,501,481	1,496,954	80,515,844	184,435,794
TOTAL AVAILABLE RESOURCES	\$464,307,499	\$5,775,797	\$26,655,106	\$10,958,029	\$13,304,025	\$1,525,239	\$99,832,884	\$622,358,579
EXPENDITURES								
Salaries & Emp Benefits	\$368,842,607	\$0	\$0	\$0	\$0	\$0	\$0	\$368,842,607
Services & Supplies	41,681,558	2,198,477	-	1,500,000	-	525,336	10,383,361	56,288,732
Capital Outlay/Equipment	2,828,233	1,509,000	2,073,562	5,166,290	9,835,792	-	-	21,412,877
Debt Service	-	-	-	-	1,265,862	-	-	1,265,862
Total Expenditures	\$413,352,398	\$3,707,477	\$2,073,562	\$6,666,290	\$11,101,654	\$525,336	\$10,383,361	\$447,810,078
Appropriation for Contingencies	-	-	-	-	-	-	-	-
Operating Transfer Out	6,078,761	-	-	-	-	-	-	6,078,761
Ending Fund Balance	44,876,340	2,068,320	24,581,544	4,291,739	2,202,371	999,903	89,449,523	168,469,740
TOTAL FUND COMMITMENTS & FUND BALANCE	\$464,307,499	\$5,775,797	\$26,655,106	\$10,958,029	\$13,304,025	\$1,525,239	\$99,832,884	\$622,358,579

(1) Project related budgets segregated for operational budget clarity purposes. As a sub-fund of the General Fund, revenues and expenditures are accounted for as the General Fund in the CAFR, however for cash-flow purposes the expenditures are tracked outside of the General Fund. Therefore 12110 requires cash-flow transfers in the same manner as the other CIP Funds.



Orange County Fire Authority
AGENDA STAFF REPORT

Board of Directors Meeting
March 28, 2019

Agenda Item No. 3B
Consent Calendar

**Award of Public Works Contract for
Modular Classrooms**

Contact(s) for Further Information

Jim Ruane, Assistant Chief
Logistics Department

jimruane@ocfa.org

714.573.6801

Patrick Bauer, Property Manager

patrickbauer@ocfa.org

714.573.6471

Summary

This agenda item seeks approval to award a contract for the purchase and installation of two (2) used/existing and reconditioned modular classrooms to Design Space Modular Buildings PNW, LP (Design Space), the only responsive and responsible bidder to public works bid RO2360.

Prior Board/Committee Action

On February 28, 2019, the Board of Directors approved the rejection of all bids submitted in response to Invitation for Bid (IFB) RO2348 for the purchase and installation of two (2) new modular classrooms and authorized staff to advertise and re-bid the project with an amended scope.

RECOMMENDED ACTION(S)

1. Accept the Design Space bid dated March 14, 2019.
2. Approve and authorize the Purchasing Manager to award the public works contract to Design Space in the amount of \$238,594.95, plus a 10% contingency amount of \$23,859 for a total amount not to exceed \$262,453.95.

Impact to Cities/County

Not Applicable.

Fiscal Impact

Funding for this contract is available in the existing FY 2018/19 Logistics Department, Property Management budget.

Background

The Property Management Department is responsible for the upgrade, maintenance, and repair of OCFA's 22-acre headquarters, 72 fire stations, US&R Warehouse and Air Operations Hangar. Due to increased training and recruitment activities, existing facilities are inadequate to keep up with the increased need for appropriate classroom training locations. Temporary classrooms are needed to accommodate the increased need for classroom space outside of normal capacity.

Issuing the IFB RO2360 for used, rather than new, modular classrooms has resulted in a cost savings of \$75,230.05 (24%). Prior IFB RO2348 for new modular classrooms brought in a low bid of \$313,825. After the Board's approval to reject all bids submitted in response to IFB RO2348, staff was able to issue IFB RO2360 which resulted in the low bid from Design Space at \$238,594.95. In addition to the cost savings, Design Space is able to meet our required time frames with the used and reconditioned modular classrooms.

Invitation for Bids Process

On March 1, 2019, IFB RO2360 was issued and sent to 275 vendors to solicit competitive bids for the purchase and installation of two used/existing modular classrooms to meet OCFA required timeframes. A mandatory job-walk was held on March 11, 2019, with six contractors attending.

On March 15, 2019, the bid due date, one bid was received from Design Space in the amount of \$238,594.95.

Additional research was completed by OCFA staff and to confirm responsiveness of the bid and qualifications of the apparent low-bidder, Design Space Modular Buildings, PNW, LP. A discussion took place with Design Space and OCFA staff after bid opening to confirm specifications, the scope of work, and the required installation date provided in the bid submittal.

OCFA Staff also verified the current California State License Board (CSLB) license statuses and registration with the Department of Industrial Relations (DIR) for the prime contractor and each subcontractor as follows:

Contractor/Subcontractor Name	CSLB License Number, Classification, and Expiration	DIR Registration Number
Design Space Modular Buildings	1048629, B, Exp: 1/31/21	1000064412
Quick-Deck, Inc.- Sub	1030653 C-61/D34, Exp: 9/30/2019	1000012715
HN Construction Services - Sub	597806, C47, B, Exp: 7/31/2020	1000029922

As a result of the additional research and meeting, qualifications of the apparent low bidder and its subcontractors for this project were confirmed and its bid was accepted.

Recommendation

Based on the results of the IFB, staff is recommending contract award to Design Space Modular Buildings, PNW, LP as the only responsive responsible bidder based on base bid in the amount of \$238,594.95, plus a 10% contingency amount of \$23,859 for a total not to exceed amount of \$262,453.95.

Attachment(s)

1. Invitation for Bid RO2360 and Addendum 2 (On file in the office of the Clerk)
2. Bid Submittal from Design Space Modular Buildings, PNW, LP
3. Proposed Construction Contract – Design Space



ORANGE COUNTY FIRE AUTHORITY INVITATION FOR INFORMAL BID

PURSUANT TO CALIFORNIA UNIFORM PUBLIC
CONSTRUCTION COST ACCOUNTING ACT (PCC22034)
FOR PROJECTS LESS THAN \$200,000

PURCHASE AND INSTALLATION OF USED/EXISTING MODULAR CLASSROOMS

DATE: March 1, 2019

IFB: RO2360

The Orange County Fire Authority (OCFA or Authority) will receive sealed bids from qualified contractors for the purchase and installation of used/existing modular classrooms at the OCFA Regional Fire Operations and Training Center (RFOTC) located at 1 Fire Authority Rd., Irvine, CA 92602.

Pursuant to SB854, no contractor or subcontractor may be awarded a bid for a public works project unless registered with the Department of Industrial Relations (DIR) per California Labor Code section 1725.5. This project is a public work and is subject to compliance monitoring and enforcement by the DIR.

Bids will be received no later than 11:00 A.M., Friday, March 15, 2019

Please provide one (1) original and two (2) copies of your bid submitted in a sealed envelope with the bid number, bidder's business name, and due date clearly indicated on the envelope. Bids must be delivered to Orange County Fire Authority, Purchasing Department, 1 Fire Authority Road, Building C, Irvine, CA 92602 on or before the time and date listed above, at which time and place bids will be publicly opened and read aloud. **Please allow time to hand deliver bids as Building C, where the Purchasing Department is located, is now locked and all visitors must check in at the front counter located in Building A.**

LATE BIDS WILL NOT BE ACCEPTED

A mandatory pre-bid meeting and job walk for prime contractors will be held on Thursday, March 7, 2019 at 10:00 a.m. at OCFA RFOTC located at 1 Fire Authority Rd., Irvine, CA 92602. Contractors are required to attend the entirety of the mandatory pre-bid meeting and job walk. Please RSVP to attend the pre-bid meeting through Planet Bids.

Required Contractors' License: B

Bid Security Required: 10% of the maximum amount of the Bid in the form of Bid Bond or Certified Check.

Bonds Required: Performance and Labor & Materials; each 100% (successful bidder)

If you have any questions, please contact Rothchild Ong, Assistant Purchasing Agent at (714) 573-6642 or via e-mail at: rothchildong@ocfa.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Rothchild Ong", is written over a horizontal line.

Rothchild Ong
Assistant Purchasing Agent

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SECTION I: INVITATION FOR BID

NOTICE IS HEREBY GIVEN that the Orange County Fire Authority (OCFA) will receive sealed bids for the public works construction project for the purchase and installation of used/existing modular classrooms at OCFA Regional Fire Operations and Training Center located at 1 Fire Authority Rd., Irvine, CA 92602.

Bid submittals must include the total cost for all labor, materials, equipment, supervision and notifications as required by the specifications, bid and contract documents for completion of the project as detailed in this Invitation for Bid.

The purpose of this project is for the purchase and installation of used/existing modular classrooms as specified to meet OCFA training and education requirements. This project is a public work.

Bids are to be delivered to the Orange County Fire Authority, Purchasing Section, 1 Fire Authority Road, Building C, Irvine, California 92602, no later than **11:00 A.M. on March 15, 2019**, at which time and place bids will be publicly opened and read aloud. Each bid shall be in accordance with the Invitation for Bids.

Pursuant to Public Contract Code Section 20171 a bid bond is required for 10% of the amount bid. Bids must be accompanied by a cashier's check payable to the Orange County Fire Authority or a bid bond issued by a corporate surety as a guarantee that the bidder will enter into proposed contract if same is awarded.

THE SIGNATURE (OF THE BIDDER) ON THE BID BOND MUST BE NOTARIZED.

The bid documents and drawings are available electronically without charge through the Orange County Fire Authority, Purchasing website. To obtain a copy of the bid documents go to <http://www.ocfa.org>, click on "Bids & Requests For Proposals" using the left navigation column and click on "Bid Opportunities". If your company is not currently registered, you will need to click on "register as a bidder."

Bidders are required to attend a **mandatory** pre-bid meeting and job walk for prime contractors to be held on **Thursday, March 7, 2019 at 10:00 a.m.** at 1 Fire Authority Rd., Irvine, CA 92602. ***Attendance at the pre-bid meeting is a condition to submit a bid.***

If you have any questions, please contact Rothchild Ong, Assistant Purchasing Agent at (714) 573-6642 or via e-mail at: rothchildong@ocfa.org.

SECTION II: INSTRUCTIONS TO BIDDERS

Please read these instructions carefully. If you do not submit a complete bid, OCFA may determine that your bid is non-responsive, in which case your bid will be rejected.

ADDENDA

The OCFA reserves the right to revise the bid documents prior to the bid opening date. Revisions, if any, shall be made by written addenda. Pursuant to Public Contract Code Section 4104.5, if OCFA issues an Addendum later than seventy-two (72) hours prior to the deadline for submission of bids, and the Addendum requires material changes, additions or deletions to the description of the work to be performed or the content, form or manner of submission of bids, OCFA will extend the deadline for submission of bids by at least seventy-two (72) hours. Otherwise, OCFA may determine, at its sole discretion, whether an Addendum requires that the date set for opening bids be postponed. Announcement of a new date, if any, will be made by Addenda. All bidders will be notified by e-mail when an addendum is posted to Planet Bids (OCFA's bid management system).

All Addenda issued before the time bids are due shall form part of the contract documents. It is the bidder's responsibility to be familiar with Addenda issued. OCFA will deem any bid that fails to acknowledge all Addenda to be non-responsive. Bidders must acknowledge the Addenda in writing on the form provided in the bid documents.

BASIS OF AWARD

The OCFA shall award the contract to the lowest responsive, responsible bidder as required by law. The OCFA reserves the right to reject any or all bids. At the time of contract award, the successful Bidder and subcontractors are required to hold the State of California Contractor's License(s) and DIR registration. The OCFA may reject any bid which, in its sole opinion, does not accurately reflect the cost to perform the work as compared to other bids received and/or to project estimates. In addition, because the OCFA may elect to include or exclude any of the bid items and alternate bid items (if applicable) at its sole and absolute discretion, each bidder must ensure that each bid item contains a proportionate share of profit, overhead and other costs or expenses which will be incurred by the bidder. The OCFA may deem any bid which unevenly weights or allocates costs, including but not limited to overhead and profit, to one or more particular bid items as non-responsive. No contract will be executed unless the bidder is licensed in accordance with the provisions of the State Business and Professions Code.

BID ACCEPTANCE PERIOD

The bidder shall guarantee the total bid price for one hundred eighty (180) working days after the bid opening.

BID DOCUMENTS & FORMS

Bid submittals are to be prepared using the bid forms which are included in the invitation for bid document. Bids shall be executed by an authorized signatory. Bidders are to fill in all blank spaces (insert "N/A" where the answer is not applicable). Bidders are to initial all delineations, alterations, or erasures on the bid forms. Deviations in the bid form may result in the bid being deemed non-responsive.

As a condition of bidding, and in accordance with the provisions of Section 20101 of the California Public Contract Code, prospective bidders are required to submit all the bid forms listed in the Bidder's Checklist. Failure to do so may result in the rejection of the bid.

BID OPENING

All the bids read aloud by the OCFA will be subject to further evaluation with respect to responsiveness of the bid and responsibility of the bidder.

BID PRICING

Bidders shall give itemized pricing and timeline in the schedule of values table for project completion. No aggregate bids will be considered. The bid must state the amount for which the bidder offers to supply all labor, materials, equipment, tools, transportation, services and applicable taxes to perform all work required by the contract documents. Bids shall not contain any conditions, limitations or provisions for the work to be done. Alternative bids will not be considered unless requested. The bidder shall set forth for each item of work, in clearly legible figures, a unit item price and a total for each item in the respective spaces provided. In case of a variation between the unit price and the totals shown by the bidder, the unit price will be considered to be the bid. In case of discrepancy between the numerical lump sum price and the written lump sum price, the total lump sum price stated in writing shall prevail.

BID PROTEST PROCEDURE

A bidder who has submitted a bid may file a "protest" of a contract award by submitting a request in writing to the Purchasing Manager. In order for a protest to be considered valid, the following stipulations must be met:

1. The appeal must be submitted in writing within five (5) calendar days after notice to award is issued.
2. The appeal must clearly specify in detail the grounds for the protest i.e. identify the violation of a specific State or Federal law.
3. The appeal must include all relevant and supporting documentation with the protest at the time of filing.

If the protest does not comply with each and every one of these stipulations, the appeal will be rejected as invalid. If the protest is valid, the Purchasing Manager will review the information provided, and provide a written response to the bidder.

CAMPAIGN CONTRIBUTIONS DISCLOSURE

In conformance with the statutory requirements of the State of California Government Code Section 84308, part of the Political Reform Act and Title 2, California Code of Regulations 18438 through 18438.8, regarding campaign contributions to members of appointed Boards of Directors, the Contractor is required to complete the Party and Participant Disclosure Forms provided in the appendix of this solicitation, if applicable. Bidder is required to submit only one copy of the completed form(s) as part of its bid submittal. The Contractor and subcontractors must complete the form entitled "Party Disclosure Form". Lobbyists or agents representing the Contractor in this bid must complete the form entitled "Participant Disclosure Form". Reporting of campaign contributions is a requirement from the bid submittal date up and until the OCFA Board of Directors takes action.

COMPLETION OF PROJECT

The work must be completed within 120 calendar days after the commencement date stated in the Notice to Proceed.

COMPLIANCE WITH LAWS

All bids shall comply with current and applicable federal, state, and local laws relative thereto.

CONTRACTORS LICENSING REQUIREMENTS

Contractor shall possess a valid California **B** or other appropriate Contractor's license at the time of bid submission, pursuant to California Public Contract Code Section 3300 and Business and Professions Code Section 7028.15. The successful bidder must maintain the license throughout the duration of this contract.

The prime contractor shall possess a valid California Contractor's license required for this project, at the time of submitting the bid. The bidder shall be licensed as a contractor in accordance with the provisions of California Business and Professions Code Chapter 9, Article 5 Licensing 7065-7077. The OCFA may deem any bidder who fails to possess the required license to be non-responsive.

Pursuant to Section 7028.15 of the Business and Professions Code and Section 3300 of the Public Contract Code, all bidders must possess proper licenses for performance of this contract at the time of bid submission. Subcontractors must possess the appropriate licenses for each specialty subcontracted. Pursuant to Section 7028.5 of the Business and Professions Code, the OCFA shall consider any bid submitted by a contractor not currently licensed in accordance with California law and pursuant to the requirements found in the bid documents to be nonresponsive, and the OCFA shall reject the bid. The OCFA shall have the right to request evidence of all valid license(s) currently held by the bidder and each of the subcontractors listed in the bid before awarding the contract. Bidders shall provide evidence of valid licenses satisfactory to the OCFA within five (5) calendar days. Please also note that, pursuant to Public Contract Code Section 20676, sellers of "mined material" must be on an approved list of sellers published pursuant to Public Resources Code Section 2717(b) in order to supply mined material for this contract.

SB854 DEPARTMENT OF INDUSTRIAL RELATIONS REGISTRATION

No contractor or subcontractor may be listed on a bid offer for a public works project submitted on or after March 1, 2015 unless registered with the Department of Industrial Relations pursuant to Labor Code Section 1725.5, with limited exceptions from this requirement for bid purposes only under Labor Code Section 1771.1(a). No contractor or subcontractor may be awarded a contract for public work, or engage in the performance of any public works project awarded on or after April 1, 2015 unless registered with the Department of Industrial relations pursuant to Labor Code Section 1725.5. This contract is subject to compliance monitoring and enforcement by the Department of Industrial Relations. Listed subcontractors must be registered with the Department of Industrial Relations website. Pursuant to SB854, the DIR registration number of each subcontractor must be identified and failure to identify this number could categorize your bid as non-responsive. In addition, OCFA reports all public works contracts to the DIR within 5 days of the contract award date.

In accordance with Section 1773.2 of the California Labor Code, the contractor shall post a copy of the determination of prevailing rate of wages at each job site.

Travel and subsistence payments to each workman needed to execute the work shall be made as such travel and subsistence payments are defined in the applicable collective bargaining agreements filed in accordance with Section 1773.8 of the Labor Code.

The OCFA will not recognize any claim for additional compensation because of the payment by the contractor of any wage rate in excess of the prevailing wage rate set forth in the contract. The possibility of wage increases is one of the elements to be considered by the contractor in determining the bid, and will not under any circumstances be considered as the basis of a claim against the OCFA on the contract.

DEBARMENT OF CONTRACTORS

In accordance with the provisions of the Labor Code, contractors or subcontractors may not perform work on a public works project with a subcontractor who is ineligible to perform work on a public project pursuant to Section 1777.1 or Section 1777.7 of the Labor Code and Federal “Excluded Parties List System”. Any contract on a public works project entered into between a contractor and a debarred subcontractor is void as a matter of law. A debarred subcontractor may not receive any public money for performing work as a subcontractor on a public works contract. Any public money that is paid to a debarred subcontractor by the contractor for the Project shall be returned to the OCFA. The contractor shall be responsible for the payment of wages to workers of a debarred subcontractor who has been allowed to work on the Project. In order to prohibit the procurement of any goods or services ultimately funded by Federal awards from debarred, suspended or otherwise excluded parties, each Contractor will be screened at the time of bid response to ensure the Contractor, its principal and their named subcontractors are not debarred, suspended or otherwise excluded by the United States Government in compliance with the requirements of 2 Code of Federal Regulations (CFR) 200.12 7 Code of Federal Regulations (CFR) 3016.35, 28 CFR 66.35, 29 CFR 97.35, 34 CFR 80.35, 45 CFR 92.35 and Executive Order 12549.

DESIGNATION OF SUBCONTRACTORS

Pursuant to State law, the bidder must designate the name and location of each subcontractor who will perform work or render services for the prime bidder in an amount that exceeds one-half of one percent (.5%) of the bidder’s total bid amount, as well as the portion of work each such subcontractor will perform at the time the bid is submitted. Pursuant to Public Contract Code Section 4104, the OCFA has not implemented 3(A) which would allow bidders an additional twenty-four (24) hours (after the deadline for submission of bids) to submit the information about each subcontractor.

DISQUALIFICATION OF BIDDERS

No bidder shall be allowed to make, submit or be interested in more than one bid. No person, firm, corporation, or other entity may submit a sub-proposal to a bidder, or quote prices of materials to a bidder when also submitting as a prime on the same project.

EQUAL EMPLOYMENT OPPORTUNITY

The Orange County Fire Authority is an equal opportunity employer and requires all Bidders to comply with policies and regulations concerning equal employment opportunity.

EXECUTION OF CONTRACT

As required herein the bidder to whom an award is made shall execute the contract in the amount determined by the bid documents. The OCFA may require appropriate evidence that the persons executing the contract are duly empowered to do so.

INSPECTION OF SITE/MANDATORY PRE-BID MEETING

Each prospective bidder is responsible for becoming familiar with the conditions of the project site as well as those relating to the construction and labor of the project, to fully understand the facilities, conditions, difficulties and restrictions which may impact the completion of the project. Attendance by a representative of each prospective bidder at the mandatory pre-bid meeting as stated in the bid is required. Any bid received by a contractor not represented at the mandatory pre-bid conference will be rejected and deemed non-responsive.

INDEMNIFICATION

Bidder shall protect and indemnify the OCFA, the Board of Directors, and all of its or their officers, agents and servants against any claim or liability arising from or based on Bidder's violation of any existing or future state, federal, and local laws, ordinances, regulations, orders or decrees pertaining to Bidder's submittal.

Bidder agrees to protect, defend, indemnify, save and hold harmless the OCFA and its officers, officials, employees and volunteers from any and all claims, liabilities, expenses, or damages of any nature, including attorney fees, for injury to or death of any person (Bidder's employees included), and for injury to any property, including consequential damages of any nature resulting therefrom, arising out of or in any way connected with the performance of this contract, except that the indemnity obligation of Bidder shall be reduced by an amount proportional to the active negligence of the OCFA, if any.

Bidder shall comply with all of the provisions of the workers' compensation insurance laws and safety in employment laws of the State of California, including the applicable provisions of Divisions 4 and 56 of the California Labor Code and all amendments thereto and regulations promulgated pursuant thereto, and all similar state, federal, or local laws applicable; and contractor shall indemnify and hold harmless the OCFA from and against all claims, liabilities, expenses, damages, suits, actions, proceedings and judgments, of every nature and description, including attorney fees, that may be presented, brought or recovered against the OCFA for or on account of any liability under or failure to comply with any of said laws which may be incurred by reason of any work performed under this contract by Bidder or any subcontractor or others performing on behalf of Bidder.

The OCFA does not and shall not waive any rights against Bidder which it may have by reason of the above hold harmless agreements, because of the acceptance by the OCFA or the deposit with the OCFA by contractor of any or all of the required insurance policies.

The Bidder's hold harmless agreement shall apply to all liabilities, expenses, claims, and damages of every kind (including but not limited to attorney fees) incurred or alleged to have been incurred, by reason of the operations of Bidder or any subcontractor or others performing on behalf of Bidder whether or not such insurance policies are applicable.

Bidder shall require any and all subcontractors to afford the same degree of indemnification to the OCFA and its elected and appointed boards, officers, agents, and employees that is required of Bidder(s) and shall incorporate identical indemnity provisions in all contracts between Bidder and his/her subcontractors.

In the event that Bidder and the OCFA are sued by a third party for damages caused or allegedly caused by negligent or other wrongful conduct of Bidder, or by a dangerous condition of the OCFA's property created by Bidder or existing while the property was under the control of Bidder, the Bidder shall not be relieved of its indemnity obligation to the OCFA by any settlement with any such third party unless that settlement includes a full release and dismissal of all claims by the third party against the OCFA.

INSURANCE

The successful bidder shall procure the insurance in the form and in the amount specified in the bid documents. Failure to do so may result in forfeiture of the bid guarantee. No time extensions or extra payments shall be made to contractor for delays it may encounter in obtaining such coverage. Coverage shall be provided by admitted insurers with an A.M. Best's rating of no less than A-VII, licensed to do business in California, and otherwise satisfactory to OCFA. OCFA shall not be liable for any costs or expenses incurred by any bidder in preparation or submission of bids in connection with meeting the requirements of this Section in the event OCFA chooses not to award the contract, or in the event OCFA awards the contract to another as permitted by law.

Contractor shall not commence work under this contract until he/she has obtained all insurance required under this section, including any and all endorsements, and the insurance has been approved by the OCFA as to form, amount, and carrier, nor shall Contractor allow any subcontractor to commence any work until all similar insurance required of the subcontractor has been obtained and approved. Neither the failure of Contractor to supply specified insurance policies and coverage, nor the failure of the OCFA to approve same shall alter or invalidate the provisions of this contract. The Contractor agrees to:

1. Obtain insurance coverage of the type and amount required and keep such insurance coverage in force throughout the life of this contract and as required by written contract. All policies will contain an endorsement providing that written notice of termination, cancellation or policy changes will be delivered in accordance with the policy provisions.
2. The comprehensive general liability insurance will include the OCFA as an additional insured with respect to liability arising out of the performance of this contract. Comprehensive automobile liability insurance is also required. The Contractor agrees that the insurance hereunder will be primary and that any insurance carried by the OCFA will be excess and not contributing.
3. Provide and maintain minimum insurance limits as applicable.

Contractor will present to the OCFA written evidence (Certificates of Insurance and the Additional Insured Endorsement) of compliance with Items 1, 2 and 3 above. Said evidence shall be to the OCFA's Risk Management satisfaction.

INSURANCE - WORKERS' COMPENSATION INSURANCE

Contractor shall obtain and maintain during the life of this contract workers' compensation insurance and, if any work is sublet, Contractor shall require all subcontractors to obtain workers' compensation insurance. Workers' Compensation must have a limit of at least \$1,000,000 each accident/\$1,000,000 each employee for disease. A Waiver of Subrogation is required.

All workers' compensation insurance policies shall provide that the insurance must notify OCFA of cancellation or changes in the policy and notice will be delivered in accordance with the policy provisions.

Contractor is aware of the provision of Section 3700 of the Labor Code, which requires every employer to be insured against liability for Workman's Compensation or undertake self-insurance in accordance with the provisions of that Code, and will comply, with such provisions before commencing the performance of the work of this contract.

INSURANCE - LIABILITY INSURANCE COVERAGE

Contractor shall obtain and maintain during the life of this contract the following insurance coverage:

1. General Liability including operations, products and completed operations with a limit of \$5,000,000, per occurrence for bodily injury, personal injury and property damage/\$5,000,000 aggregate. If commercial general liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the project or the general aggregate limit shall be twice the required occurrence limit. For those businesses that are self-insured, a written declaration by the principal of the business should be provided.
2. Automobile liability, including owned, hired, and non-owned vehicles with a limit of \$1,000,000 each accident; \$1,000,000 uninsured motorist.
3. Builder's risk covered under all risk basis; completed value of the project without co-insurance penalty provided.

Coverage for commercial general liability and automobile liability insurance shall be at least as broad as the following:

RO2360 – Purchase and Installation of Used/Existing Modular Classrooms

1. Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG0001)
2. Insurance Service Office (ISO) Business Auto Coverage (Form CA 0001) covering any auto.

Coverage shall be provided by admitted insurers with an A.M. Best's Key Rating of at least A-VII.

Endorsements to the policies providing the above insurance shall be obtained by Contractor, adding the following three provisions:

1. Additional Insured (for commercial general liability only)

"OCFA, its officers, officials, employees, and volunteers are to be covered as additional insured with respect to the subject project and agreement."

2. Other Insurance

"Any other insurance maintained by the Orange County Fire Authority shall be excess and not contributing with the insurance provided by this policy."

All insurance carriers utilized by the Contractor or any subcontractor under this contract shall be approved by the California Department of Insurance to transact business in the State of California. The types of services provided under this contract may further require Contractor's insurance carrier(s) to be admitted insurers in the State of California.

INTERPRETATION OF BID DOCUMENTS

Discrepancies in, and/or omissions from the Specifications or other bid documents or questions as to their meaning shall be immediately brought to the attention of the Purchasing Manager by submission of a written request for interpretation or correction.

Any interpretation of the bid documents will be made only by addendum duly issued electronically to each bidder registered on the prospective bidder's list. The OCFA will not be responsible for any explanations or interpretations provided in any other manner. No person is authorized to make any oral interpretation of any provision in the bid documents to any bidder, and no bidder should rely on any such oral interpretation.

LIQUIDATED DAMAGES

Contractor agrees that if such work is not completed within the aforementioned period and/or pursuant to any such completion schedule, construction schedule or project milestones developed pursuant to provisions of the contract, it is understood, acknowledged and agreed that OCFA will suffer damage. Pursuant to Government Code Section 53069.85, contractor shall pay OCFA liquidated damages in the sum of five hundred (\$500) per day for each calendar day occurring after the scheduled completion date that the contractor fails to achieve contract completion.

MODIFICATIONS OF BIDS

Each bidder shall submit its bid in strict conformity with the requirements of the bid documents. Unauthorized additions, modifications, revisions, conditions, limitations, exclusions or provisions attached to a bid may render it non-responsive and may cause its rejection. Bidders shall not delete, modify, supplement printed matter on the bid forms, or make substitutions thereon. ORAL, TELEPHONIC, FACSIMILE, AND ELECTRONIC BIDS OR MODIFICATIONS WILL NOT BE CONSIDERED.

NON-COLLUSION AFFIDAVIT

Bidder shall declare that the only persons or parties interested in the proposal as principals are those named therein; that no officer, agent, or employee of the OCFA is personally interested, directly or

indirectly, in the proposal; that the proposal is made without connection to any other individual, firm, or corporation making a bid for the same work; and that the proposal is in all respects fair and without collusion or fraud. The Non-Collusion Affidavit shall be executed and submitted with the proposal.

NON-DISCRIMINATION

Contractor covenants that, by and for itself, its successors, and assigns, including its subcontractors and suppliers, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, gender, marital status, national origin, sexual orientation, or ancestry in the performance of this contract. Contractor shall take steps to ensure that applicants for any job and employees are treated without regard to their race, color, creed, religion, gender, marital status, national origin, sexual orientation, or ancestry in full compliance with applicable federal, state, and local laws and regulations.

Contractor shall not engage in, nor permit its agents, including its subcontractors and suppliers, to engage in discrimination in employment of persons or provision of services or supplies, on the grounds of race, color, creed, religion, gender, marital status, national origin, sexual orientation, or ancestry. Contractor, and contractor's subcontractors and suppliers, shall employ fair employment practices with regard to all employees and all applicants for employment and shall act in accordance with all applicable federal, state, and local laws and regulations relating to such fair employment practices.

In furtherance of such obligation, contractor agrees that contractor, subcontractors, and suppliers shall not discriminate in employment and/or provision of services under this contract and all employment practices shall be without regard to a person's race, color, creed, religion, gender, national origin, age, ancestry, physical handicap, medical condition, marital status, all in accordance with applicable federal, state, and local laws or regulations.

Fair employment practices shall include, but not be limited to, employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rate of pay or other form of compensation and selection for training including apprenticeship.

In the performance of the terms of the bid documents, contractor agrees that contractor will not engage in nor permit such subcontractors as contractor may employ to engage in discrimination against any employee or applicant for employment on the basis of race, sex, color, religion, ancestry, national origin, marital status, age or as an otherwise qualified handicapped individual. This prohibition shall pertain to employment, upgrading, demotion, or transfer, recruitment advertising, layoff or termination, rates of pay and other forms of compensation, selection for training, including apprenticeship, and any other action or inaction pertaining to employment matters.

NON-DISCRIMINATION AFFIDAVIT

Labor Code Section 1735 requires that no discrimination be made in the employment of persons upon public works because of race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, or sex of such persons, except as provided in Government Code Section 12940. Bidder shall declare that it does not discriminate in its employment with regard to such factors. The Non-Discrimination Affidavit (on enclosed form) shall be executed and submitted with the proposal.

PREVAILING WAGE

This project is a public work in the State of California, funded in whole or in part with public funds. Therefore, the higher of the two prevailing wage rates, federal or state, will be enforced. The work is subject to the payment of not less than prevailing wages under Labor Code Section 1770 et seq. Contractor agrees to comply with all related provisions of the Labor Code, including but not limited to,

RO2360 – Purchase and Installation of Used/Existing Modular Classrooms

the provisions of Labor Code Section 1775 relating to payment of prevailing wages, Section 1777.5 relating to employment of apprentices and Section 1811-1813 relating to the payment of overtime. Failure to comply with the proper prevailing wage requirements may result in penalty of up to \$200 per day per worker. Failure to comply with apprenticeship requirements may result in penalty of \$100-\$300 for each calendar day of violation. Failure to pay proper overtime rate may result in a penalty of \$25 per day per worker. Bidders are hereby notified that the Director of Industrial Relations has ascertained the general prevailing rate of per diem wages and the rates for overtime and holiday work in the locality in which the work is to be performed for each craft, classification or type of worker needed to perform the work under the contract which will be awarded to the successful bidder.

This information is available at the Department of Industrial Relations website: <http://www.dir.ca.gov/oprl/DPreWageDetermination.htm>. Bidders are further notified that this project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. Further information on Compliance Monitoring Unit requirements can be found at: <https://www.dir.ca.gov/Public-Works/PublicWorksEnforcement.html>.

QUESTIONS AND COMMENTS

Questions and comments regarding this solicitation must be submitted in writing, no later than five (5) days before the Submittal Deadline.

REJECTION OF BIDS

The OCFA reserves the right to reject any or all bids or waive any irregularity in any one or all bids received.

SIGNATURE AUTHORITY

All bids submitted shall be executed by the bidder or its authorized representative. Bidders may be asked to provide evidence in the form of an authenticated resolution of its Board of Directors or Power of Attorney as proof of the capacity of the person signing the bid to bind the bidder to the bid and any contract formed as a result. If a bidder is a joint venture or partnership, all parties must submit proof of authorization. All parties shall be jointly liable for any and all of the duties and obligations the bidder assumed by participating in the bid and any contract awarded therefrom and the bid shall be executed on behalf of the joint venture or partnership in its legal name.

SUBSTITUTION OF SECURITY

Pursuant to Public Contract Code Section 22300, the Contractor shall be permitted to substitute securities for any monies withheld by the OCFA to ensure performance under this Contract at the request and expense of the Contractor if he/she chooses to do so.

WITHDRAWAL OF BID

Bids may be withdrawn in writing prior to the time specified in the invitation for bid. Telephonic or oral withdrawals will not be considered.

WORKERS' COMPENSATION CERTIFICATION FORM

Each bidder shall submit the Contractor's Certificate Regarding Workers' Compensation form. Section 3700 of the State Labor Code requires that every employer shall secure the payment compensation by either being insured against liability to pay compensation with one or more insurers or by securing a certificate of consent to self-insure from the State Director of Industrial Relations.

SUCCESSFUL BIDDER RESPONSIBILITY

The apparent successful bidder should begin to prepare the following documents: (1) A Performance Bond and the Payment (Labor and Materials) Bond; and (2) the required insurance certificates with required endorsements.

Once the OCFA notifies the bidder of the intent to award, the apparent successful bidder will have ten (10) calendar days to execute the contract, provide all required bonds, and other required and pertinent documentation. Notice to proceed begins ten (10) calendar days from the date of the contract and the date the purchase order is issued.

The successful contractor or any designated subcontractors shall not perform any work on the project prior to attending the pre-construction conference and executing the appropriate certification.

BOND REQUIREMENTS (SUCCESSFUL BIDDER): A 100% Labor, Materials and Payment Bond and a 100% Faithful Performance Bond may be required from the successful bidder prior to the execution of the contract. These bonds shall be in the form and the amounts set forth in the contract documents.

PAYMENT (LABOR AND MATERIALS) AND PERFORMANCE BOND

Within the time specified in the bid documents, the bidder to whom a contract is awarded shall deliver to the OCFA, a Payment (Labor and Materials) Bond, in an amount equal to one hundred (100%) of the total bid amount and a 100% Faithful Performance Bond in a form supplied by the OCFA included in the bid documents. The surety supplying the bond must be an admitted surety insurer, as defined in Code of Civil Procedure Section 995.120, authorized to do business as such in the State of California and satisfactory to the OCFA.

SECTION III: SPECIFICATIONS/SCOPE OF WORK

OCFA requires the services of a contractor to provide and install State approved used/existing modular classrooms for training use at the OCFA RFOTC located at 1 Fire Authority Rd., Irvine, CA 92602.

The scope of this IFB includes the procurement, installation, and warranty of used/existing modular classrooms as specified.

The following specifications provide the bidder with the structural and installation requirements for the modular classrooms as requested by OCFA. The intent of the specifications is to provide relevant information that allows the Bidder to bid the labor, supervision, tools, materials, and miscellaneous hardware and consumables to install complete, structurally sound, and functional modular classrooms.

1.00 Modular Classroom Specifications

1. General Description:

The selected vendor/contractor shall adhere to all of the following specifications for each modular classroom:

- a) Style: Portable classroom in compliance with the Department of Housing and Community Development Division of Codes and Standards and approved by the Department of the State Architect and Office of the State Fire Marshal.
- b) Length: Approximately 40 feet
- c) Width: Approximately 24 feet
- d) Age: No older than 10 years of age

2. Exterior Features:

- a) Wood siding with trim
- b) Galvanized metal roof
- c) Gutters and downspouts
- d) ADA-accessible ramp
- e) Dual pane windows

3. Interior Features:

- a) 4" vinyl cove base
- b) 2' x 4' T-grid suspended ceilings
- c) Tackable interior wall covering
- d) Fire extinguisher
- e) Carpet tiles

4. Electrical Features

- a) Recessed fluorescent lighting
- b) 100 Amp, 240V single phase panel box
- c) Exterior lighting with independent switch
- d) Empty conduit boxes for pull station and fire

5. Heating and Air Conditioning

- a) HVAC system
- b) Ducted air distribution
- c) Roof, exterior wall, and subfloor insulation
- d) Programmable electronic thermostat
- e) Classroom Ventilators

6. Seismic Requirements

- a) State-approved seismic tie-downs are required

7. ADA Requirements

- a) ADA approved ramps are required at entries/exits

1.01 Scope of Work

1. General:

- a) Perform all services according to all applicable promulgated legal requirements including without limitation: Federal, State of California, local, and OCFA requirements. In submitting a bid, bidder acknowledges that they are self-informed regarding all legal requirements.
- b) Minimize noise, dust, and debris during work to avoid unnecessary disturbances to nearby residents.
- c) Perform work Monday through Friday, from 7:00 AM to 5:00 PM.
- d) Contractor shall be responsible for taking accurate measurements and determining the precise requirements to complete all work as described herein. Field verify location and configuration of connection points to existing infrastructure.

2. Deliverables:

- a) Provide, as may be requested by OCFA, all product related information including catalog cuts indicating materials, proposed diagrams, samples, etc. Include any certifications confirming that the proposed structure has been inspected by the HCD, certified hygienist or any other party showing that the structure is available and is ready to use once installed.
- b) Prior to ordering materials, provide diagrams of the layout of the proposed structure and provide engineered drawings for approval.
- c) Provide three sets of stamped engineered drawings as required.
- d) Provide the manufacturer's standard warranty for the specified product.
- e) Provide, at minimum, a one-year warranty for installation work.

3. Preparation:

- a) Notify OCFA of any variations between the OCFA plans, specifications, and jobsite at least 5 calendar days prior to beginning any work.
- b) Ensure that all required material, tools, equipment, and labor is accounted for prior to arrival at jobsite.
- c) Set up all necessary signs, barricades, cones, tape, etc. to safeguard the work area.
- d) Protect all property and items in the work area from any damage in place. Repair any damages caused by contractor's work within 24 hours of occurrence.

4. Drawings:

- a) Available drawings, photos, and diagrams are provided on the online bidding system as downloadable PDF attachments.
- b) A preliminary site map, sample structural and foundation drawings and specifications are also provided as a reference.

- c) **No additional drawings are provided with this IFB.**
- d) The awarded vendor is responsible for developing any additional required drawings for the successful completion of this project.

Drawings, photos, diagrams, and instructional guide provided are provided as reference only and in no way limits suppliers from submitting equal to or better products. Bids for specified and alternative products will be considered for this solicitation. If providing alternative products, provide information including manufacturer, part numbers, and additional specifications for comparison. OCFA reserves the sole right to inspect and determine if the offered product meets required specifications, condition, and quality prior to contract award.

Substitutions:

1. Whenever possible throughout the specifications, the minimum acceptable quality workmanship and materials have been defined by manufacturer name and product designation, referenced to recognize industry and government standards, and/or description of required attributes and performance.
2. These specifications have been prepared on the basis that only certain material standards are permitted for this project. The intent is not to limit competition but to allow for only those product standards that have previously been performed and found to be acceptable.
3. To ensure that the specific products are furnished and installed in accordance with design intent, the following procedures have been established for advance submittal of products and design data and for their review by the owner.
4. In the event substitutions become necessary, the Contractor must submit product data sheets and other complete manufacturer's literature on both the original product specified and the proposed product substitute. These must be submitted in advance of the bid for consideration.
5. In order to qualify for acceptance, all products submitted for substitution must be determined as equal to, or better than, the original products specified. The submittal data required above must clearly identify the physical and performance characteristics of both the original and proposed product for substitution.
6. Approval in writing by OCFA prior to bid opening is the only basis for substitution. Failure to receive written approval may be grounds for rejecting Bid Proposal.
7. OCFA reserves the sole right to make the final decision of acceptability of the proposed product and/or any substitution(s).
8. Any substitute products, which are used on this project without prior written approval, may be cause for rejection of the work. Any such work incorporating non-approved substitutions must be removed and replaced with the original specified or other prior approved materials by the Contractor without additional costs to the OCFA.

Materials Delivery/Storage:

1. Liquid materials such as adhesives, thinners and cleaners must be stored in areas away from sparks, open flames, and excessive heat. Positively **NO SMOKING OR OPEN FLAME** permitted in the area where solvents, adhesives, thinners or welding agents are present or being used. Caution shall be exercised at all times when working with solvent-type materials within the limitations described by the Manufacturers. Specific approval shall be obtained prior to storage of flammable materials. Refer to safety data sheets and OSHA requirements.

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2. Deliver all system materials in original Manufacturer labeled packages, where applicable. All products shall bear proper AAMA, ANSI labels. Materials shall be clean, dry, and free from damage and stored on pallets over primary framing. Do not overload structure.
3. Do not load or permit any part of a structure to be loaded with a weight that shall endanger its safety or cause damage. Confine equipment, storage of materials and debris, and the operations and movements of workers within the limits as indicated or as directed by the Owner. Load over primary framing only.
4. Storage of materials should not block any entranceways. Access to the building will be verified and coordinated with the Owner.
5. Contractor must take every precaution to prevent interior leakage, materials falling into the interior, or other such occurrences. Installation of materials shall be accomplished in such a manner that material drippage does not occur.
6. Any wet, damaged, or defective material shall be marked and removed from the job site by Contractor as soon as discovered. This material shall be promptly replaced at no cost to the Owner.
7. Verify that all materials are protected before, during, and after arrival at the job site. Verify that all materials have been adequately protected from moisture damage while in transit.
8. Any existing materials that are to be salvaged for reuse shall be removed carefully and stored in a manner and location to prevent damage until utilized.

Workmanship:

1. Perform work under conditions best suited to the production of acceptable work.
2. All work will be subject to approval by the OCFA. Correct all work that does not comply with the intent of the specification.
3. Protect all adjacent areas, landscaping, and surfaces from damage from construction and preparation work (i.e. automobiles, sidewalks, concrete, plants, and furniture).
4. Ensure that any items not to be coated or painted on and around the working areas are removed/protected before work is started and replace/uncovered when work in that area is completed.
5. Noise control: Coordinate with the OCFA before using noisy, motorized equipment.
6. Immediately clean up all accidental spatters, spillage and misplaced material and restore the affected surface to its original condition.
7. Provide a clean and liability-free work area.
8. The contractor shall take all necessary steps to protect the public and all property concerned.

Awarded Contractor's Responsibilities:

General:

1. Contractor shall possess/maintain, on site, a copy of specifications, SDS sheets, related documents, all pertinent drawings, and any addendum information. OCFA will designate area for posting.
2. The presence of an OCFA representative is not to relieve Contractor of his quality assurance, but to examine it. Nothing contained herein or in other related documents implies, creates, or represents any contractual agreement or obligation between the OCFA and Contractor.
3. OCFA may monitor various phases of the work and provide written reports for each day's work, indicating compliance with, or deviation from, contract documents. Corrective action for any deviation shall be accomplished in a manner prescribed by and acceptable to, the OCFA, at no cost to the OCFA, prior to commencing day's work.
4. Project quality control is the Contractor's responsibility and obligation. Nothing contained herein or stated shall imply any obligation by the OCFA to Contractor by performing such field observation, nor shall field observation relieve Contractor of any responsibility under the terms of the contract.
5. The Contractor shall comply with Project and Contract Documents. Manufacturer's requirements, industry practices, Codes; whichever is most stringent. Failure to do so is cause for rejection of the work at no cost to OCFA.

Protection of Building, Grounds and Occupants:

1. Contractor must protect the building and the contents of the building from all risks resulting from the work.
2. Contractor must be sufficiently prepared to expediently install to temporarily protect areas left open in the event of rain, wind and other inclement weather.
3. Contractor must repair any damage that results from the work of this contract to OCFA's satisfaction. Clean all floors, walls, walkways and other surfaces from adhesive and other stains, and protect all paving, landscaping and other site work from damage. Restore to original condition at no cost to Owner.
4. Contractor must build and maintain barriers as are necessary for the protection of persons and property passing by or below the construction site. All barriers, etc. for this purpose shall comply with all Federal, State and City ordinances.
5. Contractor must protect building personnel, contents and grounds during the process of the work. Protect all paving, roofing and buildings prior to starting work. Windows, doorways, docks, walkways, etc. may require special protection measures.
6. The Contractor shall prevent access by the public to materials, tools, or equipment. OCFA assumes no liability or responsibility whatsoever for any, damage, theft, or other acts which occur to the Contractor's material or equipment as a result of their negligence.

Coordination of Work:

1. The Contractor is responsible to properly, appropriately, and adequately coordinate and supervise the project.
2. No one shall assume or interpret that only manufacturer minimum requirements are followed. No reduction in scope of work is allowable due to statements made by any party without going through the proper change order process. The final decision shall be that of the OCFA based on further consultation and/or consideration. Manufacturer requirements, Codes, industry practice, or construction documents; whichever is more stringent, shall prevail.
3. Contractor must maintain a full-time supervisor/foreman on the job site during times that re-cover work is in progress. This person must have a minimum of five (5) years experience in work similar in nature and scope to specified window wall. The same person must continue on the project through final acceptance, unless the person's performance on the project is not acceptably adequate or impedes project productivity.
4. Contractor must coordinate the commencement of all work with OCFA so as not to cause inconvenience to the facility. Site will be available to Contractor upon receipt of the OCFA's written notice to proceed, unless otherwise indicated in these specifications. Care, custody, and control of the site work area, equipment area, and material storage area are vested in the Contractor during the term of operations under the contract. Work hours are determined by OCFA.
5. Entrances or exits to or from buildings must not be blocked for any reason. Fire protection and immediate access for fire-fighting equipment must be maintained at all times. Equipment and material storage areas are limited to those designated. Fencing of ground work area may be required to keep unauthorized personnel out of the area.
6. Contractor must post notices in conspicuous places (garage doors, front doors, etc.) at least three to five days in advance warning occupants what date work will begin.
7. Work must begin within 2 weeks of authorization to proceed and per the OCFA schedule and instructions from the Project Manager. Complete all work within 120 calendar days.
8. Work hours are 7am until 5pm. Monday thru Friday unless otherwise stated.

Safety:

1. No means or methods shall be utilized in this contract that jeopardize safety to employees, the public or to the property. Contractor shall hold harmless and defend OCFA and its Representative(s) for any violations, claims, or citations.
2. Contractor must strictly comply with Federal OSHA or State OSHA or Owner Requisites, whichever has the strictest requirements or regulations. Contractor shall have and submit a written Safety Program.
3. Contractor must provide for employee and public protection and be responsible for the erection, maintenance, supervision and dismantling of such safety compliances.
4. Contractors must check with the local Fire Marshal and confirm and comply with all requirements pertinent to this project or as indicated herein.

5. No torches, flame, or anything that can cause combustion shall be used where the possibility of combustion exists.

Clean Up:

1. During the progress of this work, promptly remove any spills onto the exposed finished surfaces and do not allow the accumulation of scrap and debris resulting from the work. Upon completion of the work, remove all excess materials from the job site. All clean-up work must be performed to the satisfaction of the OCFA at the sole expense of the Contractor and restoration.
2. Prior to final acceptance, the Contractor must restore all areas affected by his work to their original state of cleanliness and repair all damage done to the premises, including the grounds, by his workmen and equipment.

Disposal of Materials:

1. All materials to be disposed of shall be loaded directly into trucks by means of approved methods that will prevent damage to existing or new surfaces and to control pollution. No “freefall” of material is allowed.
2. Dispose of all debris in a legal manner off the site. Safely direct debris to trucks or approved containers on the ground.
3. No accumulation of materials to be disposed of will be permitted at any time. The Contractor is responsible for prompt removal from the site and disposal in a manner accepted by the local authorities. This shall include any required precautions or requirements related to disposal of hazardous or potentially hazardous materials.
4. No areas shall be overloaded with debris that might cause damage or create a safety problem.

Damage and Restoration:

1. Damage to materials, finishes, or structure caused by materials, movement of equipment or other operation related or associated with this project shall be re-stored or replaced as specified or directed by the OCFA, at no additional cost to OCFA.
2. Restoration must be equal to the original look, and finishes shall match the appearance of adjacent surfaces.
3. The Contractor must return all improvements on or about the property, which are not shown to be altered, removed, or otherwise changed, to conditions which existed previous to starting work.
4. Repairs of existing areas required by the Contract, or necessary because of damage from this work, shall use products equivalent to, and compatible with, existing materials and applied only to clean and dry surfaces.

Final Inspection and Completion:

1. Upon completion, an inspection must be performed with the following in attendance: Contractor, and any applicable Subcontractors. Any discrepancies or incomplete work must be documented in a “punchlist” which will be issued to the Contractor. A follow-up final inspection must be conducted if needed to confirm satisfactory completion of all list items.

2. Upon project completion, the contractor must provide a warranty agreement for a minimum of five (5) years.
3. Upon project completion, a letter of certification stating that the products and installation performed on the project comply with contract requirements, that any punchlist items from the final inspection have been resolved and that the work is complete.

SECTION VI: BID DOCUMENTS

BIDDER'S CHECKLIST

SUBMIT THIS BIDDER'S CHECKLIST WITH YOUR BID DOCUMENTS. Bidders shall complete and submit all required bid documents marked with an "X" in the "REQUIRED" column for bids to be considered responsive.

Attendance at the pre-bid meeting and job walk is a requirement for submitting a bid.

REQUIRED BID DOCUMENTS

- ☒ **BIDDER'S CHECKLIST**
- ☒ **BID FORM**
- ☒ **BID BOND (DEPOSIT)** in the form of:
 - ☐ Certified Check ☐ Cashier's Check ☐ Bidder's Bond
- ☒ **BID PRICING PAGE AND SCHEDULE**
- ☒ **BIDDERS INFORMATION**
- ☒ **LIST OF PAST PROJECTS**
- ☒ **LIST OF CURRENT PROJECTS**
- ☒ **CONTRACTOR'S LICENSING STATEMENT**
- ☒ **LIST OF SUBCONTRACTORS**
- ☒ **DESIGNATOR OF SURETIES**
- ☒ **NON-COLLUSION AFFIDAVIT**
- ☒ **CERTIFICATION OF NON-DISCRIMINATION BY CONTRACTORS**
- ☒ **DEBARMENT AND SUSPENSION CERTIFICATION**
- ☒ **CERTIFICATION OF SITE EXAMINATION**
- ☒ **PARTY AND PARTICIPANT DISCLOSURE FORMS (IF APPLICABLE)**

POST- BID (CONTRACT) DOCUMENTS

Successful bidder shall submit the following:

- ☒ **INSURANCE REQUIREMENTS CERTIFICATE**
- ☒ **PREVAILING WAGE CERTIFICATION**
- ☒ **WORKERS COMPENSATION INSURANCE CERTIFICATION**
- ☒ **PERFORMANCE BOND**
- ☒ **PAYMENT (LABOR AND MATERIALS) BOND**
- ☒ **CONSTRUCTION CONTRACT**

SUBMITTED BY:

Name of Company _____ Contact Name _____

Address _____ City _____ State _____ Zip _____

1. BID FORM

To: **The Orange County Fire Authority (OCFA)**

From: _____
(Legal Name of Bidder)

Project: RO2360 – Purchase and Installation of Used/Existing Modular Classrooms

The undersigned declares that the bid documents including, without limitation, the Invitation for Bids and the Instructions to Bidders have been read and agrees and proposes to furnish all necessary labor, materials, equipment and services to perform and furnish all work in accordance with the terms and conditions of the bid documents, including, without limitation, the Drawings and Specifications, and contract documents as provided in Bid RO2348-1 – Purchase and Installation of Used/Existing Modular Classrooms. The bidder will accept in full payment for that work the following total lump sum amount, all taxes and markup included: (transferred from the Bid Pricing Page)

A. Bid Base Lump Sum

Amount _____

Written _____ **Dollars**

1. The undersigned has reviewed the work outlined in the bid documents and fully understands the scope of work required in this bid, understands the construction and project management function(s) as described in the bid documents, and that each bidder who is awarded a contract shall be in fact the prime contractor, not a subcontractor, to the OCFA, and agrees that its bid, if accepted by the OCFA, will be the basis for the bidder to enter into a contract with the OCFA in accordance with the intent of the bid documents.
2. The undersigned had notified the OCFA in writing any discrepancies or omission or of any doubt, questions, or ambiguities about the meaning of any of the bid documents at least seventy-two (72) hours prior to bid opening and has contacted the OCFA Assistant Purchasing Agent before bid date to verify the issuance of any clarifying addenda.
3. The undersigned agrees to commence work under this Contract on the date established in the bid documents and to complete all work within the time specified in the Bid Documents.
4. **By submitting this Bid Form and signing below, the liquidated damages clause of the Agreement is hereby acknowledged.**
5. It is understood that the OCFA reserves the right to reject this bid and that the bid shall remain open to acceptance and is irrevocable for a period of sixty (60) days.
6. Bidder acknowledges receipt and acceptance of the following addenda, if any:

No. _____	Dated _____	No. _____	Dated _____
No. _____	Dated _____	No. _____	Dated _____
7. The undersigned hereby certifies that bidder is able to furnish labor that can work in harmony with all other elements of labor employed or to be employed on the work.
8. The bidder represents that it is competent, knowledgeable, and has special skills with respect to the nature, extent, and inherent conditions of the work to be performed. Bidder further acknowledges that there are certain peculiar and inherent conditions existent in the construction of the work that may create, during the work, unusual or peculiar unsafe conditions hazardous to persons and

RO2360 – Purchase and Installation of Used/Existing Modular Classrooms
property.

9. Bidder expressly acknowledges that it is aware of such peculiar risks and that it has the skill and experience to foresee and to adopt protective measures to adequately and safely perform the work with respect to such hazards.
10. Bidder expressly acknowledges that it is aware that if a false claim is knowingly submitted (as the terms “claim” and “knowingly” are defined in the California False Claims Act, Cal. Gov. Code §12650 et seq.), the OCFA will be entitled to civil remedies set forth in the California False Claim Act. It may also be considered fraud and the bidder may be subject to criminal prosecution.
11. The undersigned bidder certifies that it is, and shall be throughout the period of the contract, licensed by the State of California to do the type of work required under the terms of the Bid Documents. Bidder further certifies that it is regularly engaged in the general class and type of work called for in the Bid Documents.
12. Bidder agrees and acknowledges that it is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers’ compensation or to undertake self-insurance in accordance with the provisions of that code, and the bidder will comply with such provisions before commencing the performance of this contract.

Furthermore, Bidder hereby certifies to the OCFA that all representations, certifications, and statements made by the bidder, as set forth in this bid form, are true and correct and are made under penalty of perjury.

Dated this _____ day of _____ 20____

Legal Name of Bidder _____

Type of Entity (Corp., LLC) _____

Signature of Bidder _____

Title of Signer _____

If Bidder is a Corporation, affix corporate seal

Name of Corporation _____

Date of Incorporation _____

President _____ Secretary _____

Treasurer _____ Manager _____

2. BID PRICING PAGE & SCHEDULE

Contractor is required to provide itemized pricing in this form. All costs associated with the project are to be included.

SCHEDULE OF VALUES – BASE BID

Construction Activity	Extended Amount
1. Classroom 1 (Supply and Install) a. Materials and Supplies \$_____ b. Installation (Prevailing Wages) \$_____ i. Classification 1 \$_____/hr x # ____hrs ii. Classification 2 \$_____/hr x # ____hrs iii. Classification 3 \$_____/hr x # ____hrs	\$
2. Classroom 2 (Supply and Install) a. Materials and Supplies \$_____ b. Installation (Prevailing Wages) \$_____ i. Classification 1 \$_____/hr x # ____hrs ii. Classification 2 \$_____/hr x # ____hrs iii. Classification 3 \$_____/hr x # ____hrs	\$
Taxes @ 7.75% (Please verify only taxable items are included in this line)	\$
Shipping/Delivery (if applicable)	\$
Additional Fees: (Please Describe): _____	\$
Total Base Bid for Purchase and Installation of Used/Existing Modular Classrooms (Must match Total Base Bid Amount provided on page 23)	\$

BID PRICING PAGE & SCHEDULE (CONTINUED)

As a cost-saving option, OCFA would like to consider “rent to own” terms for this project. Please provide an offer based on a “Rent to Own” option as an Alternate Bid for additional consideration. Note that the Alternate Bid offer is not a requirement of the bid and will not be a factor in the bid evaluation process but may be considered during final contract award.

ALTERNATE BID OFFER (RENT TO OWN): Provide additional information in regard to a “Rent to Own” option for OCFA consideration. Include rates, fees, and any additional costs associated with this option. Attach additional sheets as necessary. Include a copy of any proposed rent to own agreement, including full terms and conditions (if offered).

PROPOSED SCHEDULE OF CONSTRUCTION:

OCFA requires that these classrooms be delivered and installed no later than Friday, April 12, 2019. Is your company able to accommodate this need? ____YES____NO

Task	Weeks
Delivery and Installation of Used/Existing Modular Classrooms	
Total weeks for completion	

1. BIDDER'S INFORMATION (REQUIRED)

Bidder's Name _____

Bidder's Business Address _____

Contact Name _____ E-Mail Address _____

Taxpayer ID Number _____

Telephone Number _____ Fax Number _____

California Contractors License Number and Class _____

Original Issue Date _____ Expiration Date _____

How many years has the Bidder been in business under the present name? _____

What other names has the Bidder operated under?

If your company is owned by an individual or partnership, answer the following questions:

Date of Organization _____ Type _____
(i.e. general or limited partnership)

Name and address of all partners

If other than a corporation or partnership, describe organization and name principals.

List other states in which Bidder is legally qualified to do business.

What type of work does the Bidder normally perform with its own forces?

Has the Bidder ever failed to complete any work awarded? If so, note when, why and where.

Have any of the current officers/partners of the Bidder's company ever been an officer/partner of another company that failed to complete a contract within the past five years? If so, please submit a separate page providing an explanation.

2. LIST OF PAST PROJECTS

The Bidder must demonstrate knowledge of public construction techniques and must possess a working ability to perform a similar scope of construction work for other public agencies. The OCFA expressly reserves the right to reject the bid of any bidder who has failed to complete three (3) similar prefabricated classroom projects of substantially the same type of work in a timely or satisfactory manner. The following are the names addresses, phone numbers, and contact information for three public agencies for which the Bidder has performed similar work within the past three (3) years. **Failure to provide the requested information may cause your bid to be rejected as non-responsive.**

Agency Name _____

Address _____

Contact Person _____

Telephone Number _____ E-mail _____

Scope of Work/Dollar Amount _____

Agency Name _____

Address _____

Contact Person _____

Telephone Number _____ E-mail _____

Scope of Work/Dollar Amount _____

Agency Name _____

Address _____

Contact Person _____

Telephone Number _____ E-mail _____

Scope of Work/Dollar Amount _____

Agency Name _____

Address _____

Contact Person _____

Telephone Number _____ E-mail _____

Scope of Work/Dollar Amount _____

3. LIST OF CURRENT PROJECTS

Provide a list of the current projects; duplicate this page if more space is needed.

[illegible]

4. CONTRACTOR'S LICENSING STATEMENT

The undersigned certifies that the Bidder is licensed in accordance with the laws of the State of California. The successful Bidder and subcontractors are required to hold the State of California Contractor's License(s) and DIR registration as required by SB854. Provide additional contractor's license details if applicable.

Contractor's License No. _____ Class _____ Expiration _____

Department of Industrial Relations (DIR) # _____

Name of Individual Contractor _____

Signature of Owner _____

Business Address _____

If the contractor operates under a partnership, provide the name of the firm, name, title and address below.

Name of Firm _____

Business Address _____

Name _____ Title _____

Address _____

Name _____ Title _____

Address _____

If the contractor operates under a corporation, provide the name and address below in addition to the signatures of the President and Secretary.

Name of Corporation _____

Business Address _____

Corporation organized under the laws of the State of California

_____ Signature of the Corporation President

_____ Signature of the Corporation Secretary

_____ Date

5. LIST OF SUBCONTRACTORS

Bidder acknowledges and agrees that under Public Contract Code section 4100, et seq., it must clearly set forth below the name and location of each subcontractor who will perform work or labor or render service to the bidder in or about the construction of the work in an amount in excess of one-half of one percent (0.5%) of bidder's total bid and the kind of work that each will perform. Furthermore, bidder acknowledges and agrees that under Public Contract Code section 4100, et seq., if bidder fails to list any portion of work, or if bidder lists more than one subcontractor to perform the same portion of work (i.e. bidder must indicate what portion of the work each subcontractor will perform), bidder must perform that portion itself or be subjected to penalty under applicable law.

If alternate bids are called for and bidder intends to use subcontractors different from or in addition to those subcontractors listed for work under the base bid, bidder must list subcontractors that will perform work in an amount in excess of one half of one percent (0.5%) of bidder's total bid, including alternates.

In case more than one subcontractor is named for the same kind of work, the Contractor is to state the portion of work that each subcontractor will perform. Bidders or suppliers of materials only do not need to be listed. If further space is required for the list of proposed subcontractors, additional sheets showing the required information, as indicated below, shall be attached hereto and made a part of this document.

Listed below is the name of each subcontractor that will perform work, labor, or render services to the undersigned related to the construction work of this project. This is to include any subcontractor that will specially fabricate and install a portion of work according to detailed drawings contained in the plans and specifications in the amount greater than one half of one percent (.05%) of the contractors total bid.

Subcontractor Name _____ Location _____ Portion of Work/Trade _____ Bid Amount _____ Contractor's License Number _____ DIR Number _____
Subcontractor Name _____ Location _____ Portion of Work/Trade _____ Bid Amount _____ Contractor's License Number _____ DIR Number _____
Subcontractor Name _____ Location _____ Portion of Work/Trade _____ Bid Amount _____ Contractor's License Number _____ DIR Number _____

6. DESIGNATOR OF SURETIES

Provide the names, addresses and telephone numbers for all insurance brokers and sureties the Bidder intends to purchase insurance and bonds from.

Company Name _____

Address _____

Contact Name _____ E-Mail Address _____

Telephone Number _____ Fax Number _____

Bond or Insurance/Type _____

Company Name _____

Address _____

Contact Name _____ E-Mail Address _____

Telephone Number _____ Fax Number _____

Bond or Insurance/Type _____

Company Name _____

Address _____

Contact Name _____ E-Mail Address _____

Telephone Number _____ Fax Number _____

Bond or Insurance/Type _____

Company Name _____

Address _____

Contact Name _____ E-Mail Address _____

Telephone Number _____ Fax Number _____

Bond or Insurance/Type _____

7. NON-COLLUSION DECLARATION

The undersigned declares:

I am the _____ of _____
(Title) (Name of Contractor, Partnership, Corp.)

the party making the foregoing bid.

The bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The bid is genuine and not collusive or sham. The bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid. The bidder has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or to refrain from bidding. The bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder. All statements contained in the bid are true. The bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof, to effectuate a collusive or sham bid, and has not paid, and will not pay, any person or entity for such purpose.

Any person executing this declaration on behalf of a bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the bidder.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on _____ in _____
(date)

(city & state)

(Signature)

(Print Name)

(Title)

8. CERTIFICATION OF NON-DISCRIMINATION BY CONTRACTORS

Labor Code Section 1735 requires that no discrimination be made in the employment of persons upon public works because of the race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status or sex of such persons, except as provided in Government Code Section 12940.

The firm listed below certifies that it does not discriminate in its employment with regard to the factors set forth in Labor Code Section 1735; that it is in compliance with all federal, state and local directives and executive orders regarding non-discrimination in employment; and that it agrees to demonstrate positively and aggressively the principle of equal employment opportunity in employment.

We agree specifically:

1. To establish or observe employment policies which affirmatively promote opportunities for minority persons at all job levels.
2. To communicate this policy to all persons concerned, including all company employees, outside recruiting services, especially those serving minority communities, and to the minority communities at large.
3. To take affirmative steps to hire minority employees within the company.

Company Name _____

Signature _____

Printed Name/Title of Company Representative _____

Date _____

Please include any additional information available regarding equal opportunity employment programs now in effect within your company.

9. DEBARMENT AND SUSPENSION CERTIFICATION

TITLE 49, CODE OF FEDERAL REGULATIONS, PART 29

The Bidder, under penalty of perjury, certifies that, except as noted below, he/she or any other person associated therewith in the capacity of owner, partner, director, officer, manager:

- Is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any Federal agency;
- Has not been suspended, debarred, voluntarily excluded or determined ineligible by any Federal agency within the past 3 years;
- Does not have a proposed debarment pending; and
- Has not been indicted, convicted, or had a civil judgment rendered against it by a court of competent jurisdiction in any matter involving fraud or official misconduct within the past 3 years.

If there are any exceptions to this certification, insert the exceptions in the following space.

Exceptions will not necessarily result in denial of award, but will be considered in determining bidder responsibility. For any exception noted above, indicate below to whom it applies, initiating agency, and dates of action.

Note: Providing false information may result in criminal prosecution or administrative sanctions.

Company Name _____

Signature _____

Printed Name/Title of Company Representative _____

Date _____

10. CERTIFICATION OF SITE EXAMINATION

Each bidder shall be fully informed of the conditions relating to the construction of the work and the employment of labor thereon. Failure to do so will not relieve Contractor or subcontractor of the obligation to furnish all material and labor necessary to carry out the provisions of the contract documents.

Each bidder shall examine the site for the work described herein. Bidders shall attend a mandatory pre-bid inspection of the building(s) and site(s), conducted by the OCFA, unless otherwise specified. Failure to attend the mandatory pre-bid inspection shall be cause for rejection of the bid.

The specifications for the work show conditions as they are believed to exist. The conditions shown do not constitute a representation or warranty express or implied by the OCFA, its officers or agents that such conditions actually exist.

Each bidder also certifies it has observed the designated Contractor work areas, material equipment storage areas, access routes, as well as the ability to protect existing surface and subsurface improvements. No claim for allowance of time or money will be allowed for such matters.

This is to certify that I have examined the site and the bid is complete and there will be no additional payment for failure to examine the site thoroughly.

Date of Site Examination _____

Company Name _____

Signature _____

Printed Name/Title of Company Representative _____

Date _____

11. PARTY AND PARTICIPANT DISCLOSURE FORMS

The attached Party Disclosure Form must be completed and submitted by the bidder and subcontractors with the proposal by all firms subject to the campaign contribution disclosure requirements stated on page 5 of this solicitation.

The Participant Disclosure Form must be completed by lobbyists or agents representing the bidder in this procurement.

It is anticipated that a recommendation for award of this contract will be presented to the Board of Directors of the OCFA for approval. (Please see next page for definitions of these terms.)

IMPORTANT NOTICE:

Basic Provisions of Government Code Section 84308

- A. If you are an applicant for, or the subject of, any contract award, you are prohibited from making a campaign contribution of more than \$250 to any board member or his or her alternate. This prohibition begins on the date the solicitation is initiated, and the prohibition ends three months after a final decision is rendered by the Board of Directors. In addition, no board member or alternate may solicit or accept a campaign contribution of more than \$250 from you during this period.
- B. These prohibitions also apply to your agents and, if you are a closely held corporation, to your majority shareholder as well. These prohibitions also apply to your subcontractor(s), joint venturer(s), and partner(s) in this proceeding. Also included are parent companies and subsidiary companies directed and controlled by you, and political action committees directed and controlled by you.
- C. You must file the attached disclosure form and disclose whether you or your agent(s) have in the aggregate contributed more than \$250 to any board member or his or her alternate during the 12-month period preceding the contract award.
- D. If you or your agent have in the aggregate contributed more than \$250 to any individual board member or his/or her alternate during the 12 months preceding the decision on the contract award or proceeding, that board member or alternate must disqualify himself or herself from the decision. However, disqualification is not required if the board member or alternate returns the campaign contribution within 30 days from the time the director knows, or should have known, about both the contribution and the fact that you are a party in the proceeding. The Party Disclosure Form should be completed and filed with your proposal, or with the first written document you file or submit after the proceeding commences.

A proceeding involving "a license, permit, or other entitlement for use" includes all business, professional, trade and land use licenses and permits, and all other entitlements¹ for use, including all entitlements for land use, all contracts² (other than competitively bid, labor or personal employment contracts), and all franchises.

- E. Your "agent" is someone who represents you in connection with a proceeding involving a license, permit or other entitlement for use. If an individual acting as an agent is also acting in his or her capacity as an employee or member of a law, architectural, engineering, consulting firm, or similar business entity, both the business entity and the individual are "agents."

- F. To determine whether a campaign contribution of more than \$250 has been made by you, campaign contributions made by you within the preceding 12 months must be aggregated with those made by your agent within the preceding 12 months or the period of the agency, whichever is shorter. Contributions made by your majority shareholder (if a closely held corporation), your subcontractor(s), your joint venturer(s), and your partner(s) in this proceeding must also be included as part of the aggregation. Campaign contributions made to different directors or their alternates are not aggregated.
- G. A list of the members and alternates of the Board of Directors is attached.

This notice summarizes the major requirements of Government Code Section 84308 of the Political Reform Act and 2 Cal. Adm. Code Sections 18438-18438.8 as it relates to contract awards. This notice shall not constitute legal advice, and may not be inclusive of all applicable laws and regulations.

¹ *Entitlement for the purposes of this form refers to contract award.*

² *All Contracts for the purposes of this form refer to the contract award of this specific solicitation.*

ORANGE COUNTY FIRE AUTHORITY
PARTY DISCLOSURE FORM

Party's Name: _____

Party's Address: _____

Party's Telephone: _____

Solicitation Title and Number: _____

Based on the party disclosure information provided, are you or your firm subject to party disclosures?

No ☐ If no, check the box and sign below. Yes ☐ If yes, check the box, sign below and complete the form.

Date: _____

Signature of Party and/or Agent

To be completed only if campaign contributions have been made in the preceding twelve (12) months. Attach additional copies if needed.

Board Member(s) or Alternate(s) to whom you and/or your agent made campaign contributions and dates of contribution(s) in the preceding 12 months:

Name of Member: _____

Name of Contributor (if other than Party): _____

Date(s): _____

Amount(s): _____

Name of Member: _____

Name of Contributor (if other than Party): _____

Date(s): _____

Amount(s): _____

Name of Member: _____

Name of Contributor (if other than Party): _____

Date(s): _____

Amount(s): _____

**ORANGE COUNTY FIRE AUTHORITY
PARTICIPANT (AGENT) DISCLOSURE**

The Participant Disclosure Form must be completed by lobbyists or agents representing the bidder in this procurement. (Please see next page for definitions of these terms.)

It is anticipated that a recommendation for award of this contract will be presented to the Board of Directors of the OCFA for approval.

IMPORTANT NOTICE:

Basic Provisions of Government Code Section 84308

- A. If you are a participant in a proceeding involving any contract award, you are prohibited from making a campaign contribution of more than \$250 to any board member or his or her alternate. This prohibition begins on the date you begin to actively support or oppose an application for contract award pending before the OCFA or any of its affiliated agencies, and continues until three months after a final decision is rendered on the application or proceeding by the Board of Directors.

No board member or alternate may solicit or accept a campaign contribution of more than \$250 from you and/or your agency during this period if the board member or alternate knows or has reason to know that you are a participant.

- B. The attached disclosure form must be filed if you or your agent has contributed more than \$250 to any board member or alternate for the OCFA or any of its affiliated agencies during the 12-month period preceding the beginning of your active support or opposition (The disclosure form will assist the board members in complying with the law).

If you or your agent have made a contribution of more than \$250 to any board member or alternate during the 12 months preceding the decision in the proceeding, that board member or alternate must disqualify himself or herself from the decision. However, disqualification is not required if the member or alternate returns the campaign contribution within 30 days from the time the director knows, or should have known, about both the contribution and the fact that you are a participant in the proceeding

The Participant Disclosure Form should be completed and filed with the proposal submitted by a party, or should be completed and filed the first time that you lobby in person, testify in person before, or otherwise directly act to influence the vote of the board members of the OCFA or any of its affiliated agencies.

1. An individual or entity is a "participant" in a proceeding involving an application for a license, permit or other entitlement for use if:
- a. The individual or entity is not an actual party to the proceeding, but does have a significant financial interest in the Authority's or one of its affiliated agencies' decisions in the proceeding.

AND

- b. The individual or entity, directly or through an agent, does any of the following:
- (1) Communicates directly, either in person or in writing, with a

board member or alternate of the OCFA or any of its affiliated agencies for the purpose of influencing the member's vote on the proposal;

- (2) Communicates with an employee of the OCFA or any of its affiliated agencies for the purpose of influencing a member's vote on the proposal; or
 - (3) Testifies or makes an oral statement before the Board of Directors of the OCFA or any of its affiliated agencies.
2. A proceeding involving "a license, permit, or other entitlement for use" includes all business, professional, trade and land use licenses and permits, and all other entitlements for use, including all entitlements for land use; all contracts (other than competitively bid, labor, or personal employment contracts) and all franchises.
3. Your "agent" is someone who represents you in connection with a proceeding for this proposed involving a contract award. If an agent acting as an employee or member of a law, architectural, engineering, or consulting firm, or a similar business entity or corporation, both the business entity or corporation and the individual are agents.
4. To determine whether a campaign contribution of more than \$250 has been made by a participant or his or her agent, contributions made by the participant within the preceding 12 months shall be aggregated with those made by the agent within the preceding 12 months or the period of the agency, whichever is shorter. Campaign contributions made to different members or alternates are not aggregated.
5. A list of the members and alternates of the Board of Directors is attached.

This notice summarizes the major requirements of Government Code Section 84308 and 2 Cal. Adm. Code Sections 18438-18438.8.

ORANGE COUNTY FIRE AUTHORITY
PARTICIPANT DISCLOSURE FORM

To be completed only if campaign contributions have been made in the preceding twelve (12) months. Attach additional copies if needed.

Prime's Firm Name: _____

Party's Name: _____

Party's Address: _____

Party's Telephone: _____

Solicitation Title and Number: _____

Date: _____

Signature of Party and/or Agent

Board Member(s) or Alternate(s) to whom you and/or your agent made campaign contributions and dates of contribution(s) in the preceding 12 months:

Name of Member: _____

Name of Contributor (if other than Party): _____

Date(s): _____

Amount(s): _____

Name of Member: _____

Name of Contributor (if other than Party): _____

Date(s): _____

Amount(s): _____

Name of Member: _____

Name of Contributor (if other than Party): _____

Date(s): _____

Amount(s): _____

ORANGE COUNTY FIRE AUTHORITY

Board of Directors

Joseph Muller, Chair

City of Dana Point

David Harrington, Director

City of Aliso Viejo

Robert Johnson, Director

City of Cypress

Michele Steggell, Director

City of La Palma

Sandy Rains, Director

City of Laguna Niguel

Neeki Moatazedi*, Director

City of Lake Forest

Steve Swartz, Director

City of San Clemente

Juan Villegas, Director

City of Santa Ana

David John Shawver, Director

City of Stanton

Vince Rossini, Director

City of Villa Park

Eugene Hernandez, Director

City of Yorba Linda

Vacant, Director

County of Orange

Shelley Hasselbrink, Vice Chair

City of Los Alamitos

Elizabeth Swift, Director

City of Buena Park

Don Sedgwick, Director

City of Laguna Hills

Noel Hatch, Director

City of Laguna Woods

Ed Sachs, Director

City of Mission Viejo

Carol Gamble, Director

City of Rancho Santa Margarita

Sergio Farias, Director

City of San Juan Capistrano

Vacant*, Director

City of Seal Beach

Leticia Clark, Director

City of Tustin

Tri Ta, Director

City of Westminster

Lisa Bartlett, Director

County of Orange

BIDDER'S BOND
(10% of the Total Bid Amount)

KNOW ALL PERSONS BY THESE PRESENTS:

That the undersigned, as _____, as Principal ("Principal"),

and _____ as Surety ("Surety"),

a corporation organized and existing under and by virtue of the laws of the State of _____ and authorized to do business as a surety in the State of California, are held and bound unto the Orange County Fire Authority ("Authority") of Orange County, State of California as Obligee, in the sum of

_____ Dollars (\$_____) lawful money of the United States of America, for the payment of which sum well and truly to be made, we, and each of us, bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that whereas the Principal has submitted a bid to the Authority for all work specifically described in the accompanying bid;

NOW, THEREFORE, if the Principal is awarded the Project and, within the time and manner required under the Bid Documents, after the prescribed forms are presented to Principal for signature, enters into a written contract ("Agreement"), in the prescribed form in accordance with the bid, and files two bonds, one guaranteeing faithful performance and the other guaranteeing payment for labor and materials as required by law, and meets all other conditions to the contract between the Principal and the Obligee becoming effective, or if the Principal shall fully reimburse and save harmless the Obligee from any damage sustained by the Obligee through failure of the Principal to enter into the Agreement and to file the required performance and labor and material bonds, and to meet all other conditions to the Agreement between the Principal and the Obligee becoming effective, then this obligation shall be null and void; otherwise, it shall be and remain in full force and effect. The full payment of the sum stated above shall be due immediately if Principal fails to execute the Agreement within seven (7) days of the date of the Authority's Notice of Award to Principal.

Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Agreement or the call for bids, or to the work to be performed thereunder, or the specifications accompanying the same, shall in any way affect its obligation under this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Agreement or the call for bids, or to the work, or to the specifications.

In the event suit is brought upon this bond by the Obligee and judgment is recovered, the Surety shall pay all costs incurred by the Obligee in such suit, including a reasonable attorneys' fee to be fixed by the Court.

If the Authority awards the bid, the security of unsuccessful bidder(s) shall be returned within sixty (60) days from the time the award is made. Unless otherwise required by law, no bidder may withdraw its bid for ninety (90) days after the date of the bid opening.

IN WITNESS WHEREOF, this instrument has been duly executed by the Principal and Surety above named, on the ____ day of _____, 20____.

(Affix Corporate Seal)

Principal

By

Print Name and Title of Signatory

(Affix Corporate Seal)

Surety

By

Name of California Agent of Surety

Address of California Agent of Surety

Telephone Number of California Agent of Surety

Bidder must attach Power of Attorney and Certificate of Authority for Surety and a Notarial Acknowledgment for all Surety's signatures. The California Department of Insurance must authorize the Surety to be an admitted Surety Insurer.

SECTION IV: POST BID DOCUMENTS

**THE FOLLOWING SECTION CONTAINS DOCUMENTS TO BE
RETURNED BY BIDDERS IF AWARDED A CONTRACT**

PREVAILING WAGE CERTIFICATION

IFB RO2360 – RFOTC

Purchase and Installation of Used/Existing Modular Classrooms

I hereby certify that I will conform to the State of California Public Works Contract requirements regarding prevailing wages, benefits, on-site audits with 48-hour notice, payroll records, and apprentice and trainee employment requirements, for all Services on the above Project, including, without limitation, the State labor compliance monitoring and enforcement by the Compliance Monitoring Unit of the Department of Industrial Relations, if this Project is subject to a labor compliance.

Date _____

Legal Name of Contractor _____

Signature _____

Print Name _____

Title _____

WORKER'S COMPENSATION INSURANCE CERTIFICATION

IFB RO2360 – RFOTC

Purchase and Installation of Used/Existing Modular Classrooms

Labor Code section 3700 in relevant part provides:

Every employer except the State shall secure the payment of compensation in one or more of the following ways:

- a. By being insured against liability to pay compensation to one or more insurers duly authorized to write compensation insurance in this state.
- b. By securing from the Director of Industrial Relations, a certificate of consent to self-insure, which may be given upon furnishing proof satisfactory to the Director of Industrial Relations of ability to self-insure and to pay any compensation that may become due to his employees.

I am aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of work of this contract.

Date _____

Legal Name of Contractor _____

Signature _____

Print Name _____

Title _____

(In accordance with Article 5 - commencing at section 1860, chapter 1, part 7, division 2 of the Labor Code, the above certificate must be signed and filed with the awarding body prior to performing any work under this Contract.)

FAITHFUL PERFORMANCE BOND
(100% of Agreement Price)

(Note: Bidders must use this form, NOT a surety company form)

KNOW ALL PERSONS BY THESE PRESENTS:

WHEREAS, the governing board ("Board") of the Orange County Fire Authority, ("Authority") and _____, ("Principal") have entered into a contract for the furnishing of all materials and labor, services and transportation, necessary, convenient, and proper to perform the following project:

IFB RO2360 – RFOTC
Purchase and Installation of Used/Existing Modular Classrooms

("Contract") which Contract dated [DATE], and all of the Bid Documents attached to or forming a part of the Contract, are hereby referred to and made a part hereof; and

WHEREAS, said Principal is required under the terms of the Contract to furnish a bond for the faithful performance of the Contract.

NOW, THEREFORE, the Principal and _____ ("Surety") are held and firmly bound unto the Board of the Authority in the penal sum of [WRITE OUT AMOUNT] DOLLARS (\$[AMOUNT]), lawful money of the United States, for the payment of which sum well and truly to be made we bind ourselves, our heirs, executors, administrators, successors, and assigns jointly and severally, firmly by these presents, to:

- Perform all the work required to complete the Project; and
- Pay to the Authority all damages the Authority incurs as a result of the Principal's failure to perform all the work required to complete the Project.

The condition of the obligation is such that, if the above bounden Principal, his or its heirs, executors, administrators, successors, or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions, and agreements in the Contract and any alteration thereof made as therein provided, on his or its part to be kept and performed at the time and in the intent and meaning, including all contractual guarantees and warranties of materials and workmanship, and shall indemnify and save harmless the Authority, its trustees, officers and agents, as therein stipulated, then this obligation shall become null and void, otherwise it shall be and remain in full force and virtue.

As a condition precedent to the satisfactory completion of the Contract, the above obligation shall hold good for a period equal to the warranty and/or guarantee period of the Contract, during which time Surety's obligation shall continue if Contractor shall fail to make full, complete, and satisfactory repair and replacements and totally protect the Authority from loss or damage resulting from or caused by defective materials or faulty workmanship. The obligations of Surety hereunder shall continue so long as any obligation of Contractor remains. Nothing herein shall limit the Authority's rights or the Contractor or Surety's obligations under the Contract, law or equity, including, but not limited to, California Code of Civil Procedure section 337.15.

The Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the contract or to the work to be performed thereunder or the specifications accompanying the same shall in any way affect its obligation on this bond, and it does

RO2360 – Purchase and Installation of Used/Existing Modular Classrooms

hereby waive notice of any such change, extension of time, alteration, or addition to the terms of the Contract or to the work or to the specifications.

IN WITNESS WHEREOF, two (2) identical counterparts of this instrument, each of which shall for all purposes be deemed an original thereof, have been duly executed by the Principal and Surety above named, on the _____ day of _____, 20____.

(Affix Corporate Seal)

Principal

By

Print Name and Title of Signatory

(Affix Corporate Seal)

Surety

By

Name of California Agent of Surety

Address of California Agent of Surety

Telephone Number of California Agent of Surety

Bidder must attach Power of Attorney and Certificate of Authority for Surety and a Notarial Acknowledgment for all Surety's signatures. The California Department of Insurance must authorize the Surety to be an admitted Surety Insurer.

PAYMENT BOND
Contractor's Labor & Material Bond
(100% of Contract Price)

(Note: Bidders must use this form, NOT a surety company form)

KNOW ALL PERSONS BY THESE PRESENTS:

WHEREAS, the governing board ("Board") of the Orange County Fire Authority, ("Authority") and _____, ("Principal") have entered into a contract for the furnishing of all materials and labor, services and transportation, necessary, convenient, and proper to perform the following project:

IFB RO2360 – RFOTC
Purchase and Installation of Used/Existing Modular Classrooms

("Contract") which Contract dated [DATE], and all of the Bid Documents attached to or forming a part of the Contract, are hereby referred to and made a part hereof; and

WHEREAS, pursuant to law and the Contract, the Principal is required, before entering upon the performance of the work, to file a good and sufficient bond with the body by which the Contract is awarded in an amount equal to one hundred percent (100%) of the Contract price, to secure the claims to which reference is made in sections 9000 through 9510 and 9550 through 9566 of the Civil Code, and division 2, part 7, of the Labor Code.

NOW, THEREFORE, the Principal and _____ ("Surety") are held and firmly bound unto all laborers, material men, and other persons referred to in said statutes in the sum of [WRITE OUT AMOUNT] DOLLARS (\$[AMOUNT]), lawful money of the United States, being a sum not less than the total amount payable by the terms of Contract, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, or assigns, jointly and severally, by these presents.

The condition of this obligation is that if the Principal or any of his or its subcontractors, of the heirs, executors, administrators, successors, or assigns of any, all, or either of them shall fail to pay for any labor, materials, provisions, provender, or other supplies, used in, upon, for or about the performance of the work contracted to be done, or for any work or labor thereon of any kind, or for amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of the Principal or any of his or its subcontractors of any tier under Section 13020 of the Unemployment Insurance Code with respect to such work or labor, that the Surety will pay the same in an amount not exceeding the amount herein above set forth, and also in case suit is brought upon this bond, will pay a reasonable attorney's fee to be awarded and fixed by the Court, and to be taxed as costs and to be included in the judgment therein rendered.

It is hereby expressly stipulated and agreed that this bond shall inure to the benefit of any and all persons, companies, and corporations entitled to file claims under section 9100 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

Should the condition of this bond be fully performed, then this obligation shall become null and void; otherwise it shall be and remain in full force and affect.

And the Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of Contract or the specifications accompanying the same shall in any

RO2360 – Purchase and Installation of Used/Existing Modular Classrooms

manner affect its obligations on this bond, and it does hereby waive notice of any such change, extension, alteration, or addition.

IN WITNESS WHEREOF, two (2) identical counterparts of this instrument, each of which shall for all purposes be deemed an original thereof, have been duly executed by the Principal and Surety above named, on the _____ day of _____, 20____.

(Affix Corporate Seal)

Principal

By

Print Name and Title of Signatory

(Affix Corporate Seal)

Surety

By

Name of California Agent of Surety

Address of California Agent of Surety

Telephone Number of California Agent of Surety

Bidder must attach Power of Attorney and Certificate of Authority for Surety and a Notarial Acknowledgment for all Surety's signatures. The California Department of Insurance must authorize the Surety to be an admitted Surety Insurer.

CONSTRUCTION CONTRACT

ORANGE COUNTY FIRE AUTHORITY CONSTRUCTION CONTRACT

Per Bid RO _____

THIS CONTRACT is made and entered into, to be effective, this ____ day of _____ 2017, by and between _____, hereinafter referred to as "Contractor," and the Orange County Fire Authority, hereinafter referred to as "Authority."

SECTION 1 - GENERAL CONDITIONS

Contractor certifies and agrees that all the terms, conditions, and obligations of the Contract Documents as defined therein, the location of the Project site, and the conditions under which the work is to be performed, have been thoroughly reviewed and enters into this Contract based upon Contractor's investigation of all such matters and is in no way relying upon any opinions or representations of Authority. It is agreed that this Contract and the attached exhibits (collectively "Contract Documents") represent the entire agreement. It is further agreed that the Contract Documents including the General Conditions, Scope of Work, Notice Inviting Bids, Special Instructions to Bidders, if any, Contractor's Bid, and Letter Agreement #1, and any revision, amendment, or addenda thereto, shall be deemed a part of such Contract Documents, and the Contractor and its subcontractors, if any, will be and are bound by any and all of the Contract Documents insofar as they relate in any part or in any way, directly or indirectly, to the work covered by this Contract. Contractor further certifies and agrees that the work described in the Contract Documents will be performed, installed, constructed, and completed in a professional and expert manner and that all such work will be completed on time and within budget.

SECTION 2 - MATERIALS AND LABOR

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

Prior to each payment Contractor shall submit a "Conditional Release of Lien upon Progress Payment" with the first, and thereafter each, progress payment application in the amount of the application for payment specifying the period of time for which the Conditional Release applies.

For each subsequent payment period, if payment has been received by Contractor for the previous application, Contractor shall submit an "Unconditional Waiver and Release Upon Progress Payment" for the labor and materials associated with the progress billing satisfied with the prior payment.

The new progress billing is then submitted with a new "Conditional Release of Lien" in the amount of the application for the next specified period of time.

When all project labor and materials have been paid in full, Contractor shall submit an "Unconditional Waiver and Release Upon Final Payment".

Final Payment shall not become due until Contractor submits to Authority's Project Manager: (1) an Unconditional and Final Release of Liens containing an affidavit that all payrolls, bills for materials and equipment, and other indebtedness connected with the work and materials for which Authority or Authority's property might in any way be responsible, have been paid or otherwise satisfied, and signed by all subcontractors and suppliers; (2) the consent of the surety to Final Payment; and (3) if reasonably required by the Authority's Project Manager, other data establishing payment or satisfaction of all such obligations, such as receipts, releases and waivers of liens arising out of the Contract, to the extent and in

such form as may be designated by the Authority's Project Manager. Authority's Project Manager may require affidavits or certificates of payment and/or releases from any Subcontractor, laborer, or material supplier.

If any Subcontractor or material supplier refuses to sign the Final Release of Liens or to furnish a release or waiver required by Authority's Project Manager, Contractor may satisfy its obligation with respect to such Subcontractor or material supplier by furnishing a cash bond, assignment of a certificate of deposit, or other liquid security satisfactory to Authority's Project Manager to indemnify Authority against any lien and against the costs and reasonable attorney fees in discharging such lien. If any lien remains unsatisfied after all payments are made, Contractor shall refund to Authority all monies that the Authority pays in discharging such lien, including all costs and reasonable attorneys' fees, or Authority in its sole discretion may proceed to make a demand against the surety for all such costs and attorney fees. In the event Authority makes demand for payment against the surety, Contractor shall be responsible to reimburse Authority upon demand for any costs and reasonable attorney fees not paid by the surety.

SECTION 3 - CONTRACT PRICE AND METHOD OF PAYMENT

Authority agrees to pay and the Contractor agrees to accept as full consideration for the faithful performance of this Contract, subject to any subsequent additions or deductions as provided in approved change orders, the sum of six hundred sixteen thousand, two hundred fifty-eight (\$616,258) as shown on Exhibit A.

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

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

SECTION 4 – TIME OF COMMENCEMENT AND COMPLETION

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

Time is of the essence of this Contract. As required by the Contract Documents, Contractor shall prepare and obtain approval of all shop drawings, details, and samples, and do all other things necessary and incidental to the prosecution of Contractor's work in conformance with an approved construction schedule. Contractor shall coordinate the work covered by this Contract with that of all other Contractors, subcontractors and of the Authority, if any, in a manner that will facilitate the efficient completion of the entire work in accordance with the Contract Documents. Authority shall have the right to assert complete control of the premises on which the work is to be performed and shall have the right to decide the time or order in which the various portions of the work shall be installed or the priority of the work of other subcontractors, and, in general, all matters representing the timely and orderly conduct of the work of Contractor on the premises.

SECTION 5 – LIQUIDATED DAMAGES FOR DELAY

The parties agree that if the total work called for under this Contract, in all parts and requirements, is not completed within the time specified in Section 4 plus any allowance made for delays or extensions authorized under the Contract Documents, the Authority will sustain damage which would be extremely difficult and impracticable to ascertain. The parties therefore agree that Contractor will pay to Authority the sum of One Thousand Dollars (\$1,000.00) per day, as liquidated damages, and not as a penalty, for each and every calendar day during which completion of the Project is so delayed. Contractor agrees to pay such liquidated damages and further agrees that Authority may offset the amount of liquidated damages from any monies due or that may become due Contractor under this Contract.

SECTION 6 – COMPLETION

Within 10 days after the Contract completion date of the Project, Contractor shall file with the Project Manager its affidavit stating that all workers and persons employed, all firms supplying materials, and all subcontractors upon the Project have been paid in full, and that there are no claims outstanding against the Project for either labor or material, except those certain items, if any, to be set forth in an affidavit covering disputed claims, or items in connection with Stop Notices which have been filed under the provisions of the statutes of the State of California. The Project Manager may require affidavits or certificates of payment and/or releases from any subcontractor, laborer or material supplier.

Upon receipt of Contractor's affidavit, the Project Manager shall prepare appropriate documentation setting forth the particular details of the completed Project, including but not limited to, description and amount of all change orders, the final amounts of the Contract, as amended, the time and dates of the total agreement and the identification of any unresolved claims or disputes. If necessary, Project Manager shall submit the Project and the agreements to the Board of Directors for acceptance of the job as complete.

SECTION 7 – SURETY BONDS

General Requirements

To the extent required under Civil Code section 9550, the Contractor shall furnish, prior to the signing the Agreement, and maintain thereafter, a payment bond in the amount of 100 percent of the Contract price including all applicable sales taxes. The bond shall be first approved by the office of the Counsel of the Authority. Such bonds shall be in substantially the form provided in the Contract Documents and issued by a surety authorized by the State Insurance Commissioner to do business in California, and have and maintain, throughout the life of the Project, at least an A- policyholder's rating, or better, and a financial rating of Class VII, or better, in accordance with the most current A.M. Best's Rating Guide.

Unacceptable Surety

If any surety upon any bond furnished in connection with the Contract Documents becomes unacceptable to the Authority, or if any such surety fails to furnish reports as to its financial condition from time to time as requested by the Project Manager, the Contractor shall promptly furnish such additional security as may be required by the Project Manager or the Board of Directors from time to time to protect the interests of the Authority and of persons supplying labor materials in the prosecution of the work contemplated by this Contract.

SECTION 8 – INSURANCE

Contractor is also aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for workers' compensation. Contractor and all subcontractors shall carry workers' compensation insurance for the protection of its employees during the progress of the work. The insurer shall waive its rights of subrogation against Authority, its officers, agents, and employees and shall issue an endorsement certificate to the policy evidencing same.

Contractor shall at all times carry, on all operations hereunder, bodily injury, personal injury, including death and property damage liability insurance, including automotive operations, bodily injury and property

damage coverage; and builders' all risk insurance. All insurance coverage shall be in amounts specified by Authority in the Insurance Requirements and shall be evidenced by the issuance of a certificate in a form prescribed by the Authority and shall be underwritten by insurance companies satisfactory to Authority for all operations, subcontract work, contractual obligations, product or completed operations, all owned, hired, and non-owned vehicles. Said insurance coverage obtained by the Contractor, excepting workers' compensation coverage, shall contain the following provisions, or Contractor shall provide endorsements on forms approved by the Authority to add the following provisions to the insurance policies: (1) the policy or policies shall name the Authority, its Directors, Officers, Officials, Agents, Employees, Project Manager, Volunteers and Consultants for this Contract, and all public agencies from whom permits will be obtained and their Directors, Officers, Agents, and Employees, as determined by the Authority, as additional insured on said policies; and (2) each policy shall be endorsed to be primary and any other insurance, deductible, or self-insurance maintained by the Authority, its Directors, Officers, Officials, Agents, Employees, Project Manager, Volunteers or Consultants, shall not contribute with the primary insurance.

Before Contractor performs any work at, or prepares or delivers materials to, the site of construction, Contractor shall furnish certificates of insurance evidencing the foregoing insurance coverage and such certificates shall provide the name and policy number of each carrier and policy and that the insurance is in force and will not be canceled without thirty (30) days written notice to Authority.

Contractor shall maintain all of the foregoing insurance coverage in force until the work under this Contract is fully completed and accepted by Authority. The requirement for carrying the foregoing insurance shall not derogate from the provisions for indemnification of Authority by Contractor under this Contract. Notwithstanding nor diminishing the obligations of Contractor with respect to the foregoing, Contractor shall subscribe for and maintain in full force and effect during the life of this Contract, the following insurance in amounts not less than the amounts specified and issued by a company admitted in California and having an A.M. Best's Guide Rating of "A-" Class VII or better: However, Authority will accept State Compensation Insurance Fund, for the required policy of Worker's Compensation subject to Authority's option to require a change in insurer in the event the State Fund financial rating is decreased below "B".

Workers' Compensation	Minimum of \$1,000,000 - In Accordance with the Workers' Compensation Act of the State of California.
General Liability, including operations, products and completed operations	\$5,000,000, per occurrence for bodily injury, personal injury and property damage/\$5,000,000 aggregate. If commercial general liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the project or the general aggregate limit shall be twice the required occurrence limit. For those businesses that are self-insured, a written declaration by the principal of the business should be provided.
Automobile Liability, including owned, hired, and non-owned vehicles	\$1,000,000 combined single limit per occurrence; \$1,000,000 uninsured motorist.
Builder's Risk	All Risk Basis; Completed value of the project without co-insurance penalty provided.

Coverage for commercial general liability and automobile liability insurance shall be at least as broad as the following:

1. Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG0001)
2. Insurance Service Office (ISO) Business Auto Coverage (Form CA 0001) covering any auto.

Authority or its representatives shall at all times have the right to inspect and receive the original or a certified copy of all said policies of insurance, including certificates. Contractor shall pay the premiums on the insurance hereinabove required.

Contractor shall either: (1) include all subcontractors engaged in any work relating to this Contract as additional named insureds under the Contractor's insurance policies, or (2) Contractor shall be responsible for causing its subcontractors to procure, maintain and submit evidence to Authority of insurance of the same types, in the same amounts, and in compliance with the terms of the insurance requirements set forth in this section, including submittal of all required endorsements. All insurance policies provided by Contractor's subcontractors performing any work related to this Contract shall be endorsed to name the Authority, its officials, officers, employees, agents and volunteers, as additional insureds. Contractor shall not allow any subcontractor to commence any work relating to this Contract unless and until it has provided evidence satisfactory to Authority that the subcontractor has secured all insurance required under this section. Payment under this Contract for services performed by subcontractors may be withheld by Authority until evidence satisfactory to Authority is provided that the subcontractor has secured all the required insurance is provided to Authority.

SECTION 9 – RISK AND INDEMNIFICATION

All work covered by this Contract done at the site of construction or in preparing or delivering materials to the site shall be at the risk of Contractor alone. Contractor agrees to save, indemnify and keep Authority, its Directors, Officers, Agents, Employees, Project Manager, and Consultants for this Contract, and all public agencies from whom permits will be obtained and their Directors, Officers, Agents and Employees harmless against any and all liability, claims, judgments, costs and demands, including demands arising from injuries or death of persons (Contractor's employees included) and damage to property, arising directly or indirectly out of the obligations herein undertaken or out of the operations conducted by Contractor, except that the indemnity obligation of Contractor shall be reduced by an amount proportional to the active negligence of the Authority, if any, and will make good to and reimburse Authority for any expenditures, including reasonable attorneys' fees Authority may incur by reason of such matters, and if requested by Authority, will defend any such suits at the sole cost and expense of Contractor.

In the event Contractor or its insurer refuses or fails to provide a legal defense to Authority after receiving written notice of the legal action and a tender and demand for defense, Authority shall have the right to select counsel of its own choice to represent all the interests of the Authority. Contractor agrees that the amount of legal costs and expenses, including attorneys' fees, may be withheld by Authority from any Contract amounts due and owing to Contractor until such time as a final determination is made as to the responsibility for payment of said fees and costs.

SECTION 10 – CONTRACT DOCUMENTS

For the purposes of this Agreement the "Contract Documents are the items listed below. The Contract Documents are hereby incorporated into this Agreement and made a part thereof by this reference.

- 1) OCFA Invitation for Bid _____
- 2) Orange County Fire Authority General Conditions
- 3) Contractor Bid responding to Bid RO____of (Date)
- 4) Contractor Bid Bond dated_____
- 5) Contractor Performance Bond
- 6) Contractor Labor and Materials Payment Bond
- 7) Designation of Subcontractors
- 8) Non-Collusion Affidavit
- 9) Site Visit Certification dated:
- 10) Contractor Certification of Worker's Compensation
- 11) Contractor Certification of Non-Discrimination by Contractors
- 12) Contractor Debarment and Suspension Certification

- 13) Designator of Sureties
- 14) Prevailing Wage Certification
- 15) Addenda to Bid: _____
- 16) Supplemental Agreements amending or extending the Work contemplated and which may be required to complete the Work in a substantial and acceptable manner

SECTION 11 – MISCELLANEOUS PROVISIONS

Compliance with Labor Code and Public Contract Code. Authority is subject to the provisions of law relating to prevailing wages, labor law generally, and public contracts in the State of California. It is agreed that all provisions of law applicable to public contracts are a part of this Contract to the same extent as though set forth herein, and will be complied with by the Contractor.

No contractor or subcontractor may be listed on a proposal for a public works unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)].

No contractor or subcontractor may be awarded or perform a contract for public work on a public works project unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5.

This Project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. Contractor shall not pay less than the prevailing wage. It shall be the responsibility of the Contractor to obtain the prevailing wage rates from the Director of Industrial Relations directly.

Independent Contractor. Neither Authority nor any of its employees shall have any control over the manner, mode or means by which Contractor, its agents or employees, perform the services required herein, except as otherwise set forth herein. Contractor shall perform all services required herein as an independent contractor of Authority and shall remain at all times as to Authority a wholly independent contractor with only such obligations as are consistent with that role. Contractor shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of Authority.

Assignment. Contractor shall neither delegate its duties or obligations, nor assign its rights with respect to this Contract, either in whole or in part. Any such attempted delegation and/or assignment shall be void and deemed void at such occurrence, if it were to occur.

Computation of Time. When any period of time is referred to in these Contract Documents by days, it shall be computed to exclude the first and include the last day of the period, provided, however, that if the last day of the period falls on a Saturday, Sunday, or legal holiday, that day shall be omitted from the computation.

Interest. Any monies not paid when due to either party under this Contract shall bear interest at the rate of ten (10%) percent per annum, commencing on the forty-sixth (46th) day after demand for payment thereof after such monies are lawfully due and payable, except as otherwise provided in these Contract Documents.

Remedies Cumulative. No remedy herein reserved to Authority is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other given in the Contract as now or hereafter existing or at law, equity, or by statute.

Non-waiver. The failure of the Authority to notify the Contractor of any default under this Contract shall not be deemed to be a waiver by Authority of any continuing default by Contractor of any term, covenant, or condition set forth in this Contract, nor of the Authority's right to declare a default for any such continuing breach, and the failure of Authority to insist upon strict performance of any of the terms, covenants, or conditions of the Contract, or to exercise any option in the Contract in any one or more instances, shall not be construed as a waiver or relinquishment of any such terms, covenants, conditions or options, but the same shall be and remain in full force and effect.

Severability. In case any one or more provisions set forth in the Contract shall for any reason be held invalid, illegal, or unenforceable in any respect, any such invalidity, illegality, or unenforceability shall not affect any other provision of the Contract, and this Contract shall be construed as if such invalid, illegal, or

unenforceable provision had never been incorporated therein so long as the deletion of such provision does not, in the Authority's judgment, materially alter this Contract.

No Third Party Beneficiaries. This Contract is not intended and shall not be deemed or construed, to confer any rights, powers, or privileges on any person, firm, partnership, corporation, or other entity not a party to this Contract except as may be expressly provided in the Contract to the contrary.

Oral Agreements. No oral order, objection, claim, or notice by any party to the other shall affect or modify any of the terms or obligations contained in this Contract, and none of the provisions of the Contract shall be held to be waived or modified by reason of any act whatsoever, other than by a definitely agreed waiver or Modification in writing and executed in the manner required in this Contract by authorized officers or representatives of the Parties. No evidence shall be introduced in any proceeding of any other waiver or modification.

Counterparts. This Contract may be executed in any number of counterparts, and each of such counterparts for all purposes shall be deemed to be an original, and all of such counterparts should constitute one and the same agreement.

Governing Law. The Contract, including the Contract Documents, shall be governed by the laws of the State of California.

Services Prior to Execution. Notwithstanding the fact that this Contract is executed as of the date first set forth above, the Parties recognize that a portion of the Work required under the Contract may have been performed prior to such date, all of which Work shall be governed by the terms and conditions of this Contract and shall be deemed to be a part of the Work. Without limiting the foregoing, all of Contractor's liabilities and obligations to Authority shall apply to all Work and services provided by the Contractor for the Work prior hereto, notwithstanding the fact that the Work may have been performed prior to the date hereof pursuant to prior negotiations, representations, agreements, understandings, or otherwise.

Survival of Rights. Any indemnity, warranty, guarantee given by the Contractor to the Authority under this Contract shall survive the expiration or termination of this Contract and shall be binding upon Contractor until any action under this Contract is barred by the applicable statute of limitations.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Construction Agreement as of the date first hereinabove written.

“OCFA”

ORANGE COUNTY FIRE AUTHORITY

Date:_____

By:_____

Debbie Casper, Purchasing Manager

“CONTRACTOR”

Contractor Name

Date:_____

By:_____

Contractor Authorized Representative



ORANGE COUNTY FIRE AUTHORITY

RFP RO2360 – Addendum 2

Purchase and Installation of Modular Classrooms

March 14, 2019

Thank you to all that attended the mandatory job walk meeting. As a result of questions received, this addendum is issued to provide additional information as requested.

Responses to questions during job walk:

1) **QUESTION:** Will today's meeting attendance be made available?

RESPONSE: *The attendance record is an attachment to this addendum.*

2) **QUESTION:** Will permits be required for this project? If so, who will be responsible for acquiring needed permits?

RESPONSE: *OCFA anticipates that permits will be required for this project. It will be the awarded contractor's responsibility to provide any and all permits for this project. Please include costs for permits in your total bid price.*

3) **QUESTION:** What is the estimated value of the project?

RESPONSE: *No formal estimate has been provided, however, research suggests that this project will be valued at roughly \$150,000.*

4) **QUESTION:** Will site drawings be available for this project.

RESPONSE: *No detailed site drawings are currently available as they relate this project. The available drawings have been provided online.*

IMPORTANT: If you have submitted a proposal before this addendum was issued, your proposal will be invalidated. After you have reviewed the addendum, you must resubmit your proposal acknowledging receipt of this addendum through PlanetBids.

Thank you for your interest in doing business with OCFA.

Best Regards,

A handwritten signature in black ink, appearing to read "Rothchild Ong", is written over the typed name and title.

Rothchild Ong
Assistant Purchasing Agent

RO2360 – Purchase and Installation of Used/Existing Modular Classrooms

SECTION VI: BID DOCUMENTS**BIDDER'S CHECKLIST**

SUBMIT THIS BIDDER'S CHECKLIST WITH YOUR BID DOCUMENTS. Bidders shall complete and submit all required bid documents marked with an "X" in the "REQUIRED" column for bids to be considered responsive.

Attendance at the pre-bid meeting and job walk is a requirement for submitting a bid.

REQUIRED BID DOCUMENTS

- ☒ **BIDDER'S CHECKLIST**
- ☒ **BID FORM**
- ☒ **BID BOND (DEPOSIT)** in the form of:
 - ☐ Certified Check ☐ Cashier's Check ☒ Bidder's Bond
- ☒ **BID PRICING PAGE AND SCHEDULE**
- ☒ **BIDDERS INFORMATION**
- ☒ **LIST OF PAST PROJECTS**
- ☒ **LIST OF CURRENT PROJECTS**
- ☒ **CONTRACTOR'S LICENSING STATEMENT**
- ☒ **LIST OF SUBCONTRACTORS**
- ☒ **DESIGNATOR OF SURETIES**
- ☒ **NON-COLLUSION AFFIDAVIT**
- ☒ **CERTIFICATION OF NON-DISCRIMINATION BY CONTRACTORS**
- ☒ **DEBARMENT AND SUSPENSION CERTIFICATION**
- ☒ **CERTIFICATION OF SITE EXAMINATION**
- ☒ **PARTY AND PARTICIPANT DISCLOSURE FORMS (IF APPLICABLE)**

POST- BID (CONTRACT) DOCUMENTS

Successful bidder shall submit the following:

- ☒ **INSURANCE REQUIREMENTS CERTIFICATE**
- ☒ **PREVAILING WAGE CERTIFICATION**
- ☒ **WORKERS COMPENSATION INSURANCE CERTIFICATION**
- ☒ **PERFORMANCE BOND**
- ☒ **PAYMENT (LABOR AND MATERIALS) BOND**
- ☒ **CONSTRUCTION CONTRACT**

SUBMITTED BY:

Name of Company Design Space Modular Buildings ^{PHW, LP} Contact Name Mike Palumbo
 Address 10631 Banana Ave City Fontana State CA Zip 92337

1. BID FORMTo: **The Orange County Fire Authority (OCFA)**From: Design Space Modular Buildings PNW LP
(Legal Name of Bidder)**Project:** RO2360 – Purchase and Installation of Used/Existing Modular Classrooms

The undersigned declares that the bid documents including, without limitation, the Invitation for Bids and the Instructions to Bidders have been read and agrees and proposes to furnish all necessary labor, materials, equipment and services to perform and furnish all work in accordance with the terms and conditions of the bid documents, including, without limitation, the Drawings and Specifications, and contract documents as provided in Bid RO2348-1 – Purchase and Installation of Used/Existing Modular Classrooms. The bidder will accept in full payment for that work the following total lump sum amount, all taxes and markup included: (transferred from the Bid Pricing Page)

A. Bid Base Lump Sum**Amount** \$ 238,594.95**Written** Two hundred thirty-eight thousand five hundred ninety-four ⁹⁵/₁₀₀ Dollars

1. The undersigned has reviewed the work outlined in the bid documents and fully understands the scope of work required in this bid, understands the construction and project management function(s) as described in the bid documents, and that each bidder who is awarded a contract shall be in fact the prime contractor, not a subcontractor, to the OCFA, and agrees that its bid, if accepted by the OCFA, will be the basis for the bidder to enter into a contract with the OCFA in accordance with the intent of the bid documents.
2. The undersigned had notified the OCFA in writing any discrepancies or omission or of any doubt, questions, or ambiguities about the meaning of any of the bid documents at least seventy-two (72) hours prior to bid opening and has contacted the OCFA Assistant Purchasing Agent before bid date to verify the issuance of any clarifying addenda.
3. The undersigned agrees to commence work under this Contract on the date established in the bid documents and to complete all work within the time specified in the Bid Documents.
4. **By submitting this Bid Form and signing below, the liquidated damages clause of the Agreement is hereby acknowledged.**
5. It is understood that the OCFA reserves the right to reject this bid and that the bid shall remain open to acceptance and is irrevocable for a period of sixty (60) days.
6. Bidder acknowledges receipt and acceptance of the following addenda, if any:

No. <u>1</u>	Dated <u>3-5-19</u>	No. _____	Dated _____
No. <u>2</u>	Dated <u>3-14-19</u>	No. _____	Dated _____
7. The undersigned hereby certifies that bidder is able to furnish labor that can work in harmony with all other elements of labor employed or to be employed on the work.
8. The bidder represents that it is competent, knowledgeable, and has special skills with respect to the nature, extent, and inherent conditions of the work to be performed. Bidder further acknowledges that there are certain peculiar and inherent conditions existent in the construction of the work that may create, during the work, unusual or peculiar unsafe conditions hazardous to persons and

RO2360 – Purchase and Installation of Used/Existing Modular Classrooms
property.

9. Bidder expressly acknowledges that it is aware of such peculiar risks and that it has the skill and experience to foresee and to adopt protective measures to adequately and safely perform the work with respect to such hazards.
10. Bidder expressly acknowledges that it is aware that if a false claim is knowingly submitted (as the terms "claim" and "knowingly" are defined in the California False Claims Act, Cal. Gov. Code §12650 et seq.), the OCFA will be entitled to civil remedies set forth in the California False Claim Act. It may also be considered fraud and the bidder may be subject to criminal prosecution.
11. The undersigned bidder certifies that it is, and shall be throughout the period of the contract, licensed by the State of California to do the type of work required under the terms of the Bid Documents. Bidder further certifies that it is regularly engaged in the general class and type of work called for in the Bid Documents.
12. Bidder agrees and acknowledges that it is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and the bidder will comply with such provisions before commencing the performance of this contract.

Furthermore, Bidder hereby certifies to the OCFA that all representations, certifications, and statements made by the bidder, as set forth in this bid form, are true and correct and are made under penalty of perjury.

Dated this 14th day of March 2019

Legal Name of Bidder Design Space Modular Buildings PNW, LP

Type of Entity (Corp., LLC) Limited Partnership

Signature of Bidder 

Title of Signer Sales Representative

If Bidder is a Corporation, affix corporate seal

Name of Corporation _____

Date of Incorporation _____

President _____ Secretary _____

Treasurer _____ Manager _____

BIDDER'S BOND
(10% of the Total Bid Amount)

KNOW ALL PERSONS BY THESE PRESENTS:

That the undersigned, as Design Space Modular Buildings P N W L P, as Principal ("Principal"),

and The Ohio Casualty Insurance Company as Surety ("Surety"),

a corporation organized and existing under and by virtue of the laws of the State of NH and authorized to do business as a surety in the State of California, are held and bound unto the Orange County Fire Authority ("Authority") of Orange County, State of California as Obligee, in the sum of

Ten Percent of Amount Bid Dollars (\$ 10%)

lawful money of the United States of America, for the payment of which sum well and truly to be made, we, and each of us, bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that whereas the Principal has submitted a bid to the Authority for all work specifically described in the accompanying bid;

NOW, THEREFORE, if the Principal is awarded the Project and, within the time and manner required under the Bid Documents, after the prescribed forms are presented to Principal for signature, enters into a written contract ("Agreement"), in the prescribed form in accordance with the bid, and files two bonds, one guaranteeing faithful performance and the other guaranteeing payment for labor and materials as required by law, and meets all other conditions to the contract between the Principal and the Obligee becoming effective, or if the Principal shall fully reimburse and save harmless the Obligee from any damage sustained by the Obligee through failure of the Principal to enter into the Agreement and to file the required performance and labor and material bonds, and to meet all other conditions to the Agreement between the Principal and the Obligee becoming effective, then this obligation shall be null and void; otherwise, it shall be and remain in full force and effect. The full payment of the sum stated above shall be due immediately if Principal fails to execute the Agreement within seven (7) days of the date of the Authority's Notice of Award to Principal.

Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Agreement or the call for bids, or to the work to be performed thereunder, or the specifications accompanying the same, shall in any way affect its obligation under this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Agreement or the call for bids, or to the work, or to the specifications.

In the event suit is brought upon this bond by the Obligee and judgment is recovered, the Surety shall pay all costs incurred by the Obligee in such suit, including a reasonable attorneys' fee to be fixed by the Court.

RO2360 – Purchase and Installation of Used/Existing Modular Classrooms

If the Authority awards the bid, the security of unsuccessful bidder(s) shall be returned within sixty (60) days from the time the award is made. Unless otherwise required by law, no bidder may withdraw its bid for ninety (90) days after the date of the bid opening.

IN WITNESS WHEREOF, this instrument has been duly executed by the Principal and Surety above named, on the 8th day of March, 2019.

(Affix Corporate Seal)

Design Space Modular Buildings P N W L P

Principal

By Daniel L. McGregor

Vice President of General Partner

Print Name and Title of Signatory

(Affix Corporate Seal)

The Ohio Casualty Insurance Company

Surety

By Heather Burroughs (Attorney-In-Fact)

BB&T Insurance Services - Christopher Lydick
Name of California Agent of Surety

750 B Street, Suite 2400, San Diego, CA 92101
Address of California Agent of Surety

(714) 634-5716
Telephone Number of California Agent of Surety

Bidder must attach Power of Attorney and Certificate of Authority for Surety and a Notarial Acknowledgment for all Surety's signatures. The California Department of Insurance must authorize the Surety to be an admitted Surety Insurer.

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

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

State of ~~California~~ North Carolina)
County of Durham)

On March 8th 2019 before me, Brooke Gagne-Manix
Date Here Insert Name and Title of the Officer
personally appeared Heather Burroughs
Name(s) of Signer(s)

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

Brooke Gagne-Manix
NOTARY PUBLIC
WAKE COUNTY, N.C.
My Commission Expires 06-03-2023.

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

WITNESS my hand and official seal.

Signature

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

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

Description of Attached Document

Title or Type of Document: Document Date:

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

Capacity(ies) Claimed by Signer(s)

Signer's Name:

☐ Corporate Officer — Title(s):

☐ Partner — ☐ Limited ☐ General

☐ Individual ☒ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other:

Signer Is Representing:

Signer's Name:

☐ Corporate Officer — Title(s):

☐ Partner — ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other:

Signer Is Representing:

THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON RED BACKGROUND.

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

Certificate No. 8176414

Liberty Mutual Insurance Company
The Ohio Casualty Insurance Company West American Insurance Company

POWER OF ATTORNEY

KNOWN ALL PERSONS BY THESE PRESENTS: That The Ohio Casualty Insurance Company is a corporation duly organized under the laws of the State of New Hampshire, that Liberty Mutual Insurance Company is a corporation duly organized under the laws of the State of Massachusetts, and West American Insurance Company is a corporation duly organized under the laws of the State of Indiana (herein collectively called the "Companies"), pursuant to and by authority herein set forth, does hereby name, constitute and appoint, Julia C. McElligott; Heather Burroughs; Brooke Gagne-Manix; Phoebe C. Honeycutt; Christopher A. Lydick; Kenneth J. Peeples; Bobbi D. Pendleton; Adam Pfanmiller; Jason Lee Sayers; Camille Smith

all of the city of Durham, state of NC each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents and shall be as binding upon the Companies as if they have been duly signed by the president and attested by the secretary of the Companies in their own proper persons.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Companies and the corporate seals of the Companies have been affixed thereto this 14th day of August, 2018.



The Ohio Casualty Insurance Company
Liberty Mutual Insurance Company
West American Insurance Company

By: David M. Carey
David M. Carey, Assistant Secretary

STATE OF PENNSYLVANIA ss
COUNTY OF MONTGOMERY

On this 14th day of August, 2018, before me personally appeared David M. Carey, who acknowledged himself to be the Assistant Secretary of Liberty Mutual Insurance Company, The Ohio Casualty Company, and West American Insurance Company, and that he, as such, being authorized so to do, execute the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at King of Prussia, Pennsylvania, on the day and year first above written.



COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Teresa Pastella, Notary Public
Upper Merion Twp., Montgomery County
My Commission Expires March 28, 2021
Member, Pennsylvania Association of Notaries

By: Teresa Pastella
Teresa Pastella, Notary Public

This Power of Attorney is made and executed pursuant to and by authority of the following By-laws and Authorizations of The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company which resolutions are now in full force and effect reading as follows:

ARTICLE IV – OFFICERS – Section 12. Power of Attorney. Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or the President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and execution of any such instruments and to attach thereto the seal of the Corporation. When so executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary. Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

ARTICLE XIII – Execution of Contracts – SECTION 5. Surety Bonds and Undertakings. Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

Certificate of Designation – The President of the Company, acting pursuant to the Bylaws of the Company, authorizes David M. Carey, Assistant Secretary to appoint such attorneys-in-fact as may be necessary to act on behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

Authorization – By unanimous consent of the Company's Board of Directors, the Company consents that facsimile or mechanically reproduced signature of any assistant secretary of the Company, wherever appearing upon a certified copy of any power of attorney issued by the Company in connection with surety bonds, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

I, Renee C. Llewellyn, the undersigned, Assistant Secretary, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy of the Power of Attorney executed by said Companies, is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 8 day of March, 2019.



By: Renee C. Llewellyn
Renee C. Llewellyn, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 1-610-832-8240 between 9:00 am and 4:30 pm EST on any business day.

2. BID PRICING PAGE & SCHEDULE

Contractor is required to provide itemized pricing in this form. All costs associated with the project are to be included.

SCHEDULE OF VALUES – BASE BID

Construction Activity	Extended Amount
1. Classroom 1 (Supply and Install) <ul style="list-style-type: none"> a. Materials and Supplies \$ <u>97,607</u> b. Installation (Prevailing Wages) \$ <u>12,295</u> <ul style="list-style-type: none"> i. Classification 1 \$ <u>55.73</u>/hr x # <u>24</u> hrs ii. Classification 2 \$ <u>60.35</u>/hr x # <u>24</u> hrs iii. Classification 3 \$ ____/hr x # ____ hrs 	\$ 109,902
2. Classroom 2 (Supply and Install) <ul style="list-style-type: none"> a. Materials and Supplies \$ <u>98,913</u> b. Installation (Prevailing Wages) \$ <u>12,295</u> <ul style="list-style-type: none"> i. Classification 1 \$ <u>55.73</u>/hr x # <u>24</u> hrs ii. Classification 2 \$ <u>60.35</u>/hr x # <u>24</u> hrs iii. Classification 3 \$ ____/hr x # ____ hrs 	\$ 111,268
<div style="text-align: right;">Taxes @ 7.75%</div> (Please verify only taxable items are included in this line)	\$ 15,234.95
Shipping/Delivery (if applicable)	\$ 2,190.00
Additional Fees: (Please Describe): _____	\$ —
Total Base Bid for Purchase and Installation of Used/Existing Modular Classrooms (Must match Total Base Bid Amount provided on page 23)	\$ 238,594.95

BID PRICING PAGE & SCHEDULE (CONTINUED)

As a cost-saving option, OCFA would like to consider “rent to own” terms for this project. Please provide an offer based on a “Rent to Own” option as an Alternate Bid for additional consideration. Note that the Alternate Bid offer is not a requirement of the bid and will not be a factor in the bid evaluation process but may be considered during final contract award.

ALTERNATE BID OFFER (RENT TO OWN): Provide additional information in regard to a “Rent to Own” option for OCFA consideration. Include rates, fees, and any additional costs associated with this option. Attach additional sheets as necessary. Include a copy of any proposed rent to own agreement, including full terms and conditions (if offered).

PROPOSED SCHEDULE OF CONSTRUCTION:

OCFA **requires** that these classrooms be delivered and installed no later than Friday, April 12, 2019.

Is your company able to accommodate this need? ☒ YES ☐ NO * Based upon contract by 3-18-2019

Task	Weeks
Delivery and Installation of Used/Existing Modular Classrooms	3-4
Total weeks for completion	3-4

1. BIDDER'S INFORMATION (REQUIRED)

Bidder's Name Design Space Modular Buildings PNW, LP
Bidder's Business Address 10631 Banana Ave., Fontana, CA 92337
Contact Name Mike Palumbo E-Mail Address mikep@designspace mod.com
Taxpayer ID Number 330912080
Telephone Number 909 349-2800 Fax Number 909-349-2110
California Contractors License Number and Class 1048629
Original Issue Date 1/4/19 Expiration Date 01/31/21
How many years has the Bidder been in business under the present name? 1
What other names has the Bidder operated under?
Design Space Modular Buildings

If your company is owned by an individual or partnership, answer the following questions:

Date of Organization 2002 Type Limited Partnership
(i.e. general or limited partnership)

Name and address of all partners

Paul McShane - 25212 Marguerite Parkway Ste 200, Mission Viejo, CA 92692
Anthony Esernia - 25212 Marguerite Parkway Ste 200, Mission Viejo, CA 92692
Dan McGregor - 25212 Marguerite Parkway Ste 200, Mission Viejo, CA 92692

If other than a corporation or partnership, describe organization and name principals.

List other states in which Bidder is legally qualified to do business.

Oregon, Washington, Idaho, Nevada, Arizona, Utah, North Dakota

What type of work does the Bidder normally perform with its own forces?

Delivery, Refurbishments and installation of modular buildings

Has the Bidder ever failed to complete any work awarded? If so, note when, why and where.

No

Have any of the current officers/partners of the Bidder's company ever been an officer/partner of another company that failed to complete a contract within the past five years? If so, please submit a separate page providing an explanation. No

2. LIST OF PAST PROJECTS

The Bidder must demonstrate knowledge of public construction techniques and must possess a working ability to perform a similar scope of construction work for other public agencies. The OCFA expressly reserves the right to reject the bid of any bidder who has failed to complete three (3) similar prefabricated classroom projects of substantially the same type of work in a timely or satisfactory manner. The following are the names addresses, phone numbers, and contact information for three public agencies for which the Bidder has performed similar work within the past three (3) years. **Failure to provide the requested information may cause your bid to be rejected as non-responsive.**

Agency Name State of CA

Address 46001 Orwin Way, Gorman, CA

Contact Person Larry Vietti

Telephone Number 661-524-4300 E-mail _____

Scope of Work/Dollar Amount Provide 60x72 Modular Bld. / \$270K

Agency Name City of San Bernardino Water Department

Address 397 Chandler Place, San Bernardino, CA 92402

Contact Person Steve Miller

Telephone Number 909-269-1500 E-mail _____

Scope of Work/Dollar Amount Provide 60x72 Temp office space / \$284K

Agency Name California Department of Corrections

Address Highway 2, San Luis Obispo, CA 93409

Contact Person Gary Munguia

Telephone Number 916-799-2830 E-mail _____

Scope of Work/Dollar Amount Provide 70x84 Modular with meeting rooms / \$1.8mil

Agency Name _____

Address _____

Contact Person _____

Telephone Number _____ E-mail _____

Scope of Work/Dollar Amount _____

3. LIST OF CURRENT PROJECTS

Provide a list of the current projects; duplicate this page if more space is needed.

[illegible]

4. CONTRACTOR'S LICENSING STATEMENT

The undersigned certifies that the Bidder is licensed in accordance with the laws of the State of California. The successful Bidder and subcontractors are required to hold the State of California Contractor's License(s) and DIR registration as required by SB854. Provide additional contractor's license details if applicable.

Contractor's License No. 1048629 Class B Expiration 1-31-21

Department of Industrial Relations (DIR) # 1000064412

Name of Individual Contractor _____

Signature of Owner _____

Business Address _____

If the contractor operates under a partnership, provide the name of the firm, name, title and address below.

Name of Firm Design Space Modular Buildings PNW, LP

Business Address 25212 Marguerite Parkway Ste 200, Mission Viejo, CA 92692

Name Paul McShane Title President / Partner

Address 25212 Marguerite Parkway Ste 200, Mission Viejo, CA 92692

Name Daniel McGregor Title Vice President / Partner

Address 25212 Marguerite Parkway Ste 200, Mission Viejo, CA 92692

If the contractor operates under a corporation, provide the name and address below in addition to the signatures of the President and Secretary.

Name of Corporation _____

Business Address _____

Corporation organized under the laws of the State of California

Signature of the Corporation President

Signature of the Corporation Secretary

Date

5. LIST OF SUBCONTRACTORS

Bidder acknowledges and agrees that under Public Contract Code section 4100, et seq., it must clearly set forth below the name and location of each subcontractor who will perform work or labor or render service to the bidder in or about the construction of the work in an amount in excess of one-half of one percent (0.5%) of bidder's total bid and the kind of work that each will perform. Furthermore, bidder acknowledges and agrees that under Public Contract Code section 4100, et seq., if bidder fails to list any portion of work, or if bidder lists more than one subcontractor to perform the same portion of work (i.e. bidder must indicate what portion of the work each subcontractor will perform), bidder must perform that portion itself or be subjected to penalty under applicable law.

If alternate bids are called for and bidder intends to use subcontractors different from or in addition to those subcontractors listed for work under the base bid, bidder must list subcontractors that will perform work in an amount in excess of one half of one percent (0.5%) of bidder's total bid, including alternates.

In case more than one subcontractor is named for the same kind of work, the Contractor is to state the portion of work that each subcontractor will perform. Bidders or suppliers of materials only do not need to be listed. If further space is required for the list of proposed subcontractors, additional sheets showing the required information, as indicated below, shall be attached hereto and made a part of this document.

Listed below is the name of each subcontractor that will perform work, labor, or render services to the undersigned related to the construction work of this project. This is to include any subcontractor that will specially fabricate and install a portion of work according to detailed drawings contained in the plans and specifications in the amount greater than one half of one percent (.05%) of the contractors total bid.

Subcontractor Name	<u>Quick-Deck Inc.</u>	Location	<u>Corp Office Locust, NC 28097</u>
Portion of Work/Trade	<u>ADA Ramp, Steps & Installation</u>		
Bid Amount	<u>\$ 22,418</u>		
Contractor's License Number	<u>1030653</u>	DIR Number	<u>1000012715</u>
Subcontractor Name	<u>HN Construction Services</u>	Location	<u>Rancho Cucamonga</u>
Portion of Work/Trade	<u>Modular Building Installations</u>		
Bid Amount	<u>\$ 8,000</u>		
Contractor's License Number	<u>597806</u>	DIR Number	<u>1000029922</u>
Subcontractor Name	_____	Location	_____
Portion of Work/Trade	_____		
Bid Amount	_____		
Contractor's License Number	_____	DIR Number	_____

6. DESIGNATOR OF SURETIES

Provide the names, addresses and telephone numbers for all insurance brokers and sureties the Bidder intends to purchase insurance and bonds from.

Company Name BB&T Insurance Services
Address 750 B Street, Suite 2400, San Diego, CA 92101
Contact Name Christopher Lydick E-Mail Address clydick@bbandt.com
Telephone Number 714 634-5716 Fax Number _____
Bond or Insurance/Type Bid Bond

Company Name _____
Address _____
Contact Name _____ E-Mail Address _____
Telephone Number _____ Fax Number _____
Bond or Insurance/Type _____

Company Name _____
Address _____
Contact Name _____ E-Mail Address _____
Telephone Number _____ Fax Number _____
Bond or Insurance/Type _____

Company Name _____
Address _____
Contact Name _____ E-Mail Address _____
Telephone Number _____ Fax Number _____
Bond or Insurance/Type _____

7. NON-COLLUSION DECLARATION

The undersigned declares:

I am the Sales Representative of Design Space Modular Buildings PNW, LP
(Title) (Name of Contractor, Partnership, Corp.)

the party making the foregoing bid.

The bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The bid is genuine and not collusive or sham. The bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid. The bidder has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or to refrain from bidding. The bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder. All statements contained in the bid are true. The bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof, to effectuate a collusive or sham bid, and has not paid, and will not pay, any person or entity for such purpose.

Any person executing this declaration on behalf of a bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the bidder.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on March 14th, 2019 in
Fontana, CA (date)
(city & state)

M. Palumbo
(Signature)

Mike Palumbo
(Print Name)

Sales Representative
(Title)

8. CERTIFICATION OF NON-DISCRIMINATION BY CONTRACTORS

Labor Code Section 1735 requires that no discrimination be made in the employment of persons upon public works because of the race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status or sex of such persons, except as provided in Government Code Section 12940.

The firm listed below certifies that it does not discriminate in its employment with regard to the factors set forth in Labor Code Section 1735; that it is in compliance with all federal, state and local directives and executive orders regarding non-discrimination in employment; and that it agrees to demonstrate positively and aggressively the principle of equal employment opportunity in employment.

We agree specifically:

1. To establish or observe employment policies which affirmatively promote opportunities for minority persons at all job levels.
2. To communicate this policy to all persons concerned, including all company employees, outside recruiting services, especially those serving minority communities, and to the minority communities at large.
3. To take affirmative steps to hire minority employees within the company.

Company Name Design Space Modular Buildings PNW, LP

Signature 

Printed Name/Title of Company Representative Mike Palumbo / Sales Representative

Date March 14th, 2019

Please include any additional information available regarding equal opportunity employment programs now in effect within your company.

9. DEBARMENT AND SUSPENSION CERTIFICATION

TITLE 49, CODE OF FEDERAL REGULATIONS, PART 29

The Bidder, under penalty of perjury, certifies that, except as noted below, he/she or any other person associated therewith in the capacity of owner, partner, director, officer, manager:

- Is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any Federal agency;
- Has not been suspended, debarred, voluntarily excluded or determined ineligible by any Federal agency within the past 3 years;
- Does not have a proposed debarment pending; and
- Has not been indicted, convicted, or had a civil judgment rendered against it by a court of competent jurisdiction in any matter involving fraud or official misconduct within the past 3 years.

If there are any exceptions to this certification, insert the exceptions in the following space.

Exceptions will not necessarily result in denial of award, but will be considered in determining bidder responsibility. For any exception noted above, indicate below to whom it applies, initiating agency, and dates of action.

Note: Providing false information may result in criminal prosecution or administrative sanctions.

Company Name Design Space Modular Buildings PNW, LP

Signature MLP

Printed Name/Title of Company Representative Mike Palumbo / Sales Representative

Date March 14th, 2019

10. CERTIFICATION OF SITE EXAMINATION

Each bidder shall be fully informed of the conditions relating to the construction of the work and the employment of labor thereon. Failure to do so will not relieve Contractor or subcontractor of the obligation to furnish all material and labor necessary to carry out the provisions of the contract documents.

Each bidder shall examine the site for the work described herein. Bidders shall attend a mandatory pre-bid inspection of the building(s) and site(s), conducted by the OCFA, unless otherwise specified. Failure to attend the mandatory pre-bid inspection shall be cause for rejection of the bid.

The specifications for the work show conditions as they are believed to exist. The conditions shown do not constitute a representation or warranty express or implied by the OCFA, its officers or agents that such conditions actually exist.

Each bidder also certifies it has observed the designated Contractor work areas, material equipment storage areas, access routes, as well as the ability to protect existing surface and subsurface improvements. No claim for allowance of time or money will be allowed for such matters.

This is to certify that I have examined the site and the bid is complete and there will be no additional payment for failure to examine the site thoroughly.

Date of Site Examination March 11th, 2019

Company Name Design Space Modular Buildings PNW, LP

Signature Mike Palumbo

Printed Name/Title of Company Representative Mike Palumbo / Sales Representative

Date March 14th, 2019

Contractor's License Detail for License # 1048629

DISCLAIMER: A license status check provides information taken from the CSLB license database. Before relying on this information, you should be aware of the following limitations.

CSLB complaint disclosure is restricted by law (B&P 7124.6) If this entity is subject to public complaint disclosure, a link for complaint disclosure will appear below. Click on the link or button to obtain complaint and/or legal action information.

Per B&P 7071.17, only construction related civil judgments reported to the CSLB are disclosed.

Arbitrations are not listed unless the contractor fails to comply with the terms of the arbitration.

Due to workload, there may be relevant information that has not yet been entered onto the Board's license database.

Business Information

DESIGN SPACE MODULAR BUILDINGS PNW LP
25212 MARGUERITE PARKWAY
SUITE 200
MISSION VIEJO, CA 92692-2929
Business Phone Number:(949) 334-0535

Entity Partnership

Issue Date 01/04/2019

Expire Date **01/31/2021**

License Status

This license is current and active.

All information below should be reviewed.

Classifications

B - GENERAL BUILDING CONTRACTOR

Bonding Information

Contractor's Bond

This license filed a Contractor's Bond with OHIO CASUALTY INSURANCE COMPANY (THE).

Bond Number: 024233797

Bond Amount: \$15,000

Effective Date: 12/26/2018

Workers' Compensation

This license has workers compensation insurance with the INSURANCE COMPANY OF THE WEST

Policy Number: WSD503507702

Effective Date: 11/18/2018

Expire Date: 11/18/2019

Other

Personnel listed on this license (current or disassociated) are listed on other licenses.

Make sure the proper registration fiscal year is selected when performing a search.

Registration Fiscal Year:	<input type="text" value="7/1/2018 - 6/30/2019"/>	▼
PWC Registration Number:	<input type="text" value="1000064412"/>	
Contractor Legal Name:	<input type="text" value="example: ABC COMPANY"/>	
License Number:	<input type="text" value="example: 123456"/>	Contractor License Lookup
County:	<input type="text" value="Select County"/>	▼
<input type="button" value="Search"/>		<input type="button" value="Reset"/>

This is a listing of PWC registrations pursuant to Division 2, Part 7, Chapter 1 (commencing with section 1720 of the California Labor Code.)

Export as: [Excel](#) | [PDF](#)

Search Results

One registered contractor found. 1

Details	Legal Name	Registration Number	County	City	License Type/Number(s)	Current Status	Registration Date	Expiration Date
View	DESIGN SPACE MODULAR BUILDINGS PNW, LP	1000064412	ORANGE	MISSION VIEJO	CSLB:1048629-B	Active	03/01/2019	06/30/2019

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Contractor's License Detail for License # 1030653

DISCLAIMER: A license status check provides information taken from the CSLB license database. Before relying on this information, you should be aware of the following limitations.

CSLB complaint disclosure is restricted by law (B&P 7124.6) If this entity is subject to public complaint disclosure, a link for complaint disclosure will appear below. Click on the link or button to obtain complaint and/or legal action information.

Per B&P 7071.17, only construction related civil judgments reported to the CSLB are disclosed.

Arbitrations are not listed unless the contractor fails to comply with the terms of the arbitration.

Due to workload, there may be relevant information that has not yet been entered onto the Board's license database.

Business Information

QUICK-DECK INC
dba PREFABRICATED QUICK-DECK

137 PINE FOREST DR
LOCUST, NC 28097
Business Phone Number:(714) 287-6687

Entity Corporation
Issue Date 09/01/2017
Expire Date **09/30/2019**

License Status

This license is current and active.

All information below should be reviewed.

Classifications

C-61 / D34 - PREFABRICATED EQUIPMENT

Bonding Information

Contractor's Bond

This license filed a Contractor's Bond with AMERICAN CONTRACTORS INDEMNITY COMPANY.

Bond Number: 100358306

Bond Amount: \$15,000

Effective Date: 08/04/2017

Bond of Qualifying Individual

This license filed Bond of Qualifying Individual number **100358326** for DANIEL ALIN RACHI in the amount of **\$12,500** with AMERICAN CONTRACTORS INDEMNITY COMPANY.

Effective Date: 08/04/2017

Workers' Compensation

This license has workers compensation insurance with the TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA.

Policy Number: UB7J0565591814G

Effective Date: 10/05/2017

Expire Date: 10/05/2019

Workers' Compensation History

Make sure the proper registration fiscal year is selected when performing a search.

Registration Fiscal Year:	7/1/2018 - 6/30/2019	▼
PWC Registration Number:	example: 1234567890	
Contractor Legal Name:	example: ABC COMPANY	
License Number:	1030653	Contractor License Lookup
County:	Select County	▼
Search		Reset

This is a listing of PWC registrations pursuant to Division 2, Part 7, Chapter 1 (commencing with section 1720 of the California Labor Code.)

Export as: Excel | PDF

Search Results

One registered contractor found. 1

Details	Legal Name	Registration Number	County	City	License Type/Number(s)	Current Status	Registration Date	Expiration Date
View	QUICK-DECK, INC.	1000012715	OUT OF STATE	LOCUST	CSLB:1030653	Active	06/28/2018	06/30/2019

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Contractor's License Detail for License # 597806

DISCLAIMER: A license status check provides information taken from the CSLB license database. Before relying on this information, you should be aware of the following limitations.

CSLB complaint disclosure is restricted by law (B&P 7124.6) If this entity is subject to public complaint disclosure, a link for complaint disclosure will appear below. Click on the link or button to obtain complaint and/or legal action information.

Per B&P 7071.17 , only construction related civil judgments reported to the CSLB are disclosed.

Arbitrations are not listed unless the contractor fails to comply with the terms of the arbitration.

Due to workload, there may be relevant information that has not yet been entered onto the Board's license database.

Business Information

HN CONSTRUCTION SERVICES
6676 PALO VERDE PLACE
RANCHO CUCAMONGA, CA 91739
Business Phone Number:(951) 830-5387

Entity Sole Ownership

Issue Date 07/06/1990

Expire Date **07/31/2020**

License Status

This license is current and active.

All information below should be reviewed.

Classifications

C47 - MANUFACTURED HOUSING
B - GENERAL BUILDING CONTRACTOR

Bonding Information

Contractor's Bond

This license filed a Contractor's Bond with HUDSON INSURANCE COMPANY.

Bond Number: 30013893

Bond Amount: \$15,000

Effective Date: 07/05/2016

Contractor's Bond History

Workers' Compensation

This license has workers compensation insurance with the STATE COMPENSATION INSURANCE FUND

Policy Number: 9229615

Effective Date: 04/13/2018

Expire Date: 04/13/2019

Workers' Compensation History

Make sure the proper registration fiscal year is selected when performing a search.

Registration Fiscal Year:	<input type="text" value="7/1/2018 - 6/30/2019"/>	▼
PWC Registration Number:	<input type="text" value="example: 1234567890"/>	
Contractor Legal Name:	<input type="text" value="example: ABC COMPANY"/>	
License Number:	<input type="text" value="597806"/>	Contractor License Lookup
County:	<input type="text" value="Select County"/>	▼
<input type="button" value="Search"/>		<input type="button" value="Reset"/>

This is a listing of PWC registrations pursuant to Division 2, Part 7, Chapter 1 (commencing with section 1720 of the California Labor Code.)

Export as: [Excel](#) | [PDF](#)

Search Results

One registered contractor found. 1

Details	Legal Name	Registration Number	County	City	License Type/Number (s)	Current Status	Registration Date	Expiration Date
View	HECTOR LOPEZ	1000029922	SAN BERNARDINO	RANCHO CUCAMONGA	CSLB:597806	Active	11/12/2018	06/30/2019

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**ORANGE COUNTY FIRE AUTHORITY
CONSTRUCTION CONTRACT**

Attachment 3

Per Bid RO2360

THIS CONTRACT is made and entered into, to be effective, this ____ day of March 2019, by and between Design Space Modular Buildings, PNW, LP, hereinafter referred to as "Contractor," and the Orange County Fire Authority, hereinafter referred to as "Authority."

SECTION 1 - GENERAL CONDITIONS

Contractor certifies and agrees that all the terms, conditions, and obligations of the Contract Documents as defined therein, the location of the Project site, and the conditions under which the work is to be performed, have been thoroughly reviewed and enters into this Contract based upon Contractor's investigation of all such matters and is in no way relying upon any opinions or representations of Authority. It is agreed that this Contract and the attached exhibits (collectively "Contract Documents") represent the entire agreement. It is further agreed that the Contract Documents including the General Conditions, Scope of Work, Notice Inviting Bids, Special Instructions to Bidders, if any, Contractor's Bid, and any revision, amendment, or addenda thereto, shall be deemed a part of such Contract Documents, and the Contractor and its subcontractors, if any, will be and are bound by any and all of the Contract Documents insofar as they relate in any part or in any way, directly or indirectly, to the work covered by this Contract. Contractor further certifies and agrees that the work described in the Contract Documents will be performed, installed, constructed, and completed in a professional and expert manner and that all such work will be completed on time and within budget.

SECTION 2 - MATERIALS AND LABOR

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

Prior to each payment Contractor shall submit a "Conditional Release of Lien upon Progress Payment" with the first, and thereafter each, progress payment application in the amount of the application for payment specifying the period of time for which the Conditional Release applies.

For each subsequent payment period, if payment has been received by Contractor for the previous application, Contractor shall submit an "Unconditional Waiver and Release Upon Progress Payment" for the labor and materials associated with the progress billing satisfied with the prior payment.

The new progress billing is then submitted with a new "Conditional Release of Lien" in the amount of the application for the next specified period of time.

When all project labor and materials have been paid in full, Contractor shall submit an "Unconditional Waiver and Release Upon Final Payment".

Final Payment shall not become due until Contractor submits to Authority's Project Manager: (1) an Unconditional and Final Release of Liens containing an affidavit that all payrolls, bills for materials and equipment, and other indebtedness connected with the work and materials for which Authority or Authority's property might in any way be responsible, have been paid or otherwise satisfied, and signed by all subcontractors and suppliers; (2) the consent of the surety to Final Payment; and (3) if reasonably required by the Authority's Project Manager, other data establishing payment or satisfaction of all such obligations, such as receipts, releases and waivers of liens arising out of the Contract, to the extent and in

such form as may be designated by the Authority's Project Manager. Authority's Project Manager may require affidavits or certificates of payment and/or releases from any Subcontractor, laborer, or material supplier.

If any Subcontractor or material supplier refuses to sign the Final Release of Liens or to furnish a release or waiver required by Authority's Project Manager, Contractor may satisfy its obligation with respect to such Subcontractor or material supplier by furnishing a cash bond, assignment of a certificate of deposit, or other liquid security satisfactory to Authority's Project Manager to indemnify Authority against any lien and against the costs and reasonable attorney fees in discharging such lien. If any lien remains unsatisfied after all payments are made, Contractor shall refund to Authority all monies that the Authority pays in discharging such lien, including all costs and reasonable attorneys' fees, or Authority in its sole discretion may proceed to make a demand against the surety for all such costs and attorney fees. In the event Authority makes demand for payment against the surety, Contractor shall be responsible to reimburse Authority upon demand for any costs and reasonable attorney fees not paid by the surety.

SECTION 3 - CONTRACT PRICE AND METHOD OF PAYMENT

Authority agrees to pay and the Contractor agrees to accept as full consideration for the faithful performance of this Contract, subject to any subsequent additions or deductions as provided in approved change orders, the sum of two hundred thirty-eight thousand, five hundred ninety-five dollars and ninety-five cents (\$238,594.95) as shown on Exhibit A.

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

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

SECTION 4 – TIME OF COMMENCEMENT AND COMPLETION

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

Time is of the essence of this Contract. As required by the Contract Documents, Contractor shall prepare and obtain approval of all shop drawings, details, and samples, and do all other things necessary and incidental to the prosecution of Contractor's work in conformance with an approved construction schedule. Contractor shall coordinate the work covered by this Contract with that of all other Contractors, subcontractors and of the Authority, if any, in a manner that will facilitate the efficient completion of the entire work in accordance with the Contract Documents. Authority shall have the right to assert complete control of the premises on which the work is to be performed and shall have the right to decide the time or order in which the various portions of the work shall be installed or the priority of the work of other subcontractors, and, in general, all matters representing the timely and orderly conduct of the work of Contractor on the premises.

SECTION 5 – LIQUIDATED DAMAGES FOR DELAY

The parties agree that if the total work called for under this Contract, in all parts and requirements, is not completed within the time specified in Section 4 plus any allowance made for delays or extensions authorized under the Contract Documents, the Authority will sustain damage which would be extremely difficult and impracticable to ascertain. The parties therefore agree that Contractor will pay to Authority the sum of One Thousand Dollars (\$1,000.00) per day, as liquidated damages, and not as a penalty, for each and every calendar day during which completion of the Project is so delayed. Contractor agrees to pay such liquidated damages and further agrees that Authority may offset the amount of liquidated damages from any monies due or that may become due Contractor under this Contract.

SECTION 6 – COMPLETION

Within 10 days after the Contract completion date of the Project, Contractor shall file with the Project Manager its affidavit stating that all workers and persons employed, all firms supplying materials, and all subcontractors upon the Project have been paid in full, and that there are no claims outstanding against the Project for either labor or material, except those certain items, if any, to be set forth in an affidavit covering disputed claims, or items in connection with Stop Notices which have been filed under the provisions of the statutes of the State of California. The Project Manager may require affidavits or certificates of payment and/or releases from any subcontractor, laborer or material supplier.

Upon receipt of Contractor's affidavit, the Project Manager shall prepare appropriate documentation setting forth the particular details of the completed Project, including but not limited to, description and amount of all change orders, the final amounts of the Contract, as amended, the time and dates of the total agreement and the identification of any unresolved claims or disputes. If necessary, Project Manager shall submit the Project and the agreements to the Board of Directors for acceptance of the job as complete.

SECTION 7 – SURETY BONDS

General Requirements

To the extent required under Civil Code section 9550, the Contractor shall furnish, prior to the signing the Agreement, and maintain thereafter, a payment bond in the amount of 100 percent of the Contract price including all applicable sales taxes. The bond shall be first approved by the office of the Counsel of the Authority. Such bonds shall be in substantially the form provided in the Contract Documents and issued by a surety authorized by the State Insurance Commissioner to do business in California, and have and maintain, throughout the life of the Project, at least an A- policyholder's rating, or better, and a financial rating of Class VII, or better, in accordance with the most current A.M. Best's Rating Guide.

Unacceptable Surety

If any surety upon any bond furnished in connection with the Contract Documents becomes unacceptable to the Authority, or if any such surety fails to furnish reports as to its financial condition from time to time as requested by the Project Manager, the Contractor shall promptly furnish such additional security as may be required by the Project Manager or the Board of Directors from time to time to protect the interests of the Authority and of persons supplying labor materials in the prosecution of the work contemplated by this Contract.

SECTION 8 – INSURANCE

Contractor is also aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for workers' compensation. Contractor and all subcontractors shall carry workers' compensation insurance for the protection of its employees during the progress of the work. The insurer shall waive its rights of subrogation against Authority, its officers, agents, and employees and shall issue an endorsement certificate to the policy evidencing same.

Contractor shall at all times carry, on all operations hereunder, bodily injury, personal injury, including death and property damage liability insurance, including automotive operations, bodily injury and property

damage coverage; and builders' all risk insurance. All insurance coverage shall be in amounts specified by Authority in the Insurance Requirements and shall be evidenced by the issuance of a certificate in a form prescribed by the Authority and shall be underwritten by insurance companies satisfactory to Authority for all operations, subcontract work, contractual obligations, product or completed operations, all owned, hired, and non-owned vehicles. Said insurance coverage obtained by the Contractor, excepting workers' compensation coverage, shall contain the following provisions, or Contractor shall provide endorsements on forms approved by the Authority to add the following provisions to the insurance policies: (1) the policy or policies shall name the Authority, its Directors, Officers, Officials, Agents, Employees, Project Manager, Volunteers and Consultants for this Contract, and all public agencies from whom permits will be obtained and their Directors, Officers, Agents, and Employees, as determined by the Authority, as additional insured on said policies; and (2) each policy shall be endorsed to be primary and any other insurance, deductible, or self-insurance maintained by the Authority, its Directors, Officers, Officials, Agents, Employees, Project Manager, Volunteers or Consultants, shall not contribute with the primary insurance.

Before Contractor performs any work at, or prepares or delivers materials to, the site of construction, Contractor shall furnish certificates of insurance evidencing the foregoing insurance coverage and such certificates shall provide the name and policy number of each carrier and policy and that the insurance is in force and will not be canceled without thirty (30) days written notice to Authority.

Contractor shall maintain all of the foregoing insurance coverage in force until the work under this Contract is fully completed and accepted by Authority. The requirement for carrying the foregoing insurance shall not derogate from the provisions for indemnification of Authority by Contractor under this Contract. Notwithstanding nor diminishing the obligations of Contractor with respect to the foregoing, Contractor shall subscribe for and maintain in full force and effect during the life of this Contract, the following insurance in amounts not less than the amounts specified and issued by a company admitted in California and having an A.M. Best's Guide Rating of "A-" Class VII or better: However, Authority will accept State Compensation Insurance Fund, for the required policy of Worker's Compensation subject to Authority's option to require a change in insurer in the event the State Fund financial rating is decreased below "B".

Workers' Compensation	Minimum of \$1,000,000 - In Accordance with the Workers' Compensation Act of the State of California.
General Liability, including operations, products and completed operations	\$5,000,000, per occurrence for bodily injury, personal injury and property damage/\$5,000,000 aggregate. If commercial general liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the project or the general aggregate limit shall be twice the required occurrence limit. For those businesses that are self-insured, a written declaration by the principal of the business should be provided.
Automobile Liability, including owned, hired, and non-owned vehicles	\$1,000,000 combined single limit per occurrence; \$1,000,000 uninsured motorist.
Builder's Risk	All Risk Basis; Completed value of the project without co-insurance penalty provided.

Coverage for commercial general liability and automobile liability insurance shall be at least as broad as the following:

1. Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG0001)
2. Insurance Service Office (ISO) Business Auto Coverage (Form CA 0001) covering any auto.

Authority or its representatives shall at all times have the right to inspect and receive the original or a certified copy of all said policies of insurance, including certificates. Contractor shall pay the premiums on the insurance hereinabove required.

Contractor shall either: (1) include all subcontractors engaged in any work relating to this Contract as additional named insureds under the Contractor's insurance policies, or (2) Contractor shall be responsible for causing its subcontractors to procure, maintain and submit evidence to Authority of insurance of the same types, in the same amounts, and in compliance with the terms of the insurance requirements set forth in this section, including submittal of all required endorsements. All insurance policies provided by Contractor's subcontractors performing any work related to this Contract shall be endorsed to name the Authority, its officials, officers, employees, agents and volunteers, as additional insureds. Contractor shall not allow any subcontractor to commence any work relating to this Contract unless and until it has provided evidence satisfactory to Authority that the subcontractor has secured all insurance required under this section. Payment under this Contract for services performed by subcontractors may be withheld by Authority until evidence satisfactory to Authority is provided that the subcontractor has secured all the required insurance is provided to Authority.

SECTION 9 – RISK AND INDEMNIFICATION

All work covered by this Contract done at the site of construction or in preparing or delivering materials to the site shall be at the risk of Contractor alone. Contractor agrees to save, indemnify and keep Authority, its Directors, Officers, Agents, Employees, Project Manager, and Consultants for this Contract, and all public agencies from whom permits will be obtained and their Directors, Officers, Agents and Employees harmless against any and all liability, claims, judgments, costs and demands, including demands arising from injuries or death of persons (Contractor's employees included) and damage to property, arising directly or indirectly out of the obligations herein undertaken or out of the operations conducted by Contractor, except that the indemnity obligation of Contractor shall be reduced by an amount proportional to the active negligence of the Authority, if any, and will make good to and reimburse Authority for any expenditures, including reasonable attorneys' fees Authority may incur by reason of such matters, and if requested by Authority, will defend any such suits at the sole cost and expense of Contractor.

In the event Contractor or its insurer refuses or fails to provide a legal defense to Authority after receiving written notice of the legal action and a tender and demand for defense, Authority shall have the right to select counsel of its own choice to represent all the interests of the Authority. Contractor agrees that the amount of legal costs and expenses, including attorneys' fees, may be withheld by Authority from any Contract amounts due and owing to Contractor until such time as a final determination is made as to the responsibility for payment of said fees and costs.

SECTION 10 – CONTRACT DOCUMENTS

For the purposes of this Agreement the "Contract Documents are the items listed below. The Contract Documents are hereby incorporated into this Agreement and made a part thereof by this reference.

- 1) OCFA Invitation for Bid 2360
- 2) Orange County Fire Authority General Conditions
- 3) Contractor Bid responding to Bid RO2360 of (Date March 14, 2019)
- 4) Contractor Bid Bond dated March 8, 2019
- 5) Contractor Performance Bond
- 6) Contractor Labor and Materials Payment Bond
- 7) Designation of Subcontractors
- 8) Non-Collusion Affidavit
- 9) Site Visit Certification dated March 14, 2019
- 10) Contractor Certification of Worker's Compensation
- 11) Contractor Certification of Non-Discrimination by Contractors
- 12) Contractor Debarment and Suspension Certification

- 13) Designator of Sureties
- 14) Prevailing Wage Certification
- 15) Addenda to Bid RO2360, Number 1 and Number 2
- 16) Supplemental Agreements amending or extending the Work contemplated and which may be required to complete the Work in a substantial and acceptable manner

SECTION 11 – MISCELLANEOUS PROVISIONS

Compliance with Labor Code and Public Contract Code. Authority is subject to the provisions of law relating to prevailing wages, labor law generally, and public contracts in the State of California. It is agreed that all provisions of law applicable to public contracts are a part of this Contract to the same extent as though set forth herein, and will be complied with by the Contractor.

No contractor or subcontractor may be listed on a proposal for a public works unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)].

No contractor or subcontractor may be awarded or perform a contract for public work on a public works project unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5.

This Project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. Contractor shall not pay less than the prevailing wage. It shall be the responsibility of the Contractor to obtain the prevailing wage rates from the Director of Industrial Relations directly.

Independent Contractor. Neither Authority nor any of its employees shall have any control over the manner, mode or means by which Contractor, its agents or employees, perform the services required herein, except as otherwise set forth herein. Contractor shall perform all services required herein as an independent contractor of Authority and shall remain at all times as to Authority a wholly independent contractor with only such obligations as are consistent with that role. Contractor shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of Authority.

Assignment. Contractor shall neither delegate its duties or obligations, nor assign its rights with respect to this Contract, either in whole or in part. Any such attempted delegation and/or assignment shall be void and deemed void at such occurrence, if it were to occur.

Computation of Time. When any period of time is referred to in these Contract Documents by days, it shall be computed to exclude the first and include the last day of the period, provided, however, that if the last day of the period falls on a Saturday, Sunday, or legal holiday, that day shall be omitted from the computation.

Interest. Any monies not paid when due to either party under this Contract shall bear interest at the rate of ten (10%) percent per annum, commencing on the forty-sixth (46th) day after demand for payment thereof after such monies are lawfully due and payable, except as otherwise provided in these Contract Documents.

Remedies Cumulative. No remedy herein reserved to Authority is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other given in the Contract as now or hereafter existing or at law, equity, or by statute.

Non-waiver. The failure of the Authority to notify the Contractor of any default under this Contract shall not be deemed to be a waiver by Authority of any continuing default by Contractor of any term, covenant, or condition set forth in this Contract, nor of the Authority's right to declare a default for any such continuing breach, and the failure of Authority to insist upon strict performance of any of the terms, covenants, or conditions of the Contract, or to exercise any option in the Contract in any one or more instances, shall not be construed as a waiver or relinquishment of any such terms, covenants, conditions or options, but the same shall be and remain in full force and effect.

Severability. In case any one or more provisions set forth in the Contract shall for any reason be held invalid, illegal, or unenforceable in any respect, any such invalidity, illegality, or unenforceability shall not affect any other provision of the Contract, and this Contract shall be construed as if such invalid, illegal, or

unenforceable provision had never been incorporated therein so long as the deletion of such provision does not, in the Authority's judgment, materially alter this Contract.

No Third Party Beneficiaries. This Contract is not intended and shall not be deemed or construed, to confer any rights, powers, or privileges on any person, firm, partnership, corporation, or other entity not a party to this Contract except as may be expressly provided in the Contract to the contrary.

Oral Agreements. No oral order, objection, claim, or notice by any party to the other shall affect or modify any of the terms or obligations contained in this Contract, and none of the provisions of the Contract shall be held to be waived or modified by reason of any act whatsoever, other than by a definitely agreed waiver or Modification in writing and executed in the manner required in this Contract by authorized officers or representatives of the Parties. No evidence shall be introduced in any proceeding of any other waiver or modification.

Counterparts. This Contract may be executed in any number of counterparts, and each of such counterparts for all purposes shall be deemed to be an original, and all of such counterparts should constitute one and the same agreement.

Governing Law. The Contract, including the Contract Documents, shall be governed by the laws of the State of California.

Services Prior to Execution. Notwithstanding the fact that this Contract is executed as of the date first set forth above, the Parties recognize that a portion of the Work required under the Contract may have been performed prior to such date, all of which Work shall be governed by the terms and conditions of this Contract and shall be deemed to be a part of the Work. Without limiting the foregoing, all of Contractor's liabilities and obligations to Authority shall apply to all Work and services provided by the Contractor for the Work prior hereto, notwithstanding the fact that the Work may have been performed prior to the date hereof pursuant to prior negotiations, representations, agreements, understandings, or otherwise.

Survival of Rights. Any indemnity, warranty, guarantee given by the Contractor to the Authority under this Contract shall survive the expiration or termination of this Contract and shall be binding upon Contractor until any action under this Contract is barred by the applicable statute of limitations.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Construction Agreement as of the date first hereinabove written.

"OCFA"

ORANGE COUNTY FIRE AUTHORITY

Date: _____

By: _____

Debbie Casper, C.P.M., CPPB
Purchasing & Materials Manager

APPROVED AS TO FORM.

By: _____

DAVID E. KENDIG
GENERAL COUNSEL

ATTEST:

Sherry A.F. Wentz
Clerk of the Board

Date: March 21, 2019

"CONTRACTOR "

**DESIGN SPACE MODULAR BUILDINGS
PNW, LP**

Date: _____

3/19/19

By: _____

Daniel McGregor, Partner

Date: _____

3/18/19

By: _____

Paul McShane, Partner



Orange County Fire Authority **AGENDA STAFF REPORT**

Board of Directors Meeting
March 28, 2019

Agenda Item No. 5A
Discussion Calendar

City of Irvine - Settlement Agreement

Contact(s) for Further Information

Lori Zeller, Deputy Chief
Administration & Support Bureau

lorizeller@ocfa.org

714.573.6020

Summary

This agenda item is submitted for approval of the proposed Settlement Agreement between the Orange County Fire Authority (OCFA) and the City of Irvine to strengthen the OCFA's partnership with Irvine and enhance our system of regional fire and emergency services on behalf of all members.

Prior Board/Committee Action

Not Applicable.

RECOMMENDED ACTION(S)

Approve and authorize the Board Chair to sign the proposed Settlement Agreement between the Orange County Fire Authority and the City of Irvine.

Impact to Cities/County

The proposed Settlement Agreement enhances the stability of OCFA's financial structure, it maintains the Irvine service-area intact as a significant central portion of OCFA's operational jurisdiction, and it enhances regional services for all members served by the OCFA.

Fiscal Impact

Ongoing annual expenditures pursuant to the Agreement total \$2,668,000 beginning FY 2019/20 and continuing through FY 2029/30. The Agreement also includes one-time expenditures of \$21 million, of which \$19.5 million is already set-aside in OCFA reserves. Upon approval of this Agreement, these funding requirements will be included in the upcoming FY 2019/20 Proposed Budget. Details relating to the cost impacts are provided in Attachment 1.

Background

On June 27, 2018, the City of Irvine provided OCFA with a Notice of Withdrawal seeking the initiation of good faith negotiations relative to its future membership with the OCFA. Staff representatives from both the City of Irvine and OCFA have engaged in discussions to formulate a negotiated agreement. Discussions progressed in a very collaborative manner, with both parties focused on enhancing regional services beneficial to the City of Irvine and all members of the Fire Authority.

We are pleased to present the attached Settlement Agreement (Attachment 2). This Agreement will benefit the citizens of Orange County, and enhance services provided throughout OCFA's jurisdiction. Highlights of the Agreement are as follow:

- Irvine's Notice of Withdrawal will be deemed rescinded upon approval of the Settlement Agreement by both parties.
- Funding for a joint police-fire training facility will be provided to allow for coordinated training and enhanced collaboration between law enforcement services and fire/emergency services. As the OCFA continues to grow, the need for additional training space has become a significant unmet need. This facility will provide much-needed classroom space, along with an additional Emergency Operations Center centrally located in the County, a driver-training course, and many other aspects that are key to the training needs for both police and fire.
- Additional security will be provided for OCFA's pension program through establishment of a 115 Trust with deposits of \$2 million per year, dedicated solely for future application to OCFA's pension liability.
- Public safety communications capabilities will be enhanced among public safety personnel through installation of bi-directional amplifiers in nine strategic locations where current radio communications are inadequate and unreliable. This enhancement not only improves our police and fire personnel's ability to deliver services through improved communications, but also increases personnel safety and the safety of their operations.
- Funding will be provided to establish a state-of-the-art Fire Safety and Emergency Operations Advanced Technology Program that utilizes remote-operated drones to assist fire and emergency response personnel in a variety of ways such as fire suppression/fire prevention and real-time monitoring during fire or other emergency incidents.
- Additional annual service enhancements under this Agreement include funding of a Community Emergency Response Team (CERT) coordinator and OCFA-provided training of Irvine Police Department officers for Emergency Medical Technician skills.

Upon approval of this Agreement by the OCFA Board of Directors, we anticipate that the Agreement will then be considered by the Irvine City Council for approval in early April.

Attachment(s)

1. Financial Impacts
2. Settlement Agreement

**Orange County Fire Authority
Settlement Agreement
City of Irvine**

Financial Impacts

	Cost per Enhancement Concept	Ongoing Cost/Year	One-Time Costs
1.	Joint Police-Fire Training Facility & EOC	\$0	\$20,500,000
2.	Pension Funding – Annual Deposits to 115 Trust:	\$2,000,000	\$0
3.	Bidirectional Amplifiers	\$0	\$500,000
4.	OCFA Training of IPD EMTs	\$50,000	\$0
5.	Public Safety CERT Coordinator	\$118,000	\$0
6.	Drone Program	\$500,000	\$0
OCFA's Annual Financial Contribution		\$2,668,000	
OCFA's Total Financial Contribution (over 11 years)		\$29,348,000	\$21,000,000
Total Projected Payments = \$50,348,000			

SETTLEMENT AGREEMENT

This SETTLEMENT AGREEMENT (this “**Agreement**”) is dated as of March 28, 2019 (“**Effective Date**”), by and between the ORANGE COUNTY FIRE AUTHORITY, a California Joint Powers Authority (“**Authority**”), and THE CITY OF IRVINE, a California charter city (“**Irvine**”). Authority and Irvine are sometimes referred to herein individually as a “**Party**” and collectively as the “**Parties**.”

RECITALS

A) Authority was originally formed in 1995, with the execution of a Joint Powers Agreement (“**Original JPA Agreement**”) entered into among the County of Orange (“**County**”) and multiple cities within Orange County (including Irvine) pursuant to the provisions of Article 1, Chapter 5, Division 7, Title I (commencing with Section 6500) of the Government Code of the State of California.

B) The Original JPA Agreement was superseded by an amended Joint Powers Agreement (“**Amended JPA Agreement**”) on September 23, 1999. The Amended JPA Agreement has since been amended as follows: on July 1, 2010, the then-members of the Authority entered into the First Amendment to the Amended JPA Agreement (“**First Amendment**”); on April 20, 2012, the City of Santa Ana joined the Authority and became a party to the Amended JPA Agreement and the First Amendment (“**Santa Ana Addition**”); on November 18, 2013, the then-members of the Authority entered into the Second Amendment to the Amended JPA Agreement (“**Second Amendment**”), but the Second Amendment was subsequently invalidated by judicial decision and is therefore inoperative; on July 14, 2015 the then-members of the Authority entered into the Third Amendment to the Amended JPA Agreement (“**Third Amendment**”); and on February 5, 2019 the then-members of the Authority entered into the Fourth Amendment to the Amended JPA Agreement (“**Fourth Amendment**”). Hereinafter, the Amended JPA Agreement, as modified by the First Amendment, the Santa Ana Addition, the Third Amendment, and the Fourth Amendment is referred to as the “**JPA Agreement**.”

C) On June 27, 2018, Irvine gave notice to Authority of its intent to withdraw from Authority, as authorized by Article VII, Section 1(B)(1) of the JPA Agreement (“**Withdrawal Notice**”).

D) Following issuance of the Withdrawal Notice, Irvine and Authority have engaged in extensive negotiations focused on their shared interests in enhancing fire safety, decreasing future pension liabilities, and pursuing operational efficiencies by jointly developing and utilizing facilities and services that meet their mutual needs.

E) California Government Code section 6503.1 requires that property taxes allocated to Authority may only be appropriated for expenditure for purposes directly related to, and in furtherance of, providing fire prevention, fire suppression, emergency medical services, hazardous materials response, ambulance transport, disaster preparedness, rescue services, and related administrative costs (collectively “**Fire Protection Purposes**”). As described

hereinbelow, the financial contributions required by this Agreement will be used for Fire Protection Purposes.

AGREEMENT

NOW, THEREFORE, in view of the foregoing recitals and in consideration of the following terms, conditions and covenants, Irvine and Authority agree as follows:

1. **Joint Police-Fire Training Facility:** Irvine shall plan, develop, construct, operate and maintain a joint training center, which shall include a joint emergency operations center (collectively “**Joint Training Facility**”). Irvine will contribute the land, use the Joint Training Fund to design, construct, furnish and own, and shall operate and maintain the real property (land, buildings, and fixtures) that comprises the Joint Training Facility. In exchange for the use of the Joint Training Facility as described in **Attachment A** hereto (the “Authority Joint Training Facility Uses”) Authority will contribute Twenty Million Five Hundred Thousand Dollars (\$20,500,000) (“**Joint Training Fund**”) to be used by Irvine toward the design, construction, furnishing of, and the provision of fixtures or equipment for facilities for, the Joint Training Facility. The process for the planning, design, construction, use, operation, and maintenance of the Joint Training Facility shall be as follows:

a. **Site Selection.** Irvine shall diligently pursue identification of a site within Irvine’s municipal boundaries suitable for establishment of the Joint Training Facility.

i. Irvine and Authority shall collaborate in determining site-suitability criteria for the Joint Training Facility.

ii. Irvine shall be responsible, at no cost to Authority, for making a suitable site available for the construction and operation of the Joint Training Facility.

b. **Design Phase.** Irvine and Authority shall collaborate in the design of the Joint Training Facility to ensure that it will meet their respective public safety and emergency responder personnel training needs. One Million Dollars (\$1,000,000) of the Joint Training Fund (“**Design Allocation**”) shall be reserved for engagement by Irvine of engineers and other design professionals to assist in the creation of design documents, through construction drawings, of the Joint Training Facility (“**Design Documents**”).

i. The Design Documents shall be sufficiently detailed to allow for a competitive bidding process for the construction of the Joint Training Facility.

ii. The Design Documents shall include, at a minimum, all facilities needed to provide the Authority Joint Training Facility Uses described in Attachment A, as the same may be amended in writing approved by the Authority’s Fire Chief and Irvine’s Police Chief. Any amendments to the Authority Joint Training Facility Uses that involve funding from the Joint Training Fund: (a) shall be consistent with

Government Code section 6503.1; and (b) shall be approved in writing by the Fire Chief; and (c) shall be approved by the Authority Board of Directors if they will cause the Joint Training Fund or Authority's other financial contributions toward the Joint Training Facility collectively to exceed \$20,500,000. Irvine may include additional facilities in the Joint Training Facility beyond those needed for Authority Joint Training Facility Uses provided the additional facilities are at Irvine's sole expense and do not conflict with the Authority Joint Training Facility Uses.

iii. The Design Documents shall provide design that fits within the following budget parameters (which shall include appropriate contingency reserves): No more than Eighteen Million Five Hundred Thousand Dollars (\$18,500,000) from the Joint Training Fund will be utilized for construction, furniture, fixtures, and equipment for, and operation and maintenance of, the Joint Training Facility; and no more than One Million Dollars (\$1,000,000) from the Joint Training Fund shall be utilized for construction, furniture, fixtures, and equipment for, operation and maintenance of, a joint emergency operations center. Nothing in this Agreement shall be interpreted to restrict Irvine's use of its own funding and funding from sources other than Authority in the site acquisition, design, construction, furnishing of, or the provision of fixtures or equipment for, the Joint Training Facility. Nothing in this Agreement shall be interpreted to require Irvine's use of its own funding and/or funding from sources other than Authority in the design, construction, furnishing of, or the provision of fixtures or equipment for, the Joint Training Facility.

iv. Either Irvine or Authority may pursue enhancements beyond the facilities needed for the Authority Joint Training Facility Uses described in Attachment A to meet additional needs, so long as the Party requesting the enhancement separately contributes the incremental additional costs associated therewith (the "**Costs of Enhancements**").

v. Irvine shall be responsible for engaging all contractors and professionals necessary to create the Design Documents ("**Design Contracts**"), and Irvine shall share with Authority all plans and associated documents generated pursuant to the Design Contracts.

vi. Upon execution of the Design Contracts, Authority shall pay to Irvine the Design Allocation. Irvine shall use the Design Allocation exclusively (i) to make payments on the Design Contracts, and (ii) for other expenses related to design of the Joint Training Facility as mutually agreed upon by duly authorized representatives of Irvine and Authority.

vii. If, upon completion of the design of the Joint Training Facility, the Design Allocation is not fully expended, then any remaining Design Allocation funds shall be transferred to the Construction Fund (defined below).

c. Joint Use Understanding. Concurrent with their review of the Design Documents, Authority's Fire Chief and Irvine's Police Chief shall establish a

mutually acceptable joint use understanding, pursuant to which the parameters and guidelines for the shared use of the Joint Use Facility will be established (“**Joint Use Understanding**”). The uses addressed in the Joint Use Understanding shall include, but not be limited to, the Authority Joint Training Facility Uses described in Attachment A, as the same may be amended in writing approved by the Authority’s Fire Chief and Irvine’s Police Chief.

i. The goal of the Joint Use Understanding shall be to maximize the utility of the Joint Training Facility to both Authority and Irvine, and to advance the Parties’ shared objective to ensure the first-rate training and readiness of public safety personnel.

ii. In recognition of their respective contributions (*i.e.*, the Joint Training Fund on the part of the Authority, and the real property contribution, other design and construction funds (in Irvine’s sole and absolute discretion), and operations and maintenance responsibilities on the part of Irvine), each Party’s training needs shall receive equal consideration in formulating the Joint Use Understanding.

iii. The Joint Use Understanding shall provide for a review and (if necessary) revision to the joint use parameters on a periodic basis, to (i) ensure that each Party’s evolving training needs are considered and accounted for in the Joint Use Understanding, and (ii) make modifications as necessary to maximize the utility and value of the Joint Use Facility to each Party.

d. Construction Phase. Upon the completion of Design Documents that are mutually acceptable to Authority and Irvine, Irvine shall commence a public bidding process for the construction of the Joint Training Facility. Irvine shall be responsible for conducting the bid process, and shall be the contracting agency on the resulting construction contract.

i. Irvine and Authority shall jointly review bid proposals for the Joint Training Facility, and the bid to let the construction contract shall only be awarded upon the mutual agreement of duly authorized representatives of Irvine and Authority. Without otherwise limiting the discretion of either Party, Irvine and Authority may each, in their sole and absolute discretion, elect to reject any bid proposal that proposes construction of the Joint Training Facility if the amount bid exceeds the forecasted Construction Fund (defined below) amount.

ii. Immediately upon entering into the construction contract, the Parties shall make the following contributions to a fund, to be administered by Irvine, for the construction the Joint Training Facility (“**Construction Fund**”). First, Authority shall contribute the remaining balance of the Joint Training Fund, *i.e.*, Eighteen Million Five Hundred Thousand Dollars (\$18,500,000), to the Construction Fund. Second, Irvine shall contribute any unused portion of the Design Allocation to the Construction Fund. Third, Authority shall contribute the Costs of Enhancements it has requested pursuant to Section 1(b)(iv), above, to the Construction Fund. Last, Irvine shall contribute the Costs

of Enhancements it has requested pursuant to Section 1(b)(ii), above, to the Construction Fund.

iii. Irvine shall administer the construction contract for the Joint Training Facility, and cause payments to be made to the contractor from the Construction Fund. In no event shall there be any additional construction cost to Authority and/or Irvine without the prior written consent of the Party bearing such additional cost.

e. Operations Phase. Irvine shall own the Joint Training Facility, and shall be responsible, at no cost to Authority, for the operation and maintenance of the Joint Training Facility; provided, however, that Authority shall be responsible for (i) the direct costs of its training activities and operations, as conducted pursuant to the Joint Use Understanding, (ii) replacement of all equipment (other than building fixtures, which shall be Irvine's responsibility) used in Authority's training activities, and (iii) any damages to the Joint Training Facility beyond normal wear and tear resulting from Authority's actions at the Joint Training Facility. There shall be no facility use charges to Authority for the use of the Joint Training Facility consistent with the Joint Use Understanding, as amended.

f. Duration and Assignability of Rights: The Joint Use Understanding shall remain effective and binding until it is reasonably determined by Irvine that major refurbishing and/or major reconstruction of the Joint Training Facility is necessary, but in no case for a period of time less than fifty (50) years from its completion of construction ("**Expiration Date**"). If Authority ceases to exist (*i.e.*, it is dissolved or terminated under State Law) prior the Expiration Date, then the Joint Use Understanding shall be assignable at the discretion of Authority to a single successor governmental agency, or, with the approval of Irvine, which approval shall not be unreasonably withheld, to more than one successor governmental agency, provided that the successor agency(ies) provides fire protection services to the then-remaining Structural Fire Fund agencies. Any assignment of the Joint Use Understanding is subject to the prior approval of Irvine, which approval shall not be unreasonably withheld, conditioned, denied, or delayed. Any assignment of the Authority's interest in the Joint Use Agreement, whether to one or multiple successors, shall not impair or reduce Irvine's rights under the Joint Use Agreement.

g. Determination of Appropriate Expense. Authority finds and determines that the funding contributed toward the Joint Training Facility pursuant to this Agreement, and the resulting availability of the Authority Joint Training Facility Uses, will enhance Authority personnel's level of training and preparedness to provide public safety services and, therefore, the expenditure required by this Section 1 and its subsections is an appropriate use of Authority funds for Fire Protection purposes. Authority further finds and determines that it could not acquire land, construct, and operate an equivalent training facility and emergency operations center for an amount comparable to or less than the Joint Training Fund, and that the Joint Training Facility creates efficiencies and synergies that benefit Authority and Irvine in ways that would not exist if each Party separately pursued the design, construction, use, and operation of joint training facilities and emergency operations centers.

2. **Drone Program For Enhanced Fire Detection for All Authority Members.** Authority will pay to Irvine Five Hundred Thousand Dollars (\$500,000) per fiscal year (“**Drone Program Payment**”), and Irvine shall utilize the Drone Program Payment, as follows:

a. **Establishment of Program.** Irvine shall establish and operate a program under which Irvine personnel will use drones to monitor open space areas in Irvine, though the drones will also be available upon request to monitor open space or active fires or other hazards and disasters throughout Authority’s jurisdictional boundaries. The central objective of the program will be the detection, monitoring, assessment and prevention of fires and other hazards and disasters within Authority’s purview, and the acquisition of high altitude, time-sensitive information enabling improved coordination of responses thereto (“**Drone Program**”).

i. Irvine and Authority shall coordinate regarding preferred, optimal, and essential (i) periods during which the Drone Program should operate, (ii) routes to be utilized by drones to maximize effectiveness of the Drone Program, and (iii) additional locations within Authority’s jurisdiction that require or would benefit from monitoring by the Drone Program. Irvine and Authority shall further coordinate to establish joint protocols for the use of drones during fire or other disaster/hazard events, so as to maximize the use of information obtained from the drones to alleviate threats to the public health and safety.

ii. The Drone Program shall be designed so that it shall not infringe upon the privacy rights of citizens.

iii. Drones in the Drone Program shall bear no OCFA identifications, including, without limitation, logos, unless otherwise directed by the Fire Chief.

b. **Payment Process and Use of Drone Program Payments.** Irvine shall certify on or prior to July 1, 2019 that it has established and budgeted for the Drone Program, and that the total anticipated costs of personnel (salary and benefits), equipment, space, and other directly associated expenses (“**Drone Program Costs**”) is at least Five Hundred Thousand Dollars (\$500,000) per year.

i. The annual Drone Program Payment shall be due on July 1 of each fiscal year beginning on July 1, 2019 and ending on July 1, 2029; provided, however, that if Irvine has not provided the certification required by Paragraph 2(b) on or prior to June 1 of any year, then the first Drone Program Payment shall not be due to Irvine until thirty (30) days after Irvine provides such certification.

ii. Irvine shall use the Drone Program Payment exclusively to cover Drone Program Costs.

iii. On or prior to May 1 of each year beginning on May 1, 2020 and ending on May 1, 2030, Irvine shall certify to Authority the amount of the Drone Program Costs (i) incurred during the then-current fiscal year, and (ii) reasonably anticipated to be incurred prior to the close of the then-current fiscal year (collectively, the “**Annual Total Drone Program Costs**”). If the Annual Total Drone Program Costs are less than Five Hundred Thousand Dollars (\$500,000), the difference between those two figures will be deducted from the subsequent year’s Drone Program Payment.

c. Determination of Appropriate Expense. Authority finds and determines that the funding of the Drone Program pursuant to this Agreement enhances Authority’s fire and other disaster prevention, preparedness, assessment, and response capabilities and arson deterrent, and therefore, the expenditure required by this Section 2 and its subsections is an appropriate use of Authority funds for Fire Protection purposes.

3. **Funding of Bi-Directional Amplifiers for Improved Public Safety Communications Capabilities.** Authority will pay to Irvine Five Hundred Thousand Dollars (\$500,000) (“**Emergency Communications Payment**”), and Irvine shall use the Emergency Communications Payment, as follows:

a. Payment Timing. Authority shall reimburse Irvine in the amount of the Emergency Communications Payment upon documentation that the Amplifiers have been installed and are operating.

b. Use of Payment. Irvine shall utilize the Emergency Communications Payment solely for the purchase and installation of bi-directional amplifiers at nine (9) locations within Irvine’s municipal boundaries.

i. The bi-directional amplifiers are designed and intended, and shall be used, to improve public safety communications capabilities among public safety personnel including but not limited to Irvine and Authority personnel.

c. Determination of Appropriate Expense. Authority finds and determines that the funding of bi-directional amplifiers pursuant to this Agreement enhances the emergency communications, preparedness and response capabilities for Authority and one of Authority’s member agencies and, therefore, the expenditure required by this Paragraph 3 is an appropriate use of Authority funds for Fire Protection purposes.

4. **Authority Training of Irvine Police Department Emergency Medical Technicians.** Authority personnel shall provide Irvine Police Department (“**IPD**”) personnel with emergency medical technician (“**EMT**”) training at a cost to Authority of Fifty Thousand Dollars (\$50,000) per fiscal year, as follows:

a. Coordination of Training Needs. IPD personnel and Authority personnel shall coordinate regarding EMT training needs for IPD personnel, and shall reasonably cooperate in scheduling EMT training sessions.

b. Provision of Training to IPD Personnel. Authority personnel shall provide EMT training as requested by IPD personnel; provided, however, that Authority shall not be required to provide additional EMT training sessions to IPD personnel to the extent the costs to Authority in providing such training exceeds Fifty Thousand Dollars (\$50,000) per fiscal year. Unused training sessions will not carry over to a future fiscal year. Authority may, in its sole discretion, voluntarily agree to provide EMT training to IPD personnel at a cost to Authority in excess of Fifty Thousand Dollars (\$50,000) per fiscal year.

c. Date of Commencement of Obligation. The obligation to provide EMT training upon request as set forth in this Section 4 shall commence on the latter of (i) July 1, 2019 and (ii) the date that IPD identifies personnel that are either specifically employed to serve as EMTs for Irvine or that have EMT functions integrated into their job duties. The obligations to provide EMT training as set forth in this Section 4 shall expire on June 30, 2030.

d. Suspension of Obligation. The obligation to provide EMT training as set forth in this Section 4 shall be suspended if, at any time between the commencement and the expiration of the EMT training obligation, IPD suspends or terminates its utilization of EMT-trained personnel. If Authority's EMT training obligation is suspended under this Section 4(e), it shall resume if and when IPD elects to resume utilization of EMT-trained personnel.

e. Determination of Appropriate Expense. Authority finds and determines that the funding of EMT training to IPD personnel pursuant to this Agreement enhances emergency medical preparedness and response capabilities within the service area of the Authority and, therefore, the expenditure required by this Paragraph 4 is an appropriate use of Authority funds for Fire Protection purposes.

5. **Authority Funding of Full Time Community Emergency Response Team Coordinator.** Authority will pay to Irvine One Hundred Eighteen Thousand Dollars (\$118,000) per fiscal year ("**CERT Funding Payment**"), and Irvine shall use the CERT Funding Payment toward the costs of one Irvine-employed full time Community Emergency Response Team ("**CERT**") Coordinator, as follows:

a. CERT Coordinator Services. The CERT Coordinator shall provide services designed to educate and train volunteers about disaster preparedness and basic disaster response skills, including fire safety, light search and rescue, team organization, and disaster medical operations. Because CERT is a nation-wide program, utilization of the CERT Coordinator's services will provide a consistent approach to volunteer training that professional responders can rely on during disaster situations, which allows professional responders to focus on more complex tasks.

b. Certification of CERT Coordinator Establishment. Irvine shall certify on or prior to July 1, 2019 that it has established and budgeted for a CERT Coordinator position, and that the total anticipated costs of that individual's salary, benefits,

and other directly associated expenses (“**CERT Coordinator Costs**”) is at least One Hundred Eighteen Thousand Dollars (\$118,000) per fiscal year.

c. Payment Timing. The annual CERT Funding Payment shall be due on July 1 of each year beginning on July 1, 2019 and ending on July 1, 2029; provided, however, that if Irvine has not provided the certification required by Paragraph 5(b) on or prior to June 1, 2019, then the first CERT Funding Payment shall not be due to Irvine until thirty (30) days after Irvine provides such certification

d. Use of Payment. Irvine shall use the CERT Funding Payment exclusively toward the costs of a full time CERT Coordinator, including the costs of that individual’s salary, benefits, and other directly associated expenses (“**CERT Coordinator Costs**”).

i. On or prior to May 1 of each year beginning on May 1, 2020 and ending on May 1, 2030, Irvine shall certify to Authority the amount of the CERT Coordinator Costs (i) incurred during the then-current fiscal year, and (ii) reasonably anticipated to be incurred prior to the close of the then current fiscal year (collectively, the “**Total CERT Coordinator Costs**”). If the Total CERT Coordinator Costs are less than One Hundred Eighteen Thousand Dollars (\$118,000), the difference between those two figures will be deducted from the subsequent year’s CERT Funding Payment.

e. Determination of Appropriate Expense. Authority finds and determines that the funding of the CERT Coordinator pursuant to this Agreement enhances the Authority’s disaster preparedness and response capabilities and is likely to reduce demands for Authority services resulting from large-scale disasters, and, therefore, the expenditure required by this Paragraph 5 is an appropriate use of Authority funds for Fire Protection purposes.

6. **Accelerated Pension Pay Down Through Structural Fire Fund Equity Fund.** Authority will pay Two Million Dollars (\$2,000,000) per year (“**115 Trust Payment**”) into an Internal Revenue Code section 115 trust (“**115 Trust**”) to be established with the Public Agency Retirement Services, or the Orange County Employees Retirement System, or such other administrator as Irvine and Authority agree upon (for ease of reference, the alternative administrators are referred to herein as the “**Trust Administrator**”), which shall be applied to pay down a specific portion of Authority’s unfunded pension liability, as follows:

a. Establishment of 115 Trust. On or prior to July 1, 2019, Authority shall establish the 115 Trust with the Trust Administrator. The Trust Administrator shall administer the 115 Trust.

b. 115 Trust Payments. The annual 115 Trust Payment shall be due on July 1 of each fiscal year beginning on July 1, 2019 and ending on July 1, 2029; provided, however, that if Authority has not funded eighty-five percent (85%) of its unfunded pension liability as determined by OCERS (“**UAAL Funding Target**”) by June 30, 2020, then the

required 115 Trust Payment shall be reduced to One Million Five Hundred Thousand Dollars (\$1,500,000) per fiscal year, until Authority achieves the UAAL Funding Target. The \$500,000 reduction shall be contributed to the OCFA's "snowball" plan to reduce OCFA's UAAL. The first 115 Trust Payment of \$2 million due on July 1, 2019 shall not be reduced, however, even if the UAAL Funding Target has not yet been funded.

c. Attribution of 115 Trust Payment to Authority Members. Sub-accounts (or equivalent) shall be established within the 115 Trust, to attribute on a pro-rata basis portions of each 115 Trust Payment to each Structural Fire Fund member (as defined in Article IV, Section 3.A. of the JPA Agreement) whose Structural Fire Fund revenues were greater than the cost of providing fire services during the prior fiscal year (as generally defined in Article IV, Section 4.C. of the JPA Agreement). In determining the amount by which a Structural Fire Fund member's costs of providing fire services exceeded Structural Fire Fund revenues, the Parties shall utilize the calculation methodology set forth in Article IV, Section 4 of the JPA Agreement.

For illustrative purposes, *if* during the prior fiscal year there were three (3) Structural Fire Fund members where tax revenues contributed to the Authority were greater than the cost of providing fire services ("**Contribution in Excess of Cost**"), *and* the amounts of Contribution in Excess of Cost were Seven Million Dollars (\$7,000,000) for "Jurisdiction A," Two Million Dollars (\$2,000,000) for "Jurisdiction B," and One Million Dollars (\$1,000,000) for "Jurisdiction C", *then* the pro rata contributions into the 115 Trust sub-accounts would be attributed as follows: One Million Four Hundred Thousand Dollars (\$1,400,000), *i.e.*, seventy percent (70%) of the 115 Trust Payment for Jurisdiction A; Four Hundred Thousand Dollars (\$400,000), *i.e.*, twenty percent (20%) of the 115 Trust Payment for Jurisdiction B; and Two Hundred Thousand Dollars (\$200,000), *i.e.*, ten percent (10%) of the 115 Trust Payment for Jurisdiction C. (Such pro rata amounts will vary from fiscal year to fiscal year as the Contribution in Excess of Cost varies.)

d. Annual Reporting. Funding of the 115 Trust and attribution of the portions of the 115 Trust Payment to subaccounts for individual Structural Fire Fund members pursuant to Section 6(c) will be reported annually with the Authority's annual liability report.

e. Use of 115 Trust Upon Dissolution of Authority.

- i. If Authority is dissolved in the manner described in Government Code section 6508.2, then as part of the dissolution process Authority shall apportion retirement liabilities among all of the Authority's member agencies as specified in Government Code section 6508.2 ("**Apportionment Calculation**"). The amounts deposited into the 115 Trust and attributed by subaccounts to specific Structural Fire Fund members ("**115 Trust Contributing Member**") shall not be utilized in making the Apportionment Calculation. Upon completion of the Apportionment Calculation, the 115 Trust shall be liquidated

and the amounts in the 115 Trust attributed to each 115 Trust Contributing Member shall be used toward the satisfaction of the portion of liability assigned to such 115 Trust Contributing Member through the Apportionment Calculation.

- ii. *If* the amount deposited in the 115 Trust and attributed to a 115 Trust Contributing Member exceeds the portion of the retirement liability attributed to that 115 Trust Contributing Member by the Apportionment Calculation (“**Excess Amount**”), *then* the Excess Amount shall be contributed to satisfy all or a portion of the retirement liability allocated to the 115 Trust Contributing Member with the next-largest remaining allocation of unfunded retirement liability (“**115 Trust Benefitting Member**”). The 115 Trust Benefitting Members’ responsibility for any remaining liabilities will be increased and/or its rights to the disposition of assets on termination of the Authority (pursuant to Section 2 of the JPA Agreement) shall be decreased in an amount equal to the Excess Amount. Correspondingly, the 115 Trust Contributing Member’s responsibility for any remaining liabilities will be decreased and/or its rights to disposition of assets on termination of the Authority (pursuant to Section 2 of the JPA Agreement) shall be increased in an amount equal to the Excess Amount.
- iii. *If* all or a portion of the funds in the 115 Trust remain after all retirement liabilities apportioned to all Authority members are satisfied, *then* Authority and each 115 Trust Contributing Member shall separately negotiate in good faith to either (i) apply the remaining amount in the 115 Trust to future pension and retirement obligations attributable to each 115 Trust Contributing Member, or (ii) assign the remaining 115 Trust funds to a successor fire protection agency in exchange for a corresponding reduction in the 115 Trust Contributing Member’s liabilities or an increase in the 115 Trust Contributing Members rights to the disposition of the Authority’s assets.

7. **Rescission of Notice of Withdrawal:** As of the Effective Date, Irvine’s Notice of Withdrawal is deemed rescinded without further action required by Irvine or Authority.

8. **Miscellaneous:**

a. **Indemnification.** Irvine shall defend, indemnify, and hold harmless Authority, its officials, employees, and agents from any and all actual or alleged claims, demands, causes of action, liability, loss, damage, or injury to property or persons, including wrongful death, whether imposed by a court of law or by administrative action of any

federal, state, or local governmental agency, arising out of or incident to any acts, omissions, negligence, or willful misconduct of Irvine, its employees, contractors, or agents in the performance of this Agreement (“**Claims**”). This indemnification includes, without limitation, the payment of all penalties, fines, judgments, awards, decrees, attorneys’ fees, and related costs or expenses, and the reimbursement of Authority, its officials, employees, and/or agents for all legal expenses and costs incurred by each of them. This indemnification excludes any Claim to the extent caused by the negligence or willful misconduct of Authority.

b. Insurance. Irvine shall provide insurance to cover its rights or obligations under this Agreement, in a form and amount as determined through Irvine’s standard risk management practices. Prior to July 1, 2019, Irvine shall furnish Authority with additional insured endorsement(s) or policy language granting additional insured status to Authority, together with complete certified copies of all policies, including complete certified copies of all endorsements. All copies of policies and certified endorsements shall show the signature of a person authorized by that insurer to bind coverage on its behalf.

c. Assignment. No Party may assign this Agreement or any right or obligation hereunder without the express prior written consent of the other Party. A request for consent to an assignment may be denied for any reason or no reason; provided, however, that requests for assignment of the Joint Use Understanding shall be not be subject to this Section 8(c), and shall instead be subject to Section 1(f), above.

d. Notices. As used in this Agreement, “notice” includes, but is not limited to, the communication of notice, request, demand, approval, statement, report, acceptance, consent, waiver, appointment or other communication required or permitted hereunder. All notices shall be in writing and shall be considered given either: (i) when delivered in person to the recipient named below; or (ii) on the date of delivery shown on the return receipt, after deposit in the United States mail in a sealed envelope as either registered or certified mail with return receipt requested, and postage and postal charges prepaid, and addressed to the recipient named below; or (iii) two (2) days after deposit in the United States mail in a sealed envelope, first class mail and postage prepaid, and addressed to the recipient named below; or (iv) one (1) day after deposit with a known and reliable next-day document delivery service (such as FedEx), charges prepaid and delivery scheduled next-day to the recipient named below, provided that the sending party receives a confirmation of delivery from the delivery service provider. All notices shall be addressed as follows:

If to CITY:

City of Irvine
One Civic Center Plaza
Irvine, CA 92606-5207
Attn.: City Manager

With a copy to:

Rutan & Tucker, LLP
611 Anton Boulevard, Suite 1400

Costa Mesa, CA 92626
Attn.: Jeffrey Melching

If to AUTHORITY:

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

With a copy to

Woodruff, Spradlin & Smart, APC
555 Anton Boulevard, Ste. 1200
Costa Mesa, CA 92626
Attn: David E. Kendig

Either Party may, by notice given at any time, require subsequent notices to be given to another person or entity, whether a party or an officer or representative of a party, or to a different address, or both. Notices given before actual receipt of notice of change shall not be invalidated by the change.

e. Section Headings. All section headings and subheadings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

f. Singular and Plural. As used herein, the singular of any word includes the plural, and vice versa, as context so dictates. Masculine, feminine, and neuter forms of any word include the other as context so dictates.

g. Waiver. Failure by a Party to insist upon the strict performance of any of the provisions of this Agreement by the other Party, or the failure by a Party to exercise its rights upon the default of the other Party, shall not constitute a waiver of such Party's right to insist and demand strict compliance by the other Party with the terms of this Agreement thereafter.

h. Mutual Covenants. The covenants contained herein are mutual covenants and also constitute conditions to the concurrent or subsequent performance by the Party benefited thereby of the covenants to be performed hereunder by such benefited Party.

i. Jurisdiction and Venue. Any action at law or in equity arising under this Agreement or brought by a Party hereto for the purpose of enforcing, construing or determining the validity of any provision of this Agreement shall be filed and tried in the Superior Court of the County of Orange, State of California, or any other court in that county, and the Parties hereto waive all provisions of law providing for the filing, removal or change of venue to any other court.

j. Further Actions and Instruments. Each of the Parties shall cooperate with and provide reasonable assistance to the other to the extent contemplated hereunder in the performance of all obligations under this Agreement and the satisfaction of the conditions of this Agreement. Upon the request of either Party at any time, the other Party shall promptly execute instruments and writings and take any actions as may be reasonably necessary under the terms of this Agreement to carry out the intent and to fulfill the provisions of this Agreement or to evidence or consummate the transactions contemplated by this Agreement.

i. Irvine hereby authorizes its City Manager to take such other actions and negotiate and execute any additional agreements as may be necessary or proper to fulfill Irvine's obligations under this Agreement. The City Manager may delegate her or his powers and duties under this Agreement to an authorized management level employee of Irvine.

ii. Authority hereby authorizes its Fire Chief to take such other actions and negotiate and execute any additional agreements as may be necessary or proper to fulfill Authority's obligations under this Agreement. The Fire Chief may delegate her or his powers and duties under this Agreement to an authorized management level employee of Authority.

k. Attorneys' Fees and Costs. If either Party to this Agreement commences an action against the other Party to this Agreement arising out of or in connection with this Agreement, the prevailing Party shall be entitled to recover reasonable attorneys' fees, expert witness fees, costs of investigation, and costs of suit from the losing Party; provided, however, that the attorneys' fees awarded pursuant to this Section shall not exceed the hourly rate paid by Irvine for its City Attorney legal services multiplied by the reasonable number of hours spent by the prevailing Party in the conduct of the litigation. The court may set such fees in the same action or in a separate action brought for that purpose.

l. Time of Essence. Time is of the essence in the performance of the provisions of this Agreement as to which time is an element.

m. Temporary Suspension of Payments for Fiscal Hardship. In the event the Authority Board of Directors finds the Authority to be in fiscal hardship by vote of two-thirds of the Board, funding for the Authority's on-going costs agreed to in Sections 2 (Drone Program), 4 (EMT Training) and 5 (CERT Coordinator) may, at Authority's discretion, be temporarily paused during the fiscal year during which a finding of fiscal hardship applies. The Authority shall not pause the one-time payments required by Section 1 (Joint Police-Fire Training Facility), nor Section 3 (Bi-Directional Amplifiers), nor the on-going Accelerated Pension Pay Down payments required under Section 6.

n. No Adjustments for Inflation. The dollar amounts set forth in this Agreement will not be adjusted for inflation or deflation.

o. Counterparts. This Agreement may be executed by the Parties in counterparts, which counterparts shall be construed together and have the same effect as if all of the Parties had executed the same instrument.

IN WITNESS WHEREOF, Irvine and Authority have executed this Agreement as of the date first above written.

“Irvine”

CITY OF IRVINE, a California charter city

By: _____
Donald P. Wagner, Mayor

APPROVED AS TO FORM:

City Attorney, City of Irvine

“Authority”

ORANGE COUNTY FIRE AUTHORITY, a California Joint Powers Authority

By: _____
Joseph Muller, Chairman, Board of Directors

APPROVED AS TO FORM:

General Counsel, Orange County Fire Authority

ATTACHMENT A

“Authority Joint Training Facility Uses”

In exchange for its financial contributions identified in Section 1, and subject to the Joint Use Understanding as the same may be amended from time to time, the Joint Training Facility shall include, and the Authority shall have the right to the use of the one hundred percent (100%) of the following facilities and services (in their entirety) for fifty percent (50%) of the Joint Training Facility’s hours of operation, until the Expiration Date as defined in Section 1.f. Scheduling of Authority Joint Training Facility Uses shall be as agreed upon in the Joint Use Understanding.

1. Indoor Firearm Range
2. Emergency Operations Center
3. Emergency Vehicle Operations Course (pursuit course and slow speed training area)
4. Classrooms (minimum of two)
 - a. Each will seat at least 70 students
 - b. Each will be equipped with desks, chairs and new audio/video equipment
5. “Scenario Village”
 - a. Approximately 10,000 square feet or more space simulating a city street with multiple buildings (house, bank, mini-market) for simulation training
6. Multi-Purpose Training room requiring large, open spaces.
 - a. Multi-Purpose Training room shall be a minimum of 5,000 square feet
7. Office Space
8. Kitchen and break area
9. Small male and female locker rooms
10. Reception Area
11. Helipad



Orange County Fire Authority

SUPPLEMENT TO **AGENDA STAFF REPORT**

**Board of Directors Meeting
March 28, 2019**

**Agenda Item No. 5A
Discussion Calendar**

City of Irvine – Settlement Agreement

Contact(s) for Further Information

Lori Zeller, Deputy Chief,
Administration & Support Bureau

lorizeller@ocfa.org

714.573.6020

Summary

The information below supplements the Agenda Staff Report for this item that was circulated on March 21, 2019, and responds to questions and comments set forth in the attached letter from Director Bartlett (Attachment 3) dated March 20, 2019 (emailed to OCFA on March 21).

Supplemental Information

OCFA staff has received the attached letter from Director Bartlett regarding the Irvine Settlement Agreement dated March 20, 2019, transmitted via email to OCFA on March 21 (Attachment 3). The following provides OCFA staff's and General Counsel's responses to questions and comments in that letter in the order in which they appeared in the letter.

1. "A copy of this agreement was provided to County Counsel yesterday."

Response: The draft Settlement Agreement was originally circulated to Mark Servino at County Counsel at the same time it was emailed to the full Board of Directors, on March 11, 2019. The purpose of circulating it at that time was to allow County Counsel time for review and dialogue with OCFA General Counsel and with Irvine's City Attorney to address any concerns. To that end, County Counsel participated in a conference call about the Settlement Agreement with OCFA General Counsel, OCFA staff, and Irvine's City Attorney on March 13, 2019. A minor clarification was added to the Settlement Agreement as a result of that input.

2. "Thus, we request that this matter be placed on a public agenda so that OCFA's Board members can have adequate time to review the agreement prior to the meeting and discuss the following issues:"

Response: The matter has been placed on a public agenda for the OCFA Board of Director's regularly-scheduled meeting of March 28, 2019. The electronic link for this meeting agenda was distributed to all Board members on March 21, 2019, and a hard copy of the agenda packet was hand-delivered to Director Bartlett's office on the same day.

3. "Joint Police-Fire Training Facility (Paragraph 1): Given that OCFA will contribute \$20.5 million of general fund money toward the construction of this facility, we would like to understand the terms

of this arrangement, including how OCFA or its successor agencies would be able to use the facility, particularly if Irvine is not a constituent member of that successor fire agency.”

Response. Pages 2 through 6 of the Settlement Agreement (along with Attachment A to the Agreement) lay out the proposed terms of the arrangement and identify particular features that OCFA would have the use of, in their entirety, for fifty percent (50%) of the Joint Training Facility’s hours of operation. The key terms can be summarized as follows:

- In exchange for its \$20.5 million contribution, OCFA will be entitled to use the following training facilities and services (identified in Attachment A to the Agreement):
 - Emergency Operations Center
 - Emergency Vehicle Operations Course (pursuit course and slow speed training area)
 - Classrooms (minimum of two)
 - Each will seat at least 70 students
 - Each will be equipped with desks, chairs and new audio/video equipment
 - “Scenario Village”
 - Approximately 10,000 square feet or more space simulating a city street with multiple buildings (house, bank, mini-market) for simulation training
 - Multi-Purpose Training room requiring large, open space
 - Multi-Purpose Training room shall be a minimum of 5,000 square feet
 - Office Space
 - Kitchen and break area
 - Small male and female locker rooms
 - Reception Area
 - Helipad
 - Indoor Firearm Range.
- If the OCFA dissolves or is terminated, then the Joint Use Understanding will be assignable at OCFA’s discretion to at least one successor agency;
 - Q: Director Bartlett’s asked how a successor fire agency would be able to use the Joint Training Facility if Irvine is not a constituent member of that successor agency.
 - A: Under the proposed Settlement Agreement, OCFA will (in the event of dissolution) have the right in its discretion to assign its *own* remaining use rights (i.e., 100% of the Joint Training Facility, 50% of the time) to a successor agency(ies), provided that the successor agency(ies) provides fire protection services to one or more of the then-remaining Structural Fire Fund agencies. The successor fire agency(ies) will have the same rights to the use of the Joint Training Facility under the Joint Use Understanding as the OCFA has now. If assigned to multiple successors, OCFA’s rights (but not Irvine’s) would be divided among the successor agencies in whatever manner is agreed upon at that time by OCFA and the successors. Irvine will continue to have its own, separate rights in the use of the Joint Training Facility under the Joint Use Understanding regardless of the assignment of OCFA’s rights. This is clarified by the final sentence in Section 1.f. that reads: “Any assignment of the Authority’s interest in the Joint Use Agreement, whether to one or multiple successors, shall not impair or reduce Irvine’s rights under the Joint Use Agreement.”

4. “Irvine CERT Coordinator (Paragraph 5): We question whether this is a valid expenditure of OCFA funds, because all OCFA members have delegated their fire protection powers to OCFA. Thus, it may be inconsistent with GC 6503.1 and OCFA’s JPA for OCFA to enter into an agreement with a member to transfer monies for the member to separately employ personnel who are engaged in fire protection duties.”

Response: Government Code section 6503.1 restricts the *purposes* to which property tax revenues may be appropriated for expenditure. *i.e.*, they may only be used for “fire protection services”, as defined. There is nothing in section 6503.1 that in any way limits the *manner* in which fire protection services are delivered. Indeed, the OCFA routinely enters into contracts with a variety of providers, and on occasion with its member agencies, to assist the Authority in carrying out responsibilities related to providing fire protection services. The Community Emergency Response Team Coordinator function is a disaster preparedness function within the definition of a “fire protection service” pursuant to Government Code section 6503.1¹.

Contracting for the accomplishment of “fire protection services”, including with member agencies, is also consistent with OCFA’s expressly enumerated powers under its Joint Powers Agreement. In Article I, Section 4 of the OCFA’s Amended Joint Powers Agreement, all of the member agencies have agreed, in pertinent part, that the “Authority shall have the power to do any of the following in its own name:

“B. To make and enter into contracts, including contracts with its members.

...

“P. To provide related services as authorized by law.

“Q. To contract for the services of attorneys, consultants and other services as needed.”

[Emphases added.]

5. “Accelerated Pension Pay Down (Paragraph 6): First, the pension provisions appear to affect all OCFA members, not just Irvine. However, only Irvine and OCFA are parties to this agreement, not any other members of the OCFA.”

Response: The OCFA Board routinely approves contracts that affect all of its member agencies (for instance, labor agreements) or benefit an individual member agency to a greater degree than other members. As noted above, the Amended Joint Powers Agreement (Article I, Section 4, subsection B) broadly authorizes the OCFA to “make and enter into contracts, including contracts with its members.” Thus, the actions proposed to be taken to establish and fund a 115 Trust are actions that the OCFA Board alone could take, without the need for Irvine, or any other member agencies, to separately authorize the action. The fact that the OCFA is doing so in conjunction with an agreement with one of its members is consistent with the authority vested in the Board by the member agencies in the JPA Agreement. Since the topic of pension security is of importance to the City of Irvine and the OCFA, and is an important factor in Irvine’s consideration to rescind its notice of withdrawal, it is appropriate, with the Board’s approval, to incorporate this as an element of this Settlement Agreement.

¹ California Government Code section 6503.1(a) provides that property tax revenues allocated to an agency (currently OCFA) those revenues “may only be appropriated for expenditure ... for fire protection services.” “Fire protection services” is defined to include “purposes directly related to, and in furtherance of, providing fire prevention, fire suppression, emergency medical services, hazardous materials response, ambulance transport, disaster preparedness, rescue services, and related administrative costs.” (Cal. Gov’t Code § 6503.1(b).)

6. “In the event of a dissolution of OCFA, it is unclear whether Paragraph 6 would be enforceable by OCFA members with respect to the allocation or payment of OCFA pension liability if only Irvine and OCFA have executed this agreement.”

Response: Recent legislation requires, in the event of JPA dissolution, an apportionment of retirement obligations among the member agencies. (See Government Code section 6508.2.) The Settlement Agreement provides that, after the statutory allocation of retirement obligations is completed, the 115 Trust will be liquidated “and the amounts in the 115 Trust attributed to each 115 Trust Contributing Member shall be used toward the satisfaction of the portion of liability previously assigned to that member through the 6508.2 statutory allocation process.” Thus, the Settlement Agreement is intended to ensure that each of the benefitting member agencies (referred to in the Agreement as “115 Trust Contributing Members”) would be an implied intended third-party beneficiary of the Settlement Agreement. Consistent with that intent, each 115 Trust Contributing Member could seek to enforce its rights under the Settlement Agreement.

To further clarify this issue, at the Board’s direction, the following additional sentence could be inserted as a new subsection f. of Section 6 of the proposed Settlement Agreement (Irvine City staff has been advised of this potential addition, and has no objections thereto):

“f. *Third Party Beneficiaries.* Each of the 115 Trust Contributing Members shall be an “intended third party beneficiary” entitled to enforce the provisions of Section 6.”

7. “Ideally these provisions should be incorporated into an amendment to OCFA’s joint powers agreement and reconciled with OCFA’s Fourth Amendment, which also has similar attribution language relating to the pay down of OCFA’s pension liabilities.”

Response: The “snowball plan” set forth in the Fourth Amendment to the Amended JPA Agreement requires certain payments to be made to reduce OCFA’s pension and Retiree Medical liabilities, but it does not restrict the OCFA Board’s discretion to make other financial arrangements to address retirement liabilities above-and-beyond those required payments. As a result, the proposed Agreement and the Fourth Amendment are “reconciled” (*i.e.*, each will operate independently of the other, and in a manner that does not conflict).

OCFA makes its snowball plan payments to OCERS annually in any case, and there are no sub-allocations intended to benefit any specific member agencies. The 115 Trust, on the other hand, is a long-term security “reserve” set-aside for future application to pension liability, only upon dissolution of OCFA.

8. “Second, neither the agreement nor the Fourth Amendment address how the pension pay down provisions apply with respect to the withdrawal of an OCFA member, which does not result in the dissolution of OCFA. ... Does a withdrawing member forfeit the benefit of the 115 Trust?”

Response: Neither the agreement nor the Fourth Amendment have any impact on an OCFA member withdrawing from the OCFA when the withdrawal does not result in dissolution of OCFA. As currently drafted, there is no indication in the Settlement Agreement that a benefitted “115 Trust Contributing Member” would forfeit that benefit if it withdrew from OCFA. Because “the law traditionally disfavors forfeitures” (*People v United Bonding Ins. Co.*, 5 Cal. 3d 901,

906 (1971)) and there is no provision in the Settlement Agreement that would dictate or justify a forfeiture, the withdrawing member would not forfeit the benefit of the 115 Trust.

If the Board would like this to be made more clear, the Board may direct that the Settlement Agreement be revised to incorporate the following new subsection g to clarify that withdrawal does not waive already-accrued benefits (this proposed revision has been discussed with Irvine staff, and they have no objection to its addition):

“g. No Forfeiture. Withdrawal from the OCFA by a 115 Trust Contributing Member will not forfeit nor reduce the rights accrued by that member pursuant to this Section 6 prior to withdrawal.”

9. “Third, we understand that Irvine and OCFA are making some revisions to the agreement to clarify that if OCFA has not reached an 85 percent UAAL funding target, the \$500,000 reduction of annual 115 trust payments will be used by OCFA to directly pay OCERS as part of OCFA’s “snowball” accelerated pension liability pay down plan. While I am supportive of taking steps to address OCFA’s unfunded pension liability, this raises the question of whether it is a good policy to maintain a separate 115 trust that does not directly count towards the reduction of OCFA’s pension liability as determined by OCERS.”

Response: The proposed Settlement Agreement has been revised to clarify that any \$500,000 reduction of annual trust payments will be added to the “snowball” plan payments. Section 6.b. includes a sentence that states: “The \$500,000 reduction shall be contributed to the OCFA’s “snowball” plan to reduce OCFA’s UAAL.” As drafted, the proposed language would ensure the “snowball” plan proceeds in a manner to achieve OCFA’s goal of 85% funding, while also setting aside funds in the 115 Trust as an additional security, in the event of dissolution, which would only be applied to OCFA’s pension liability.

10. “Fourth, the agreement incorporates the calculation methodology for OCFA’s contributions to the Structural Fire Fund Entitlement Fund contained in the equity provisions of OCFA’s JPA. However, it is not clear whether OCFA’s payments under the agreement are in addition to, or in lieu of, the contributions to the SFF Entitlement Fund. Put another way, how does the agreement operate and interact with the equity provisions of OCFA’s JPA, since only Irvine and OCFA are parties to the settlement agreement?”

Response: Nothing in the Settlement Agreement amends, in any way, the provisions of the JPA Agreement. Thus, the commitments made under the JPA are not impacted by this Agreement. As a result, the 115 payments under this Settlement Agreement are separate from, and in addition to, the JPA-defined Structural Fire Fund Entitlement Fund (SFFEF) contributions.

If the Board would like this to be made more overt in the Settlement Agreement, the Board may direct that Section 6 of the Settlement Agreement be revised to incorporate the following new subsection h. (this proposed revision has been discussed with Irvine staff, and they have no objection to its addition):

“h. Contributions Separate from Structural Fire Fund Entitlement Fund. Payments made into the 115 Trust are separate from, and in addition to, the Structural Fire Fund Entitlement Fund contributions made pursuant to the OCFA’s Amended JPA Agreement.

11. "Given the concerns outlined above and the significance of the matters impacted by the agreement with Irvine, which directly affect OCFA members who are not signatories to the agreement, I request that this matter be continued at least to the next meeting of OCFA's Board of Directors and placed on the public agenda."

Response: The matter has been placed on the public agenda for the OCFA Board of Director's next regularly scheduled meeting on March 28, 2019. The electronic link for this meeting agenda was distributed to all Board members on March 21, 2019 and a hard copy of the agenda packet was hand delivered to Director Bartlett's office on the same day.

Attachments:

1 & 2: Attached to original Staff Report

3: Letter from Director Bartlett dated March 20, 2019, emailed March 21



LISA A. BARTLETT
CHAIRWOMAN
ORANGE COUNTY BOARD OF SUPERVISORS
SUPERVISOR, FIFTH DISTRICT

ORANGE COUNTY HALL OF ADMINISTRATION
333 W. SANTA ANA BLVD.
10 CIVIC CENTER, SANTA ANA, CALIFORNIA 92701
PHONE (714) 834-3550 FAX (714) 834-2670
<http://bos.ocgov.com/fifth/>

March 20, 2019

David Kendig, General Counsel
Orange County Fire Authority
1 Fire Authority Road
Irvine, CA 92612

Jeffrey Melching, City Attorney
City of Irvine
1 Civic Center Plaza
Irvine, CA 92606

Re: Settlement Agreement between Orange County Fire Authority and Irvine

Dear Mr. Kendig and Mr. Melching:

I understand that a proposal for OCFA to enter into an agreement with the City of Irvine will be presented to OCFA's Board of Directors. A copy of this agreement was provided to County Counsel yesterday. We appreciate having the opportunity to review and comment on agreement. The agreements affects the expenditure of millions of dollars in OCFA revenues, and affects the rights and obligations of OCFA members who are not signatories to this agreement. Thus, we request that this matter be placed on a public agenda so that OCFA's Board members can have adequate time to review the agreement prior to the meeting and discuss the following issues:

A. Joint Police-Fire Training Facility (Paragraph 1)

The agreement refers to a separate, long-term Joint Use Understanding agreement that will govern Irvine and OCFA's use of a Joint Training Facility. Irvine will own this facility. Given that OCFA will contribute \$20.5 million of general fund money toward the construction of this facility, we would like to understand the terms of this arrangement, including how OCFA or its successor agencies would be able to use the facility, particularly if Irvine is not a constituent member of that successor fire agency.

B. Irvine Community Emergency Response Team (CERT) Coordinator (Paragraph 5)

Paragraph 5 of the agreement provides that OCFA shall pay Irvine \$118,000 per fiscal year for a full-time CERT Coordinator who will be employed by Irvine. We question whether this is a valid expenditure of OCFA funds, because all OCFA members have delegated their fire protection powers to OCFA. Thus, it may be inconsistent with Government Code section 6503.1 and OCFA's Joint Powers Agreement for OCFA to enter into an agreement with a member to transfer monies for the member to separately employ personnel who are engaged in fire protection duties.

C. Accelerated Pension Pay Down (Paragraph 6)

Paragraph 6 of the agreement provides that OCFA shall pay \$2 million per year into a 115 Trust established with Public Agency Retirement Services (PARS) or OCERS to pay down OCFA's unfunded pension liability. The agreement further provides that this payment shall be reduced to \$1.5 million per year if OCFA has not funded 85 percent of its unfunded pension liability as determined by OCERS until OCFA achieves the 85 percent target. We have several concerns regarding the pension provisions of the agreement.

First, the pension provisions appear to affect all OCFA members, not just Irvine. However, only Irvine and OCFA are parties to this agreement, not any other members of OCFA. In the event of a dissolution of OCFA, it is unclear whether Paragraph 6 would be enforceable by OCFA members with respect to the allocation or payment of OCFA pension liability if only Irvine and OCFA have executed this agreement. Ideally, these provisions should be incorporated into an amendment to OCFA's joint powers agreement and reconciled with OCFA's Fourth Amendment, which also has similar attribution language relating to the pay down of OCFA's pension liabilities.

Second, neither the agreement nor the Fourth Amendment address how the pension pay down provisions apply with respect to the withdrawal of an OCFA member, which does not result in the dissolution of OCFA. For example, Placentia has withdrawn from OCFA without being required to pay its estimated \$21 million share of OCFA's UAAL. Likewise, the agreement does not address what happens if Irvine or another SFF member were to withdraw from OCFA in 2030. Instead, the agreement only discusses the use of the 115 Trust in the event of OCFA's dissolution. Does a withdrawing SFF member forfeit the benefit of the 115 Trust?

Third, we understand that Irvine and OCFA are making some revisions to the agreement to clarify that if OCFA has not reached an 85 percent UAAL funding target, the \$500,000 reduction of annual 115 Trust payments from \$2 million to \$1.5 million will be used by OCFA to directly pay OCERS as part of OCFA's "snowball" accelerated pension liability pay down plan, which is the subject of the Fourth Amendment to the Joint Powers Agreement. While I am supportive of taking steps to address OCFA's unfunded pension liability, this raises the question of whether it is a good policy to maintain a separate 115 Trust that does not directly count towards the reduction of OCFA's pension liability as determined by OCERS.

Fourth, the agreement incorporates the calculation methodology for OCFA's contributions to the Structural Fire Fund Entitlement Fund ("SFF Entitlement Fund") contained in the equity provisions of OCFA's Joint Powers Agreement. However, it is not clear whether OCFA's payments under the agreement are in addition to, or in lieu of, the contributions to the SFF Entitlement Fund. Put another way, how does the agreement operate and interact with the equity provisions of OCFA's Joint Powers Agreement, since only Irvine and OCFA are parties to the settlement agreement?

Overall, I am supportive of efforts to re-admit Irvine as a participating member of OCFA's Board of Directors. I am also supportive of efforts to address OCFA's unfunded pension liability. However, given the concerns outlined above and the significance of the matters impacted by the agreement with Irvine, which directly affect OCFA members who are not signatories to the agreement, I request that this matter be continued at least to the next meeting of OCFA's Board of Directors and placed on the public agenda.

Sincerely,



Lisa A. Bartlett
Chairwoman, OC Board of Supervisors
Supervisor, 5th District

cc: Lori Zeller, Assistant Chief of Business Services



Orange County Fire Authority
AGENDA STAFF REPORT

Board of Directors Meeting
March 28, 2019

Agenda Item No. 5B
Discussion Calendar

Fire Services & Emergency Medical Services Agreement
with the City of Garden Grove

Contact(s) for Further Information

Lori Zeller, Deputy Chief
Administration & Support Bureau

lorizeller@ocfa.org

714.573.6020

Summary

This item is submitted for approval to add the City of Garden Grove as a member of the OCFA Joint Powers Authority (JPA) and for approval of a contract for all-risk emergency response, fire prevention, and public education services to the City of Garden Grove.

Prior Board/Committee Action(s)

At its September 28, 2017, meeting, the Board authorized staff to develop a proposal for fire services for the City of Garden Grove, per the City's request. On March 22, 2018, the Board authorized staff to present the Fire Services Proposal to the City of Garden Grove.

RECOMMENDED ACTION(s)

1. Approve the addition of the City of Garden Grove as a member of the OCFA Joint Powers Authority, effective August 16, 2019.
2. Approve the submitted Fire Services & Emergency Medical Services Agreement with the City of Garden Grove, effective August 16, 2019, and authorize the Board Chair to execute the Agreement, including any non-substantive amendments as determined by legal counsel.

Impact to Cities/County

The addition of the City of Garden Grove as a member of the OCFA JPA provides additional opportunity to streamline overhead and increase the effectiveness of the OCFA's regional protection system.

Fiscal Impact

New costs that will be incurred by OCFA in the provision of service to Garden Grove will be funded by new revenue from the proposed contract charge.

Background

On September 12, 2017, the City of Garden Grove's City Council directed staff to seek a bid/proposal for fire and emergency services from Orange County Fire Authority. On October 17, 2017, Garden Grove and OCFA staff met to begin the work on the Garden Grove Proposal. On March 22, 2018, the Garden Grove Proposal was presented to OCFA's Board of Directors for approval and subsequently presented to the City of Garden Grove on March 27, 2018. Following receipt of the Proposal, the City of Garden Grove conducted several study sessions and workshops evaluating OCFA's proposal. On November 13, 2018, the Garden Grove City Council directed its City Manager to begin discussions with OCFA for a fire services contract.

The OCFA's Joint Powers Authority Agreement provides that a non-member City may join the Authority upon consent of a majority of all of the Directors of the Board and agreement to terms and conditions determined by the Board. (Art. VII, Sec. 2). Because Irvine and Placentia do not currently have Directors on the Board, approval by a "majority of all of the Directors of the Board" an affirmative vote of 12 of the Board's 23 current Board members would be required to approve Garden Grove's membership in the Authority.

The attached Fire Services & Emergency Medical Services Agreement follows OCFA's standard contract language for a new member city. The Agreement reflects specific details related to cost of services, station locations, and transitioning employees for Garden Grove in alignment with the terms previously authorized by the OCFA Board in the Garden Grove Fire Services Proposal. Upon approval by the Board of this proposed Agreement, we anticipate that the Garden Grove City Council will review and consider the Agreement in April. If both agencies approve the Agreement, staff anticipates beginning the transition process right away, with a targeted start of service with Garden Grove of August 16, 2019.

Attachment(s)

Garden Grove Fire Services and Emergency Medical Services Agreement

Garden Grove
FIRE SERVICES AND EMERGENCY MEDICAL SERVICES AGREEMENT

THIS AGREEMENT is made and entered into this ____ day of _____ 2019, by and between the ORANGE COUNTY FIRE AUTHORITY, a Joint Powers Authority ("OCFA"), and the CITY OF GARDEN GROVE, a municipal corporation and general law city in the County of Orange ("CITY".)

RECITALS

A. CITY is located wholly within the County of Orange.

B. CITY is legally obligated to provide fire protection services within its boundaries.

C. OCFA is the successor entity to the County of Orange Fire Department and CITY has chosen to be a member of and contract with the OCFA for the provision of fire protection services within CITY's boundaries.

NOW, THEREFORE. In consideration of the mutual promises contained herein, the Parties agree as follows:

I. **DEFINITIONS:** As used in this Agreement:

1. "CITY" means the City of GARDEN GROVE.
2. "AUTHORITY" or "OCFA" means the Orange County Fire Authority.
3. "Division Chief" means the Division Chief supervising Division 1, or any successor Division.
4. "CITY Council" means the City Council of the CITY of GARDEN GROVE.
5. "CITY Manager" means the City Manager of the CITY of GARDEN GROVE.
6. "JPA Board" means the Board of Directors of the Orange County Fire Authority.
7. "JPA Agreement" means the Amended Orange County Fire Authority Joint Powers Agreement dated September 23, 1999 and any subsequent amendments approved as authorized therein.
8. "Fire Chief" means the chief executive officer of the Orange County Fire Authority.
9. "Fiscal Year" means the annual period commencing on July 1st and ending June 30th.

10. "MOU" means the Memoranda of Understanding between the OCFA and (a) International Association of Firefighters Local 3631 (the Orange County Professional Firefighters Association); (b) the OCFA Chief Officers Association; (c) the Orange County Employees Association; and (d) the Orange County Fire Authority Managers' Association, as they exist on the effective date of this Agreement and as they may, from time to time, be amended or suspended.

11. "Division" means an area that identifies a specific geographical boundary that can include multiple fire suppression battalions and/or cities.

12. "Fire Battalion Chief" means an individual who supervises a battalion or an Orange County Fire Authority section, (e.g., Training Section).

13. "Battalion" means an area that identifies a specific geographical boundary that includes multiple stations and/or cities.

II. MEMBERSHIP: CITY shall be a member of OCFA and shall be subject to all the provisions, conditions, benefits, obligations and liabilities set forth in the JPA Agreement, as that Agreement may be further amended from time to time, unless otherwise provided herein. CITY shall have one representative on the JPA Board.

III. GENERAL SCOPE:

1. OCFA shall provide to CITY fire suppression, fire prevention, fire investigation, emergency medical, rescue and related services, hazardous materials response, and community safety and education services (collectively "fire services"). Services provided exclude weed abatement services.

2. The effective date in which OCFA will begin providing services to CITY is planned for 08:00 a.m., August 16, 2019; however, in the event additional time is needed to obtain final approval of the transition, the effective date may be modified by mutual agreement of CITY and OCFA. The intent is that the effective date be scheduled approximately 120 days after final approval of the transition.

3. The level of service provided shall be the same as the general level of similar services provided by OCFA elsewhere within its boundaries. Specific service criteria are set forth in Attachment "A" to this Agreement, and incorporated herein as if fully set forth within the body of this Agreement. Any changes to such levels and method of service shall be determined by the Board of Directors and administered by the Fire Chief, who shall have direct control and supervision over the services provided pursuant to this Agreement, and who is hereby designated as the CITY Fire Chief and Fire Marshal.

4. Fire suppression and emergency medical response stations located within or assigned to the CITY are set forth below and shall be the same as existed on the effective date of this Agreement. Prior to making any changes to assigned fire suppression and emergency medical response stations, the Fire Chief shall meet and confer with the CITY Manager. Any changes in fire suppression and emergency medical response service station assignments shall be set forth in a written Memorandum of Understanding

("MOU") between the Fire Chief and the CITY Manager. In the event of failure to reach agreement with the Fire Chief, the CITY shall have the right to appeal to OCFA's Board of Directors.

5. Subsection (3) above shall not restrict the OCFA Board of Directors from approving OCFA related service enhancements from the Structural Fire Fund Entitlement Fund.

6. The Division Chief assigned to the CITY, or his or her designee, shall attend CITY Council meetings, commission meetings and CITY staff meetings when requested by the CITY Manager and shall provide the CITY with any and all reports or documents pertaining to the CITY upon reasonable request by the CITY Manager.

7. Fire suppression and emergency medical response services shall be provided from CITY locations stated below, which shall be re-designated as indicated:

<u>Location</u>	<u>Old Designation</u>	<u>New Designation</u>
11301 Acacia Pkwy	Station #1	Station #81
11805 Gilbert St	Station #2	Station #82
12132 Trask Ave	Station #3	Station #83
12191 Valley View St	Station #4	Station #84
12751 Western Ave	Station #5	Station #85
12232 West St	Station #6	Station #86
14162 Forsyth Ln	Station #7	Station #80

IV. ADMINISTRATION:

1. In providing fire services, OCFA hereby is authorized to and may enforce applicable CITY codes and ordinances, collect and retain any and all Fire Prevention or Miscellaneous User fees (excluding paramedic user fees) as determined by OCFA, and file any claims or actions on behalf of CITY to recover and retain amounts for emergency and hazardous materials responses.

2. The OCFA Fire Chief hereby is designated as Fire Chief of CITY.

3. Personnel and equipment routinely assigned to provide services under this Agreement shall be assigned to Battalion 11. The Battalion Chief of Battalion 11 will exercise day-to-day operational responsibility within the CITY.

4. On activation of the CITY's Emergency Operations Center (EOC), the individuals designated by the CITY Manager and the Division Chief shall be detailed to assist in EOC operations and release of local resources may occur only after their evaluation of local conditions.

V. LEASE OF APPARATUS: AUTHORITY hereby agrees to lease from CITY, and CITY hereby agrees to lease to OCFA, the following apparatus (the "specified apparatus"):

2017 Ford 250 4x4 Crew Cab	#139	1FT7W2B64HEF25569
2015 Ford F250 4x4 Crew Cab	#938	1FT7W2B61FEB24882
2002 Pierce Dash Type I	#555	4PICT02563A002750
2009 Pierce Arrow Type I	#820	4P1CA01H59A009841
2009 Pierce Arrow Type I	#821	4P1CA01H09A009861
2009 Pierce Arrow Type I	#822	4P1CA01H29A009862
2015 Pierce Arrow Type I	#958	4P1BAAGF8FA015457
2015 Pierce Arrow Type I	#959	4P1BAAGF8FA015458
2005 Pierce Dash 100" TDA (Training)	#625	4P1CD01H55A005225
2018 Air Utility	#186	3HAMKTARXKL293918

1. The specified apparatus shall be delivered to the OCFA equipped as currently equipped by the CITY. OCFA will ensure that frontline emergency apparatus assigned within the CITY (trucks, engines) will reflect the City of Garden Grove's seal, in addition to the OCFA's logo, along with wording to indicate that the apparatus is serving the City of Garden Grove.

2. For the specified apparatus, OCFA will lease from the CITY at no cost, the term of such lease shall commence concurrently with this Agreement, and the term of such lease shall terminate upon retirement of the apparatus from OCFA.

3. The specified apparatus shall be incorporated into the OCFA's established vehicle rotation and replacement programs, preventive maintenance programs, and will be enrolled in OCFA's vehicle insurance program.

4. Each fiscal year, commencing with fiscal year 2019/20, CITY shall pay to OCFA the CITY's share of the OCFA's vehicle replacement program. For fiscal year 2019/20, the annualized amount is \$306,998. The prorated amount of \$13,204 for the first partial month of August 2019, and the subsequent monthly amount of \$25,583 for September 2019 through June 2020 is included in the costs of service set out in section VII below and is subject to annual increases.

5. For purposes of the vehicle replacement program, the following useful life assumptions apply:

Useful Life:

Engine - 13 years or 120,000 miles

Truck - 17 years or 120,000 miles

Paramedic Van - 4 years or 120,000 miles

6. Upon the effective date of any termination, the value of the funds paid by the CITY as its share of the vehicle replacement program shall be returned to the CITY in an amount no greater than the funds paid by the CITY, less actual costs incurred by the OCFA for the repair, maintenance, or replacement of the specified apparatus. The value,

if positive, will be returned to the City in the form of returned apparatus, a refund of payments, or a combination of both.

VI. LEASE OF FIRE STATIONS:

1. CITY shall lease to OCFA and OCFA shall lease from CITY the fire stations listed in Section III pursuant to the leases set out on Attachment C. This lease will have the same term as this Agreement and the rent will be one dollar (\$1) per year per station. Upon the effective date of any termination, OCFA's lease-interest in the CITY's fire stations will terminate and the fire station facilities will be returned to CITY.

2. CITY will also provide OCFA with a \$15,000 revolving maintenance expense account per fire station for appliance repair/replacement and other minor station repairs and improvements pursuant to the JPA Agreement. This amount is included in the costs of service set out in section VII below.

VII. COST FOR SERVICE: Except as otherwise provided in this Agreement, all provisions in the JPA Agreement regarding the calculation and payment of Service Charges shall apply. To the extent of any conflict between the JPA Agreement and this Agreement, the terms set forth in this Agreement shall control with regard to the CITY.

1. CITY shall pay to OCFA the sum of \$20,322,587 for Fire and Emergency Medical Services under this Agreement from August 16, 2019 until June 30, 2020. Payment shall be made as follows:

a.	by August 16, 2019 -	\$1,007,587
b.	by September 1, 2019 -	\$1,931,500
c.	by October 1, 2019 -	\$1,931,500
d.	by November 1, 2019 -	\$1,931,500
e.	by December 1, 2019 -	\$1,931,500
f.	by January 1, 2020 -	\$1,931,500
g.	by February 1, 2020 -	\$1,931,500
h.	by March 1, 2020 -	\$1,931,500
i.	by April 1, 2020 -	\$1,931,500
j.	by May 1, 2020 -	\$1,931,500
k.	by June 1, 2020 -	\$1,931,500

2. In a letter dated September 22, 2017 from the CITY Manager to the OCFA Fire Chief, the CITY requested a proposal from OCFA for the possible provision of Fire Protection and Emergency Medical Services. The amount paid by the CITY for the proposal (\$75,000) has been applied to reduce the August 16, 2019 payment above from \$1,101,903 to \$1,026,903. This August 16, 2019 payment was then further reduced by \$19,316 to reflect CITY's fire station energy savings, bringing this payment down from \$1,026,903 to \$1,007,587.

3. Except as otherwise expressly provided in this Agreement, all sums due to AUTHORITY from CITY shall be paid at the beginning of each calendar month, in advance.

4. For each subsequent fiscal year covered by this Agreement, commencing with FY 2020/21, the Fire Chief shall notify the CITY Manager, in writing, of the estimated charges for providing the agreed services to CITY during the following fiscal year on or before March 1 of each year. Final charges for providing services to CITY during the following fiscal year will be provided, in writing, on or before May 1 of each year. CITY will pay such final charges, in monthly installments, at the beginning of each month, in advance.

5. The estimated costs and charges shall be determined pursuant to the JPA Agreement, including but not limited to Article IV, § 3B and Article VI of the JPA Agreement.

VIII. START-UP COSTS:

1. The parties agree that a sum, estimated not-to-exceed \$1,136,225 is owing to OCFA by CITY for start-up costs, as specified in this Agreement. Those start-up costs are as follows:

Communications/IT	\$293,146
Facilities	156,500
Personnel	152,650
Service Center	309,661
Fleet Services	20,800
EMS	203,468
Total	\$1,136,225

2. OCFA agrees to amortize these one-time start-up costs over the first ten years of this Agreement. OCFA will invoice CITY for the annual prorated amount of \$113,623 with the first monthly invoice for each fiscal year for ten years, commencing with FY 2019/20.

IX. PERSONNEL:

1. OCFA will offer employment effective 8:00 a.m., August 16, 2019 to the personnel employed by the CITY's fire department on the effective date of this Agreement, under the terms and conditions specified in Attachment "B" to this Agreement. Such offers are contingent upon those personnel who meet the minimum physical and medical standards for their designated positions in the OCFA, as determined by a medical examination conducted prior to the effective date of the Agreement. After 8:00 a.m., August 16, 2019, CITY shall not be liable for the payment of any wages or other compensation to any officer, employee, or agent of OCFA performing any services under this Agreement. CITY shall not be liable to any officer, employee, or agent of OCFA for any sickness or injury incurred by such person in the course of performing services under this Agreement. OCFA shall be solely responsible for all personnel actions relating to OCFA employees utilized in the performance of this Agreement. Those personnel who fail to meet the standards in the period prescribed will be offered employment on the first

occasion on which they meet the standards, but in no event shall they be offered employment after August 16, 2020.

2. Transitioning employees participate in a defined contribution plan or "Retiree Health Savings Plan" and are eligible for reimbursement benefits upon retirement as defined by the plan.

X. WORKER'S COMPENSATION:

To avoid the hazards, delays and risks of litigation, and to provide prompt and appropriate benefits to injured workers', the parties desire to establish a mechanism to determine their proportionate share of liability for all types of workers' compensation benefits which may become due to former employees of the Garden Grove Fire Department.

1. For any continuous trauma claim brought under the California Workers' Compensation law against OCFA by former employees of the CITY Fire Department, the Parties shall share liability in proportion to the period of time the former employee was employed by each agency. CITY agrees to indemnify and hold harmless OCFA for all workers' compensation and/or administrative costs incurred as a result of any such claim, of any nature or type whatsoever, to the extent of the proportion the period of time the former employee was employed by CITY bears to the total period of time the former employee was employed by both CITY and OCFA.

2. For any claim originally brought under the workers' compensation laws of California against CITY for which residual or ongoing benefits may be due, CITY shall indemnify and hold harmless OCFA for the cost of all such benefits, including any/all administrative costs, without reference to apportionment, and shall reimburse OCFA for the same to the extent paid by OCFA. Such indemnity, hold harmless, and reimbursement obligation shall specifically include, but is not limited to, costs of medical treatment, new and further disability, Labor Code section 4850 benefits, and any other benefits under the laws governing the California Workers' Compensation System.

3. For any specific injury claimed by former CITY Fire Department employees under the California Workers' Compensation laws, alleged to have occurred after the date of transfer of employment to OCFA, the OCFA shall bear the full cost of any workers' compensation benefit due, which is attributed solely and exclusively to such specific injury.

4. For any claim brought by former CITY fire Department employees arising under any presumption of injury arising out of the California Labor Code, regardless of the date such claim is filed, CITY shall indemnify and hold harmless OCFA for all workers' compensation benefits and/or administrative costs incurred, which may become due, based upon the proportionate respective percentage of employment as described in Section X.1. above.

5. The Parties expressly agree that the above indemnification and hold harmless obligations are contractual in nature and not based on any determination by the WCAB.

6. ARBITRATION: IN THE EVENT OF DISPUTES ARISING UNDER THIS SECTION X OF THE AGREEMENT, THE OCFA AND CITY AGREE SUCH DISPUTES SHALL BE DETERMINED EITHER BY AGREEMENT OF THE PARTY, OR IF EITHER PARTY DETERMINES THE DISPUTE CANNOT BE RESOLVED BY AGREEMENT, THEN BY BINDING ARBITRATION BEFORE AN INDIVIDUAL ARBITRATOR WITH EXPERTISE IN WORKER'S COMPENSATION ISSUES. SUCH ARBITRATOR SHALL BE SELECTED EITHER BY MUTUAL AGREEMENT OF THE PARTIES, OR FAILING THAT, BY THE JUDICIAL ARBITRATION AND MEDIATION SERVICE (JAMS). THE COST OF THE ARBITRATION SHALL BE SHARED EQUALLY BY THE PARTIES.

XI. INDEMNIFICATION:

1. OCFA shall defend, indemnify and hold harmless the CITY and its officers, employees, agents and representatives with respect to any loss, damage, injury, claim, demand, litigation or liability and all expenses and costs relating thereto (including attorneys fees) arising out of or in any way related to acts or omissions of OCFA, its officers, employees or agents in the performance of services pursuant to this Agreement.

2. CITY shall defend, indemnify and hold harmless OCFA and its officers, employees, agents and representatives with respect to any loss, damage, injury, claim, demand, litigation or liability and all expenses and costs relating thereto (including attorneys fees) arising out of or in any way related to acts or omissions of CITY, its officers, employees or agents. This Section 11.2 shall apply whether or not the incident or occurrence occurred prior to or after the effective date.

3. The provisions of this Section XI shall survive termination or expiration of this Agreement.

4. For purposes of this Section XI, the Fire Chief shall be deemed to be an officer, employee, agent and representative of OCFA, and not of CITY.

XII. TERM AND TERMINATION:

1. This Agreement shall commence on the date first written above, provided the Agreement has been approved as required under the JPA Agreement and by the CITY Council. Delivery of services shall commence on August 16, 2019, or when this Agreement is approved, whichever is later. CITY may terminate this Agreement by giving written notice of withdrawal to the Clerk of the Authority prior to July 1 of the second to last year of every ten-year interval of the twenty-year term of the JPA Agreement (e.g. for the first ten-year interval, notice must be given by July 1, 2028 to withdrawal by June 30, 2030). OCFA may terminate this Agreement upon written notice to CITY in the event of non-payment or other default of the terms required herein or in the JPA Agreement.

2. Upon termination or expiration of this Agreement or other cessation of CITY's membership in OCFA, CITY agrees to pay OCFA the amount of the unfunded pension liability that had accrued during the term of this Agreement for the number of OCFA employees serving the CITY. In the event of any dispute regarding the amount of the unfunded pension liability at that time, the parties agree that the amount shall be

determined by an independent actuary selected either by mutual agreement of the parties, or failing that, by the actuary used by the Orange County Employees Retirement System (OCERS). The parties shall share any costs charged by the actuary for calculating such amount. The Parties shall agree to a payment schedule for such amount. If the parties are unable to agree upon a payment schedule, the amount shall be amortized so the CITY will pay down the full amount of the unfunded liability over a fifteen (15) year period assuming a rate of return assumed by OCERS as its return on its investments as of the date of termination. Payments pursuant to this Section shall be made by the CITY to OCFA. The provisions of this Section XII shall survive termination or expiration of this Agreement.

XIII. ANNEXATIONS: In the event of any CITY annexation of territory within the Structural Fire Fund, the level of Structural Fire Fund and redevelopment revenues existing at the time of the annexation shall continue to pass through to OCFA as compensation for the services provided pursuant to the JPA Agreement, unless otherwise agreed to by the parties hereto. As used herein, "level of Structural Fire Fund and redevelopment" shall mean the amount of such revenues existing at the time of annexation, adjusted by any diminution or growth in value occurring thereafter. It is the intent of the parties that CITY annexations not have an adverse financial effect on OCFA. Annexations that do not result in additional OCFA service demand and, therefore require no additional OCFA resources, will not result in additional charges to CITY as a result of said annexation.

XIV. EFFECTIVE DATE AND TERM: The effective date of the Agreement shall be 8:00 a.m., August 16, 2019 and unless terminated in accordance with the provisions herein and in the JPA Agreement, this Agreement shall remain in force for the same duration as the JPA Agreement, and as the JPA Agreement may be amended from time to time.

XV. INDEPENDENT CONTRACTOR: CITY shall not be liable for the direct payment of any wages or other compensation of any officer, employee, or agent of OCFA performing any services under this Agreement. CITY shall not be liable to any officer, employee, or agent of OCFA for any sickness or injury incurred by such person in the course of performing services under this Agreement, except to the extent set forth in Section XI. OCFA shall be solely responsible for all personnel actions relating to OCFA employees utilized in the performance of this Agreement. The employees of OCFA shall not be deemed employees of CITY as a result of this Agreement, except as necessary pursuant to Penal Code Section 1463 et seq. for cities to obtain their statutory share of fire revenues.

XVI. MISCELLANEOUS PROVISIONS:

1. This agreement supersedes any prior agreements between OCFA and CITY. The CITY Manager and Fire Chief may enter into an MOU for operational issues.

2. This Agreement may be amended only in writing, in whole or in part, and signed by both parties. No waiver of any term or condition herein shall be a continuing waiver thereof.

3. This Agreement shall be interpreted in a manner complementary to the JPA Agreement, including the provisions which govern city member participation. In the event of an irreconcilable conflict between this Agreement and the JPA Agreement, this Agreement shall prevail.

CITY OF GARDEN GROVE

ORANGE COUNTY FIRE AUTHORITY

By: _____
Steven R. Jones, City Mayor

By: _____
Joe Muller, Chair

Attest:

Attest:

By: _____
Teresa Pomeroy, City Clerk

By: _____
Sherry A.F. Wentz,
Clerk of the Authority

Approved as to Form:

Approved as to Form:

By: _____
Daphne Anneet, Special Counsel

By: _____
John Bakker, Special Counsel

ATTACHMENT A
SERVICE CRITERIA

SERVICE LEVEL

Management Committee

The OCFA Fire Chief, executive management team, and management staff are committed to providing CITY with an effective and efficient level of service. The Division 1 Chief will be assigned to attend CITY Council and CITY management meetings requested by CITY Manager.

A battalion chief will have the day-to-day operational responsibility within the CITY of Garden Grove. CITY will become part of the Battalion 11.

Additionally, the OCFA management is committed to being responsive to CITY requests for participation in community activities and other such meetings and/or functions upon the request of the CITY manager or designated CITY staff.

The OCFA will provide personnel to the CITY's EOC in the event of activation and work with the CITY to provide training as mutually agreeable between the OCFA Fire Chief or his representative and the CITY Manager.

Emergency Response

1. Response Performance

OCFA will utilize the Board of Directors' adopted standards of cover for response performance. OCFA monitors all of the standards and reports on performance to the City Manager on a quarterly basis.

2. Station Resources

Station #81 (Current Station #1) Paramedic Truck Battalion Chief	Station #82 (Current Station #2) Paramedic Engine	Station #83 (Current Station #3) Paramedic Engine	Station #84 (Current Station #4) Paramedic Engine
Station #85 (Current Station #5) Paramedic Truck	Station #86 (Current Station #6) Paramedic Engine	Station #80 (Current Station #7) Paramedic Engine	

The OCFA will provide four person staffing for front line emergency units stationed in Garden Grove and will provide minimum staffing as outlined in the firefighter MOU.

ATTACHMENT A

SERVICE CRITERIA

<u>Type of Call</u>	<u>Standard Response</u>
Small vehicle, fence, power pole, or trash fire	One engine company
Large vehicle, (trucks) or grass fire	Two engine companies and one battalion chief
All structural fires	Four engine companies, two truck companies, one paramedic unit (if necessary), and two battalion chiefs
Structure Fires/Residential "Working Fire"	Four engine companies, two truck companies, one paramedic unit (if necessary), and two battalion chiefs, division chief, safety officer, service support, investigator, public information officer
Structure Fires/Commercial-Apt "Working Fire"	Four engine companies, three truck companies, one paramedic unit (if necessary), and two battalion chiefs, division chief, safety officer, service support, investigator, public information officer
Medical aid or rescue call	The closest paramedic engine or paramedic truck company or a paramedic unit will respond with the closest non-paramedic unit
Traffic accident w/persons trapped	One engine company, one truck company, one paramedic unit (if necessary), and one battalion chief
Hazardous materials incident (outside)	One engine, the hazardous materials unit, one truck company, one battalion chief, and additional units as required (i.e., additional engines, paramedics etc.)
Hazardous Materials incident (inside structure)	Four engine companies, one truck company, one battalion chief, one division chief, hazardous materials unit, public information officer, terrorist liaison officer, additional units as required (i.e., additional engines, paramedics, etc.)
Public service calls	Closest engine or truck company
Second and each additional alarm	Three engines, one truck company, one air utility unit, one additional battalion chief, division chief, and Safety Officer
High rise response	Six engines, three trucks, two battalion chiefs, one division chief, heavy rescue, one medic unit, one air utility unit, one safety officer, one duty officer, other overhead units
Cover assignments	Any emergency of extended duration will result in an automatic move-up of equipment in accordance with the OCFA's move-up and cover plans

ATTACHMENT A

SERVICE CRITERIA

3. Move-up and Cover

The move-up and cover program is designed to meet the response needs of the community by the movement of apparatus into critical areas based on the probability of emergency responses. Move-up and cover assignments shall occur in accordance with the OCFA's standard operating procedure.

4. Emergency Dispatch

Authority will provide dispatchers who are trained in Emergency Medical Dispatch (EMD).

Authority will maintain Mobile Data Terminals within fire department emergency apparatus capable of utilizing the Authority's Computer Aided Dispatch (CAD).

Authority will maintain emergency service radio system that will have coverage of 99% of the CITY and have multiple channel capability for major incidents.

FIRE PREVENTION

OCFA will provide education and prevention services as follows:

1. Analyze fire data to identify fire risks and target populations. Develop and implement programs to address them utilizing "best practices": education, engineering and/or enforcement.
2. Provide annual fire prevention inspections for identified occupancies.

Provide fire protection and engineering consultation services to the CITY planning staff and commissions for tentative tract, parcel maps, and other land use proposals which may require fire department input, including fire department plan check and engineering review of specific risks (industrial, commercial, institutional, and applicable single and multi-family dwellings) for conformance with fire code requirements and state fire and life safety regulations, upon specific request.

INCIDENT INVESTIGATION

OCFA shall provide origin and cause investigative services on identified incident types reported to the fire department within the CITY. OCFA Fire Investigation Section shall be assigned to determine the cause of every major fire, fire fatality, or significant dollar loss.

PUBLIC INFORMATION/EDUCATION

OCFA will provide fire prevention and safety education programs to targeted schools, businesses, community associations, child-care providers, and other members of the community and will respond to information requests from the community. Community safety and education programs shall be provided, after consultation with the CITY manager, to educate targeted residents and businesses in order to help preserve life and property.

ATTACHMENT A

SERVICE CRITERIA

HAZARDOUS MATERIALS RESPONSE

The OCFA will provide hazardous materials response service to the CITY. The OCFA does not provide hazardous materials cleanup, removal, or disposal. The OCFA maintains a hazardous materials response capability, meeting the state standards for a Type I hazardous materials response team.

EMERGENCY MEDICAL RESPONSE

OCFA will provide emergency medical response services within the CITY. Ambulance service will be supervised by the CITY. CITY will retain all revenues collected from existing paramedic subscription and ambulance transport program for medical responses within the CITY. The CITY will be responsible for the cost of the Ambulance Program.

AUTOMATIC AID / MUTUAL AID

OCFA will, immediately upon execution of this Agreement, commence negotiations for automatic aid agreements with those fire agencies that currently have automatic aid agreements with the CITY.

GRANT ADMINISTRATION

The OCFA will provide Grant Administration services for the City for grants relating to the provision of Fire and Emergency Medical Services. OCFA's Grant Administration services include the grant application process, approval process, and expenditure-management process, as well as ensuring compliance with reporting requirements.

RESOURCE PLACEMENT ANALYSIS

Based on service level need, the CITY and OCFA will evaluate and determine the service need for the following:

Response Performance for Configuration of Response Units: Following a two-year period, OCFA and the CITY will evaluate the response performance for the current configuration of response units in the CITY (excluding ambulance service, which may be reviewed sooner) and discuss the results of the analysis, including any recommendations from either party for modifications that are warranted. Resource modifications may be available with additional new partnering cities.

ATTACHMENT B

TRANSITION OF PERSONNEL

SWORN PERSONNEL

The following CITY Fire Department safety employees shall be offered employment by the OCFA at the rank and salary stated below:

Name

Rank or Position

Salary Step

See Exhibit 1 for the detailed list of names, rank or position, and salary step for Sworn Personnel.

(Persons who accept employment with the OCFA pursuant to this offer are hereafter referred to as "transitioning employees".)

CITY will furnish to OCFA, prior to the effective date of this Agreement, the date of hire and the length of continuous service for each employee listed above. The CITY warrants the accuracy of such data and will defend and hold harmless OCFA in any proceeding based on the alleged inaccuracy of such data.

In accordance with the applicable MOU, transitioning personnel assigned by the OCFA to hazardous materials, ARFF, USAR Logistics, Staff Assignment, EMT, or paramedic assignments will be paid specialty pay. Bilingual transitioning employees will receive the compensation provided under the Bilingual Pay section of the MOU. All sworn transitioning personnel who currently receive bilingual pay (as certified by the CITY) will be granted grandfathered status, with no new testing requirement, for purposes of receiving either OCFA's Spanish Language Pay or OCFA's Bilingual Pay as defined by OCFA's MOU.

Education incentive pay is available by application. Transitioning personnel assigned to positions requiring special training will receive such training.

Transitioning employees will be considered to have passed their probation period with the OCFA, except for the following:

1. Any employee who has not completed probation with the CITY.
2. Any employee who has been suspended within the last one (1) year.

If an employee meets any of the above exceptions, the employee may, at the discretion of the OCFA Fire Chief, be required to serve a new probation period of fifty-two continuous weeks from the date they are first employed by OCFA, ending with the first day of the pay period following completion of said period as defined by the applicable MOU. At the sole discretion of the OCFA Human Resources Director, the new probation period required hereunder may be reduced, but under no circumstances shall the probation period be reduced to less than six (6) months.

ATTACHMENT B

TRANSITION OF PERSONNEL

Notwithstanding anything to the contrary, it is agreed the OCFA will not accept for employment those CITY employees who have been dismissed from service, or have been issued a Notice of Intent to Dismiss prior to August 16, 2019 which has not been resolved as of the Effective Date of this Agreement, regardless of the outcome of pending litigation stemming from such dismissal or pending dismissal. Said employees, if applicable, will remain employees of CITY.

Except as modified herein, continuous employment with CITY shall be considered the same as continuous employment with the OCFA for all transitioning employees only for the purposes of meeting minimum requirements for promotional opportunities and the accrual of vacation and sick leave. Transitioning employees shall accrue vacation and sick leave at the rates designated in the applicable MOU.

All transitioning employees will participate in a defined contribution plan or "Retiree Health Savings Plan" and are eligible for reimbursement benefits upon retirement as defined by the plan.

OCFA will supply new uniforms and necessary additional safety clothing to transitioning personnel. The cost of such uniforms and clothing has been included as part of the start-up costs to be paid by CITY.

CITY safety clothing in the possession of transitioning employees on the effective date of this Agreement shall become the property of the OCFA at no cost.

Transitioning employees will be accorded reciprocity in the Orange County Employees Retirement System to the extent they are entitled to such reciprocity by the County Employees Retirement Act of 1937.

The CITY certifies that the listing of service hours provided by the CITY for employees transitioning to employment with the OCFA is a true and accurate computation of service hours for each transition employee during his or her employment with the CITY. These service hours reflect 2080 service hours for each year of service with the CITY, plus a prorated number of hours for any partial year of service with the CITY through, less a prorated number of hours for any time off without pay for either an unpaid leave of absence or an unpaid suspension. In the event of any conflict regarding the computation of service hours after the date of transitioned, provided the transitioned employee(s) release a review of their Garden Grove record, the CITY will make available any records necessary to resolve the complaint. If the transition employee(s) does not release their CITY record for review the CITY will research their records and assist the OCFA in resolution of the conflict.

ATTACHMENT B

TRANSITION OF PERSONNEL

NON SWORN PERSONNEL

The following CITY Fire Department non-safety employees shall be offered employment by the OCFA at the position and salary step stated below:

Name

Position

Salary Step

See Exhibit 2 for the detailed list of names, positions, and salary step for Non-Sworn Personnel.

Employees who accept a non-safety position with the OCFA will be considered “new hires” and will serve a probationary period. All non-safety employees will follow the OCEA General/Supervisory Unit MOU. Bilingual pay and education incentive pay is available based on application.

ATTACHMENT B - EXHIBIT 1

The following CITY Fire Department safety employees shall be offered employment by the OCFA at the rank and salary stated below:

SWORN PERSONNEL (TOTAL COUNT = 77)

Sworn Positions – Created by Contract (Count =87)

Name	Rank or Position	Salary Step
1. Maule, Cheyne C.	Battalion Chief	BC 1 – bottom of BC Salary Range
2. McGovern, Terry A. Jr	Battalion Chief	BC 2 – top of BC Salary Range
3. Truhill, Justin	Battalion Chief	BC 3 – within BC Salary Range
4. Whitaker, Paul J.	Battalion Chief	BC 4 – top of BC Salary Range
1. Acosta, Anthony R.	Fire Captain	10
2. Acosta, Alberto	Fire Captain	10
3. Breneman, Jerry R.	Fire Captain	10
4. Doyle, Justin D.	Fire Captain	10
5. Fellner, Steve P.	Fire Captain	10
6. Gabbard, James L.	Fire Captain	10
7. Garcia, Drew R.	Fire Captain	10
8. Hanna, Jeff W.	Fire Captain	10
9. Kleibacker, Matthew C.	Fire Captain	8
10. Kuhlman, Scott A.	Fire Captain	10
11. Nguyen, Thanh Q.	Fire Captain	10
12. Niblo, Frederick N.	Fire Captain	10
13. Pardoen, Brent C.	Fire Captain	10
14. Rieth, Michael Kurt	Fire Captain	6
15. Ruhman, Wade E.	Fire Captain	10
16. Ruzicka, Dennis L.	Fire Captain	10
17. Schaefer, Nick R.	Fire Captain	10
18. Spell, Morris B.	Fire Captain	10
19. Strohm, William S.	Fire Captain	10
20. Trenholm, Christopher B.	Fire Captain	10
21. Waldschmidt, David S.	Fire Captain	10
22. Weiss, Mark S.	Fire Captain	10
1. Baranger, John D. III	Fire Apparatus Engineer	10
2. Bauer, Lucas B.	Fire Apparatus Engineer	10
3. Bell, Bradley D	Fire Apparatus Engineer	10
4. Camberos, Jose J.	Fire Apparatus Engineer	10
5. Crawford, Joe W.	Fire Apparatus Engineer	10
6. Crawford, Timothy A.	Fire Apparatus Engineer	10
7. Eckhardt, Michael G. Jr.	Fire Apparatus Engineer	10
8. Henshaw, Matthew R.	Fire Apparatus Engineer	10
9. Jacobs, Michael L.	Fire Apparatus Engineer	10

ATTACHMENT B - EXHIBIT 1

10. Jemiola, Jordan R.	Fire Apparatus Engineer	10
11. Lovely, Norman M.	Fire Apparatus Engineer	10
12. Marquez, John M. Jr.	Fire Apparatus Engineer	10
13. Mellem, Shane D.	Fire Apparatus Engineer	10
14. Mellem, Travis M.	Fire Apparatus Engineer	10
15. Nguyen, Son L.	Fire Apparatus Engineer	10
16. Sanchez, David C.	Fire Apparatus Engineer	10
17. Scherer, Scott A.	Fire Apparatus Engineer	10
18. Traver, Justin D.	Fire Apparatus Engineer	10
19. Valderrama, Mario G.	Fire Apparatus Engineer	7
20. Wingert, Joseph A. Jr.	Fire Apparatus Engineer	10

1. Blomgren, Jason R.	Firefighter/Paramedic	1
2. Burroughs, Myles S.	Firefighter/Paramedic	9
3. Carlson, David M.	Firefighter/Paramedic	3
4. Cary, Parker W.	Firefighter/Paramedic	1
5. Feldman, Joshua A.	Firefighter/Paramedic	9
6. Fisher, Timothy D.	Firefighter/Paramedic	9
7. Furuta, Garret M.	Firefighter/Paramedic	1
8. Hawkins, Christopher P.	Firefighter/Paramedic	1
9. Howey, Shane S.	Firefighter/Paramedic	9
10. Huber, Peter M.	Firefighter/Paramedic	9
11. Justus, Jaycen R.	Firefighter/Paramedic	1
12. Knaack, Anthony L.	Firefighter/Paramedic	9
13. Lee, Joshua D.	Firefighter/Paramedic	1
14. Lerario, Nicholas A.	Firefighter/Paramedic	1
15. Moore, Daniel J.	Firefighter/Paramedic	5
16. Nobel, Grant A.	Firefighter/Paramedic	9
17. Norrdin, Eric S.	Firefighter/Paramedic	3
18. Page, Anthony J.	Firefighter/Paramedic	1
19. Palomo, Eric M.	Firefighter/Paramedic	7
20. Roach, Andrew J.	Firefighter/Paramedic	3
21. Ronstadt, Richard	Firefighter/Paramedic	9
22. Stowe, Timothy N.	Firefighter/Paramedic	1
23. Thorson, Eric	Firefighter/Paramedic	9
24. Van Wie, Ryan D	Firefighter/Paramedic	7
25. White, Jonthan C.	Firefighter/Paramedic	1
26. Williams, Gregory D.	Firefighter/Paramedic	5
27. Yorke, Jeremie E.	Firefighter/Paramedic	1
28. Clermont, Ynes G.	Firefighter	1
29. Jaeger, William R.	Firefighter	1
30. Lindsay, Corey L	Firefighter	4
31. Mickelsen, Mark A.	Firefighter	9

ATTACHMENT B - EXHIBIT 2

The following CITY Fire Department non-safety employees shall be offered employment by the OCFA at the position and salary step stated below:

NON SWORN PERSONNEL (TOTAL COUNT = 3)

<u>Name</u>	<u>Position</u>	<u>Salary Step</u>
1. Dahlheimer, Bryson T.	Fire Prevention Specialist	1
2. Nguyen, Don T.	Senior Fire Prevention Specialist	11
3. Pollock, Amanda M.	Administrative Assistant	6

ATTACHMENT C

**RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:**

Exempt from fees per Government Code § 27383
(space above for recorder's use)

**LEASE AGREEMENT
FOR FIRE STATIONS #80-86**

between

City of Garden Grove with City Seal attached
and



Orange County Fire Authority
1 Fire Authority Road
Irvine, California 92602

This Facility Lease Agreement (“the Lease”) is made to be effective as of August 16, 2019, by and between the Orange County Fire Authority (“OCFA” or “LESSEE”), a California joint powers authority, and the City of Garden Grove (“CITY” or “LESSOR”), a California general law city, (collectively, “the Parties”).

RECITALS

A. WHEREAS, CITY is the owner of seven (7) fire station facilities and related real property within the City of Garden Grove, California, at those locations described in Exhibit A and depicted in Exhibit B; and

B. WHEREAS, CITY is a member of OCFA and is a party to that certain Amended Orange County Fire Authority Joint Powers Agreement, dated September 23, 1999, as amended by that certain First Amendment to the Amended Joint Powers Agreement, effective July 1, 2010, (the "Joint Powers Agreement"); and

C. WHEREAS, the Joint Powers Agreement requires fire stations owned by member cities to be leased to OCFA for one dollar (\$1.00) per annum; and

D. WHEREAS, CITY and OCFA are also parties to that certain Fire Services and Emergency Medical Services Agreement, dated _____, 2019 (the "Fire Services Agreement"), effective August 16, 2019, which sets forth the terms pursuant to which OCFA provides fire protection, emergency medical, and related services to CITY; and

E. WHEREAS, the term of the Fire Services Agreement runs concurrently with the term of the Joint Powers Agreement and remains in effect for so long as CITY is a member of OCFA; and

F. WHEREAS, the Parties mutually desire to enter into a lease agreement for the Premises;

NOW THEREFORE, in consideration of the Parties' performance of the promises, covenants, and conditions stated herein, the Parties hereto agree as follows.

AGREEMENT

1.0 Premises

1.1. CITY leases to OCFA and OCFA leases from CITY those portions of the Premises described in Exhibit A and depicted in Exhibit B attached hereto and incorporated herein (hereinafter the "Leased Premises"). Notwithstanding any contrary indications in the Fire Services Agreement or in this Agreement (including Exhibits A and B), the Parties agree that Leased Premises with respect to Garden Grove Fire Station No. 1 (11301 Acacia Parkway) specifically exclude the underground fuel tanks that are presented used to fuel fire apparatus. The parties will endeavor to negotiate a separate agreement that allows OCFA to purchase fuel from CITY to fuel vehicles and apparatus at Garden Grove Fire Station No. 1.

2.0 Term

The term of this Lease shall run concurrently with the term of the Fire Services Agreement and any extensions or renewals thereof. If the Fire Services Agreement is terminated for any reason, this Lease shall concurrently terminate in its entirety. This Lease may not be terminated during the term of this Lease except upon mutual agreement of the Parties.

3.0 Use of Premises

3.1. OCFA shall inspect the Leased Premises prior to taking possession. Should following its inspection OCFA determine in its reasonable discretion that the Lease Premises are not in a good and acceptable condition, CITY shall be responsible for completing any necessary remedial work. OCFA's possession and use of the Leased Premises after the Effective Date shall constitute acknowledgment that the Leased Premises are in good and acceptable condition.

3.2. The Leased Premises shall be used exclusively by OCFA, its officers, agents, employees, and volunteers to provide fire protection, suppression, and medical aid services, and related activities, to CITY and in surrounding geographic areas in accordance with the Joint Powers Agreement and Fire Services Agreement, or any subsequent amendments thereto, and for no other purposes.

3.3. OCFA shall not use the Premises in any manner contrary to the terms of this Lease without CITY's prior written consent. CITY's authorized representative shall have the right at all reasonable times to inspect the Leased Premises to determine if the OCFA and its guests are complying with the provisions of this Lease.

3.4. OCFA shall not commit any waste or any public or private nuisance on the Premises.

3.5. OCFA shall not violate any law, rule, or order of any federal, state, or municipal government or agency that may be applicable to the use of the Premises.

3.6. OCFA shall not commit any act on the Premises nor use the Premises in any manner that causes the cancellation of any fire, liability, or other insurance policy insuring the Premises or any improvement on the Premises.

3.7. On or before the effective date of termination of this Lease, OCFA shall vacate the Premises, remove all of OCFA's personal property from the Premises, and leave the Premises in good order and repair subject to the satisfaction of the City Manager.

4.0 Rent

OCFA shall pay CITY as rent for the Leased Premises the sum of One Dollar (\$1.00) per year per fire station facility, at the beginning of the first and subsequent years of the term of this Lease. Rent shall not include the cost of utilities or telephone services.

5.0 Telephone Service and Utilities

5.1 Telephones desired by OCFA for use by OCFA, its employees, or agents, and the cost thereof shall be secured by and paid for by OCFA.

5.2 OCFA shall pay all costs of utilities for the Leased Premises.

6.0 Alterations and Improvements

6.1 OCFA may make alterations, improvements and changes in or to the Leased Premises, including but not limited to, the installation of fixtures, partitions, counters, shelving,

and equipment as OCFA deems necessary, with the prior written consent of the City Manager, which consent shall not be unreasonably withheld. It is agreed that any such fixtures, partitions, counters, shelving, equipment, or other alterations or improvements attached to or placed upon the Leased Premises by OCFA shall be considered as personal property of OCFA, which may be removed by OCFA upon termination of this Lease. OCFA shall repair any damage to the Leased Premises from such removal and agrees that the Leased Premises shall be left in as good condition as when received, reasonable wear and tear excepted.

6.2 Capital improvements to the Leased Premises required by OCFA shall be the obligation of CITY in accordance with Article VI of the Joint Powers Agreement, as it may be amended from time to time.

7.0 Maintenance and Repairs

7.1. OCFA shall keep the Leased Premises in good condition and repair. All damages or injury to the Leased Premises or its contents caused by OCFA, its employees, agents or visitors shall be promptly repaired by OCFA to the satisfaction of the City Manager.

7.2. Maintenance and repairs to the Leased Premises shall be funded in accordance with Article VI of the Joint Powers Agreement, as it may be amended from time to time.

7.3. The cost of repairs required to assure structural integrity and to maintain the habitability of the Premises in compliance with building and health and safety codes will be the sole responsibility of CITY. Significant maintenance or repairs to the Leased Premises that constitute capital improvements pursuant to the Joint Powers Agreement shall be the obligation of CITY in accordance with Article VI of the Joint Powers Agreement, as it may be amended from time to time.

7.4. Unless otherwise mutually agreed by the Parties, CITY shall be responsible for maintenance and repair of all exterior landscaping, parking areas, driveways, joint use areas, if any, and all portions of the Premises other than the Leased Premises.

8.0 Party Representatives

8.1. The City Manager is the CITY's representative for purposes of this Lease.

8.2. The Fire Chief is the OCFA's primary representative for purposes of this Lease.

9.0 Notices

9.1. All notices permitted or required under this Lease shall be deemed made when personally delivered or when mailed 60 hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at the following addresses:

To CITY: City of Garden Grove
 11222 Acacia Pkwy
 Garden Grove, California 92840
 Attn: City Manager

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

9.2. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

10.0 Relationship of the Parties

The only relationship created by this Lease is that of lessor and lessee. Neither CITY nor any of its elected officials, officers and employees, servants, designated volunteers, and agents serving as independent contractors in the role of CITY officials, shall have control over the means of service or means of production of OCFA or any of its officers, employees, agent, or volunteers.

11.0 Assignment

Neither Party shall assign or transfer any interest in this Lease whether by assignment or novation, without the prior written consent of the other Party. Any purported assignment without such consent shall be void and without effect.

12.0 Insurance

12.1. OCFA shall, at its expense, procure and maintain for the duration of the Lease, comprehensive general liability insurance and/or self-insurance against claims for injuries to persons or damages to property that may arise from or in connection with its use of the Leased Premises, in an amount of no less than \$ per occurrence for bodily injury, personal injury and property damage for each location. All insurance coverage provided by OCFA shall be primary and not contributory insurance as respects the CITY, shall name CITY, its officials, officers, employees, agents, and volunteers as additional insureds, and shall be endorsed to provide that coverage shall not be suspended, voided, reduced, or cancelled except after thirty (30) days prior written notice to the CITY. By the effective date of this Lease, the OCFA shall provide CITY with evidence of compliance with these requirements.

12.2. Where a particular Leased Premises consist of an entire building, OCFA shall, at its expense, procure and maintain for the duration of the Lease, fire insurance with extended coverage on the Leased Premises to the full insurable value of the Leased Premises. By the effective date of this Lease, the OCFA shall provide CITY with evidence of compliance with these requirements.

12.3. Where a particular Leased Premises is within a building that is not entirely occupied by OCFA, CITY shall maintain throughout the duration of the Lease, fire insurance with extended coverage on the Leased Premises to the full insurable value of improvements located on the Leased Premises. By the effective date of this Lease, the CITY shall provide OCFA with evidence of compliance with these requirements.

13.0 Indemnification, Hold Harmless, and Duty to Defend

13.1. OCFA shall defend, indemnify and hold harmless the CITY and its officers, employees, agents and representatives with respect to any loss, damage, injury, claim, demand, litigation or liability and all expenses and costs relating thereto (including attorney's fees) arising out of or in any way related to acts or omissions of OCFA, its officers, employees or agents relating to OCFA's occupancy and use of the Premises.

13.2. CITY shall defend, indemnify and hold harmless OCFA and its officers, employees, agents and representatives with respect to any loss, damage, injury, claim, demand, litigation or liability and all expenses and costs relating thereto (including attorney's fees) arising out of or in any way related to acts or omissions of CITY, its officers, employees or agents relating to CITY's ownership, occupancy, and use of the Premises.

13.3. All duties and obligations under this Section shall survive termination of this Lease.

14.0 Taxes and Assessments

All taxes and assessments, if any, which become due and payable upon the Premises, shall be the full responsibility of CITY, and CITY shall cause said taxes and assessments to be paid promptly.

15.0 Equal Opportunity

OCFA affirmatively represents that it is an equal opportunity employer. OCFA must not discriminate against any subcontractor, employee, or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex, sexual orientation, or age. Such non-discrimination includes, but is not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, or termination.

16.0 Labor Certification

By its signature hereunder, OCFA certifies that it is aware of the provisions of Section 3700 of the California Labor Code that require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing use of the Premises.

17.0 Defaults and Remedies

In the event of any breach of this Lease by either party, the aggrieved party may notify the other in writing of such breach, and the breaching party shall have thirty (30) days in which to initiate action to cure said breach before the other party may proceed to complete the cure of such breach with due diligence or to take any other remedies for default.

18.0 Successors in Interest

Unless otherwise provided in this Lease, the terms, covenants, and conditions contained herein shall apply to and bind the heirs, successors, executors, administrators, assigns of all of the parties hereto, all of whom shall be jointly and severally liable hereunder.

19.0 Destruction of or Damage to Premises

In the event of (A) partial destruction of the Premises; or (B) the Premises being declared unsafe or unfit for occupancy by any public authority authorized to make such declaration, for all reason other than OCFA's act, use, or occupation, except as otherwise provided herein: CITY shall immediately make repairs as are necessary to restore the Premises to the condition which existed prior to destruction or damage and/or make repairs as are necessary to make the Premises safe and fit for occupancy. The destruction (including any destruction necessary in order to make repairs required by any declaration), damage or declaration shall in no way render this Lease null and void. If CITY refuses to make such repairs or if such repairs are not completed by CITY within 60 days, OCFA may, at its option, terminate the Lease, or, OCFA's cost of such repairs, including labor, materials, and overhead, may be included by OCFA in amounts owing by CITY to OCFA pursuant to the Joint Powers Agreement, as it may be amended from time to time.

20.0 Circumstances Which Excuse Performance

If either party hereto shall be delayed or prevented from the performance of any act required hereunder by reason of acts of God, restrictive governmental laws or regulations, or other cause without fault and beyond the control of the party obligated (financial inability excepted), performance of such act shall be excused for the period of delay; and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. However, nothing in this clause shall excuse either Party from the prompt payment of any rental or other charge required of it except as may be expressly provided elsewhere in this Lease.

21.0 Entire Agreement

This Lease contains the entire agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings, or agreements. This Lease may only be modified by a writing signed by both parties. Notwithstanding the foregoing, this Lease shall be subject to, and interpreted to be consistent with, the Joint Powers Agreement and the Fire Services Agreement, as they may be amended from time to time. In the event of any inconsistency between the terms of this Lease and the terms of the Joint Powers Agreement and/or the Fire Services Agreement, as they may be amended, the terms of the Joint Powers Agreement, then the terms of the Fire Services Agreement, shall govern, and the terms of this Lease shall be deemed to have been amended in accordance therewith.

22.0 Severability

The invalidity in whole or in part of any provisions of this Lease shall not void or affect the validity of the other provisions of this Lease.

23.0 Construction and Governing Law

The validity, interpretation, and performance of this Lease shall be controlled by and construed under the laws of the State of California. In the event of any asserted ambiguity in, or dispute regarding the interpretation of any matter herein, the interpretation of this Lease shall not be resolved by any rules of interpretation providing for interpretation against the party who causes the uncertainty to exist or against the party who drafted the Lease or who drafted that portion of the Lease.

24.0 No Third Party Rights

No third party shall be deemed to have any rights hereunder against either party as a result of this Lease.

25.0 Waiver

No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a party shall give the other party any contractual rights by custom, estoppel, or otherwise.

26.0 Holding Over

In the event OCFA shall continue in possession of the Leased Premises after the term of this Lease, such possession shall not be considered a renewal of this Lease but a tenancy from month-to-month and shall be governed by the conditions and covenants contained in this Lease.

27.0 Time

Time is of the essence in this Lease.

28.0 Prohibited Interests

OCFA maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for OCFA, to solicit or secure this Lease. Further, OCFA warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for OCFA, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Lease. For breach or violation of this warranty, CITY has the right to rescind this Lease without liability. For the term of this Lease, no member, officer or employee of CITY, during the term of his or her service with CITY, shall have any direct interest in this Lease, or obtain any present or anticipated material benefit arising therefrom.

29.0 Attorneys' Fees

If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Lease, the prevailing party in such litigation shall be entitled to have and recover from the losing party all of its attorney's fees and other costs incurred in connection with such action.

30.0 Incorporation of Recitals and Exhibits

All Recitals set forth above and exhibits referenced in this Lease are hereby incorporated into the Lease as if set forth in full herein. In the event of any material discrepancy between the terms of any exhibit so incorporated and the terms set forth in the main body of this Lease, the terms set forth in the main body of this Lease shall control.

31.0 Corporate Authority

The persons executing this Lease on behalf of the Parties warrant that they are duly authorized to execute this Lease on behalf of said Parties and that by their execution, the Parties are formally bound to the provision of this Lease.

32.0 Lease Organization

The various headings in this Lease, the numbers thereof, and the organization of the Lease into separate sections and paragraphs are for purposes of convenience only and shall not be considered otherwise.

IN WITNESS WHEREOF, the Parties hereto, through their respective authorized representatives have executed this Lease as of the date and year first above written.

CITY OF Garden Grove

ORANGE COUNTY FIRE AUTHORITY

By: _____
Steven R. Jones, City Mayor

By: _____
Joe Muller, Chair

Attest:

Attest:

By: _____
Teresa Pomeroy, City Clerk

By: _____
Sherry A.F. Wentz, CMC,
Clerk of the Authority

Approved as to Form:

Approved as to Form:

By: _____
Daphne Anneet, City Attorney

By: _____
David Kendig, General Counsel

EXHIBIT A-1

**Garden Grove Fire Station #7 – OCFA Fire Station 80
14162 Forsyth Lane, Garden Grove, California 92844
(714) 741-5607**



Legal Description
N-TRACT 2880 BLOCK: LOT 82
APN 098-353-18

Land Area 0.18
Year Built 1971
Square Footage – 2,694 SF

EXHIBIT A-2

**Garden Grove Fire Station 1/Headquarters – OCFA Fire Station 81
11301 Acacia Parkway, Garden Grove, California 92840**



EXHIBIT A-3

**Garden Grove Fire Station #2 – OCFA Fire Station 82
11805 Gilbert Street, Garden Grove, California 92841
(714) 741-5602**



Legal Description

**SEC 30 T 4 R 10 NLY 75 FT S1/2 N1/2 SE1/4 SW1/4 – Lying NELY of PE R/W
APN 132-423-19**

**Land Area - .082 Acres
Year Built 1958
Square Footage – 4,480 sq. ft.**

EXHIBIT A-4

**Garden Grove Fire Station #3 – OCFA Fire Station 83
12132 Trask Avenue, Garden Grove, California 92843
(714) 741-5603**



Legal Description

SEC 3 T 5 R 10 ELY 120 FT WLY 810 FT NLY 263 SW1/4

Land Area – 0.88 Acres

Year Built 1959

Square Footage – 4,480 sq. ft.

EXHIBIT A-5

**Garden Grove Fire Station #4 – OCFA Fire Station 84
12191 Valley View Street, Garden Grove, California 92845
(714) 741-5604**



Legal Description
TR 3624 LOT 1 ALL – INC POR ABAN ST ADJ
APN 224-242-11

Land Area – 0.63 Acres
Year Built 1960
Square Footage – 4,480 sq. ft.

EXHIBIT A-6

**Garden Grove Fire Station #5 – OCFA Fire Station 85
12751 Western Avenue, Garden Grove, California 92841
(714) 741-5605**



Legal Description
T 4 R11 SEC 35 POR SW1/4
APN 215-022-10

Land Area – 0.62 Acres
Year Built 1974
Square Footage 4,792 sq. ft.

EXHIBIT A-7

Garden Grove Fire Station 6 – OCFA Fire Station 86
12232 West Street, Garden Grove, California 92840
(714) 741-5606

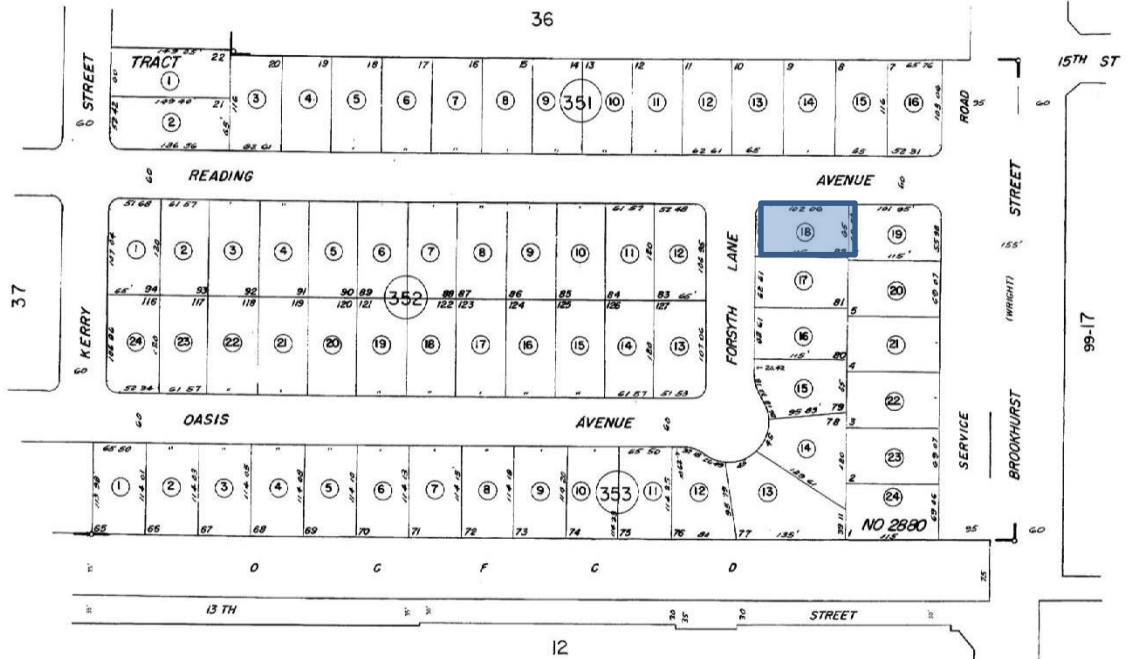


Legal Description

EXHIBIT B-1

Garden Grove Fire Station #7 – OCFA Fire Station 80
14162 Forsyth Lane, Garden Grove, California 92844
(714) 741-5607

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MARCH 1957

TRACT NO. 2880

M.M. 94-41 to 44 inc.

NOTE - ASSESSOR'S BLOCK &
PARCEL NUMBERS
SHOWN IN CIRCLES

ASSESSOR'S MAP
BOOK 098 PAGE 35
COUNTY OF ORANGE

Garden Grove Fire Station 1/Headquarters – OCFA Fire Station 81
11301 Acacia Parkway, Garden Grove, California 92840

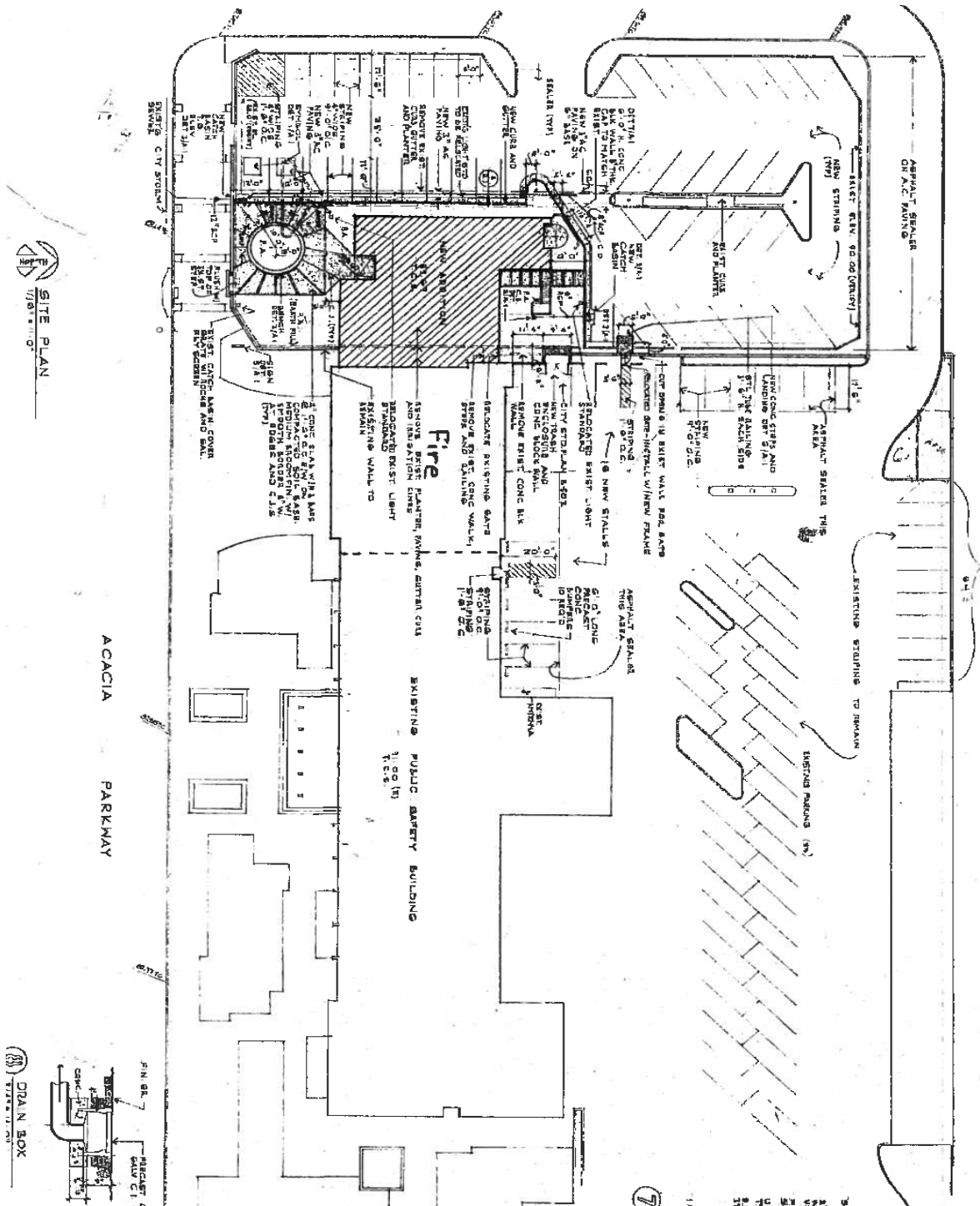


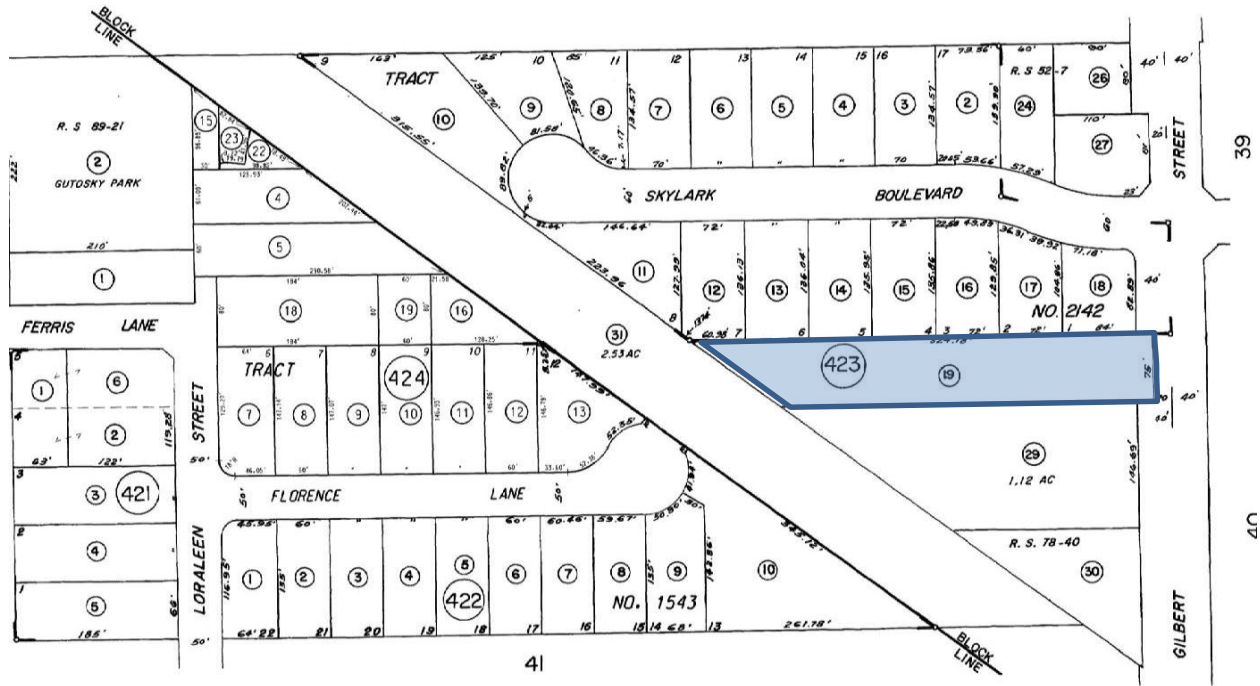
EXHIBIT B-3

Garden Grove Fire Station #2 – OCFA Fire Station 82
11805 Gilbert Street, Garden Grove, California 92841
(714) 741-5602

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OR ASSUMES ANY LIABILITY
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FEBRUARY
ANGE COUNTY ASSESSOR 2013

N 1/2, SE 1/4, SW 1/4 SEC. 30, T 4 S, R 10 W

33



960

TR. NO. 1543
TR. NO. 2142

M. M. 46 - 8
M. M. 83 - 49, 50

NOTE - ASSESSOR'S BLOCK &
PARCEL NUMBERS
SHOWN IN CIRCLES

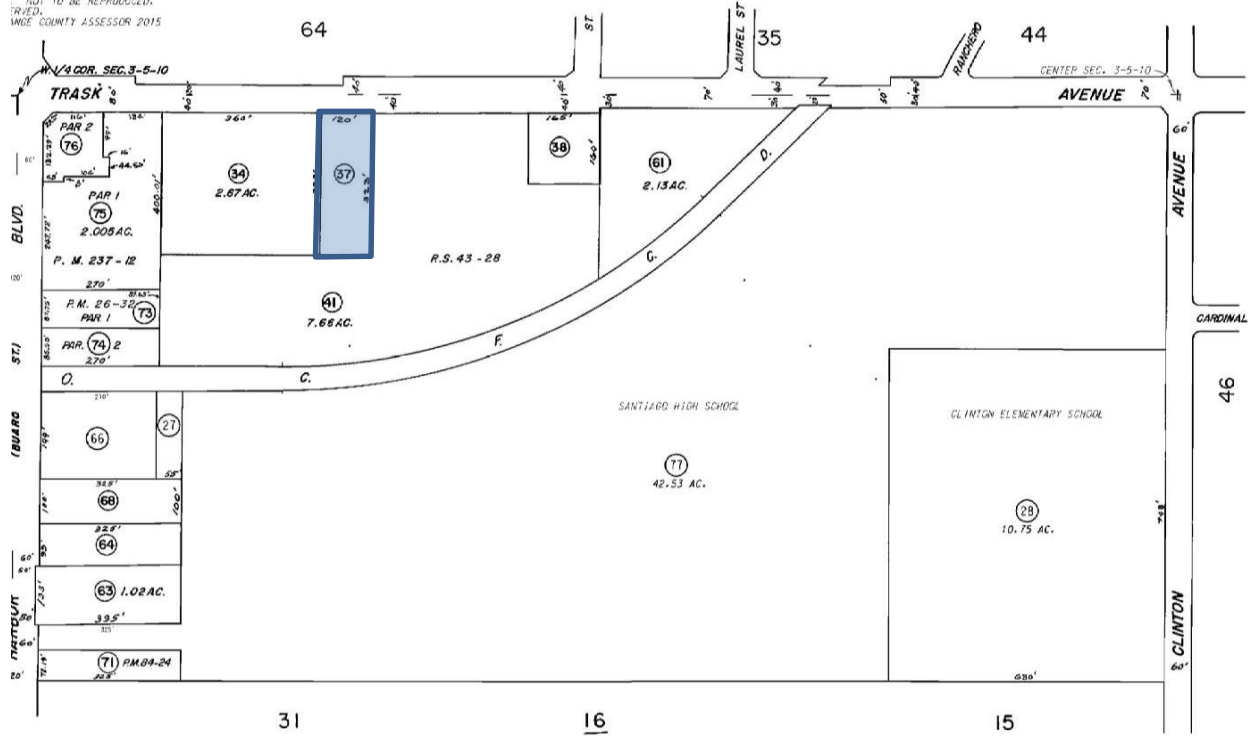
ASSESSOR'S MAP
BOOK 132 PAGE 42
COUNTY OF ORANGE

EXHIBIT B-4

Garden Grove Fire Station #3 – OCFA Fire Station 83
12132 Trask Avenue, Garden Grove, California 92843
(714) 741-5603

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WCE COUNTY ASSESSOR 2015

N 1/2, SW 1/4, SEC. 3, T 5 S, R 10 W



1951

PARCEL MAP P.M. 26-32, 237-12

NOTE - ASSESSOR'S BLOCK &
PARCEL NUMBERS
SHOWN IN CIRCLES

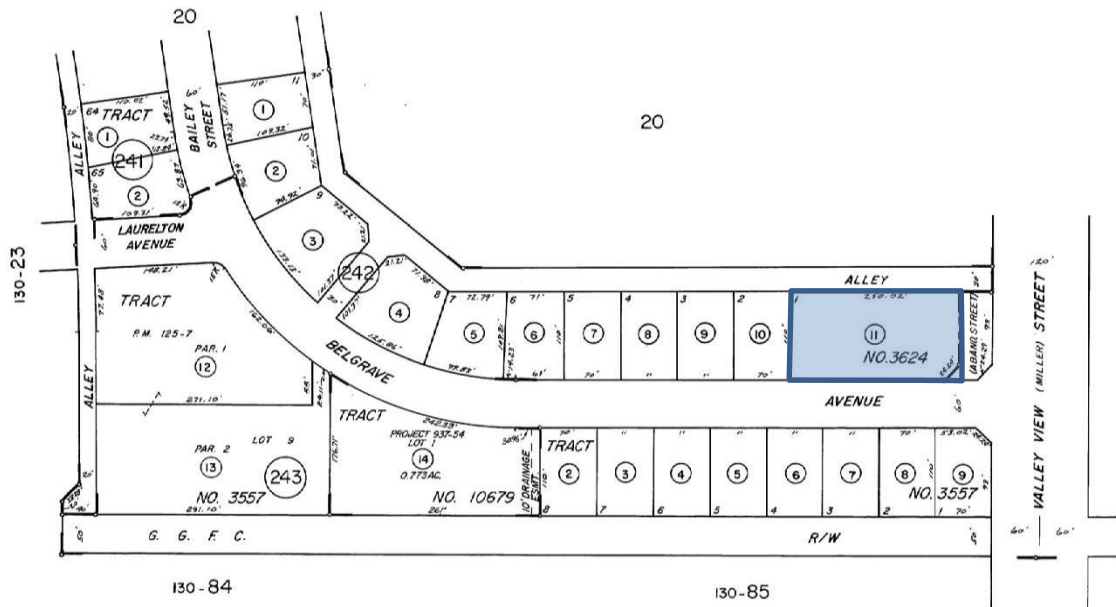
ASSESSOR'S MAP
BOOK 101 PAGE 08
COUNTY OF ORANGE

EXHIBIT B-5

Garden Grove Fire Station #4 – OCFA Fire Station 84
12191 Valley View Street, Garden Grove, California 92845
(714) 741-5604

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MARCH 1975

TRACT NO. 3557 M. M. 121-35 TO 38 INC.
TRACT NO. 3624 M. M. 125-31, 32, 33
TRACT NO. 10679 M. M. 475-46, 47
PARCEL MAP P. M. 125-7

NOTE - ASSESSOR'S BLOCK &
PARCEL NUMBERS
SHOWN IN CIRCLES

ASSESSOR'S MAP
BOOK 224 PAGE 24
COUNTY OF ORANGE

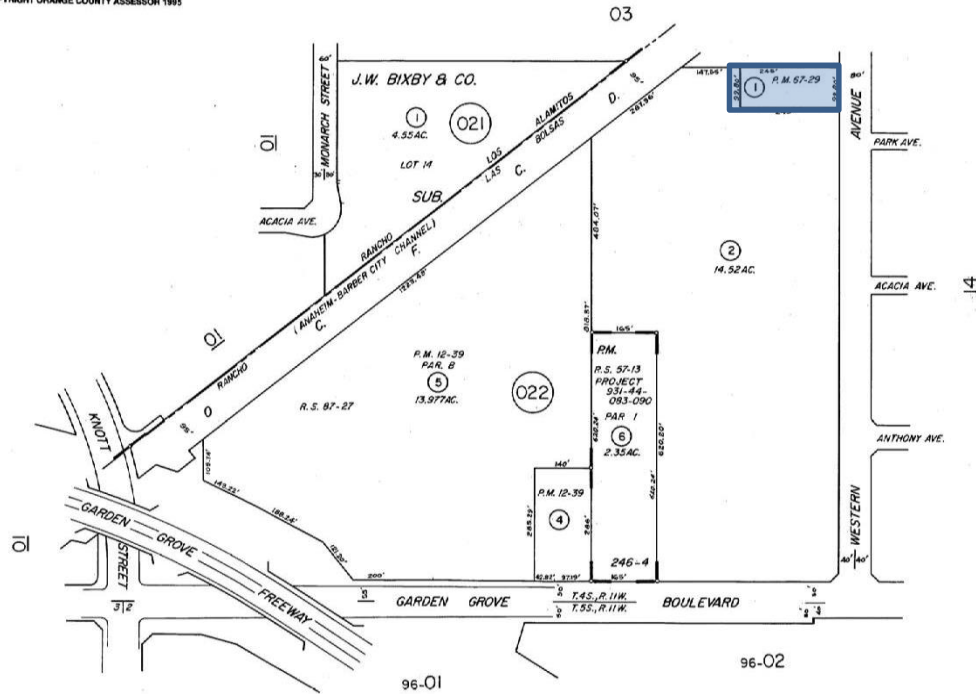
EXHIBIT B-6

Garden Grove Fire Station #5 – OCFA Fire Station 85
12751 Western Avenue, Garden Grove, California 92841
(714) 741-5605

THIS MAP WAS PREPARED FOR ORANGE COUNTY
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MARCH 1982

J.W. BIXBY & CO. SUB.
PARCEL MAP
PARCEL MAP

L.A. 1-83
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P.M. 246-4

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ASSESSOR'S MAP
BOOK 215 PAGE 02
COUNTY OF ORANGE

EXHIBIT B-7

Garden Grove Fire Station 6 – OCFA Fire Station 86
12232 West Street, Garden Grove, California 92840
(714) 741-5606



Garden Grove Proposed Fire & Emergency Medical Services Agreement

Board of Directors
March 28, 2019



Garden Grove Fire & Emergency Medical Services Agreement

- On March 22, 2018, staff reviewed a detailed Fire Services Proposal (FSP) with the Board of Directors, for the City of Garden Grove to potentially join OCFA
- FSP contained all terms of OCFA's service, including proposed deployment model, annual contract charge, and start-up costs the City would incur for transition
- Following a detailed discussion, the Board authorized staff to submit the FSP to Garden Grove for its consideration

Quick Facts

- 7 Garden Grove Fire Stations
- 2 Paramedic Trucks
- 5 Paramedic Engines
- Proposed transition of all Garden Grove suppression personnel and three non-suppression personnel to fill positions created by the new OCFA service contract

Financial Impacts

FY 2019/20 Annualized Financial Impacts (General Fund)	Amount
<u>Revenue:</u>	
Garden Grove Contract Charge (annual, see next slide for prorated)	\$22,871,001
Westminster Contract Charge (one unit currently serving WST will be moved/shared with Garden Grove and funded by Garden Grove contract)	(\$594,226)
New OCFA Revenue	\$22,276,775
<u>Expenditures:</u>	
Salary & Employee Benefits (Battalion Chiefs, Captains, Engineers, Firefighters, Fire Prevention, Dispatchers, Community Educator, Nurse Educator, Mechanics, Facility Maintenance, Warehouse Delivery Driver, Human Resources)	(\$21,339,047)
Services & Supplies	(\$937,728)
New OCFA Expenditures	(\$22,276,775)

Prorated Charge for Contract

FY 2019/20 Annualized Financial Impacts (General Fund)	Amount
Annual Base Service Charge	\$22,871,001
Monthly Base Service Charge	\$1,905,917
Prorated Base Service Charge for August 16-31	\$983,699
Less proposal fee prepaid	(75,000)
Less energy cost reduction	(19,316)
Plus station maintenance	105,000
Plus prorated annual vehicle replacement	13,204
Prorated August Service Charge to Garden Grove (page 5 of Agreement)	\$1,007,587
Monthly Base Service Charge for September 2019 – June 2020	\$1,905,917
Plus monthly funding of annual vehicle replacement	25,583
Monthly Service Charge to Garden Grove (page 5 of Agreement)	\$1,931,500

Start-Up Costs

One Time Start-Up Costs to Hire Employees, Standardize Equipment & Facilities	Amount
Communications	\$293,146
Facilities	156,500
Personnel	152,650
Service Center	309,661
Fleet Services	20,800
EMS	203,468
Total Start-Up Costs Paid by Garden Grove (page 6 of the Agreement) Spread into Annual Installment Payments, 10 Years	\$1,136,225

Other Key Facts

- Garden Grove remains responsible for all pension liability and workers' compensation liabilities accrued prior to transition
- Garden Grove will be responsible for pro-rata share of unfunded OCFA pension liability that accrues during OCFA membership should they choose to withdraw in the future (pages 8-9 of Agreement)

Benefits of Partnership

- With the Board's approval, we look forward to providing exceptional services to Garden Grove, with increases in the levels of paramedic staffing and services
- For the general public, the transition should be seamless
- While the city will continue to own its seven fire stations, OCFA will handle all other expenses including updating and maintaining vehicles and apparatus, as well as equipment
- With this agreement, surrounding cities will also benefit with the regionalization of the system which allows for efficiencies in comprehensive fire, rescue, education, and prevention services

Recommended Actions

1. Approve the addition of the City of Garden Grove as a member of the OCFA Joint Powers Authority, effective August 16, 2019.
2. Approve the submitted Fire Services & Emergency Medical Services Agreement with the City of Garden Grove, effective August 16, 2019, and authorize the Board Chair to execute the Agreement, including any non-substantive amendments as determined by legal counsel.



Orange County Fire Authority
AGENDA STAFF REPORT

Board of Directors Meeting
March 28, 2019

Agenda Item No. 5C
Discussion Calendar

**Fiscal Year 2017/18 Backfill/Overtime and Calendar Year 2018 Total
Earnings/Compensation Analysis**

Contact(s) for Further Information

Lori Zeller, Deputy Chief lorizeller@ocfa.org 714.573.6020
Administration & Support Bureau

Jim Ruane, Assistant Chief jimruane@ocfa.org 714.573.6801
Logistics Department

Summary

This annual agenda item provides an overview and analysis of the Fiscal Year 2017/18 backfill and overtime earnings along with employee total compensation for Calendar Year 2018.

Prior Board/Committee Action

Budget and Finance Committee Recommendation: *APPROVE*

At its regular March 13, 2019, meeting, the Budget and Finance Committee reviewed and unanimously recommended approval of this item.

RECOMMENDED ACTION(S)

1. Direct staff to continue pursuing reductions in overtime by filling permanent vacancies as quickly as possible after the positions become vacant.
2. Authorize staff to temporarily exceed the number of authorized firefighter positions on the Master Position Control to maximize the number of firefighters hired into each academy, pending attrition/promotions that occur following academy graduations.
3. Authorize staff to temporarily exceed the number of authorized Hand Crew firefighter positions on the Master Position Control to maximize the number of Hand Crew firefighters hired from each Hand Crew firefighter recruitment process, pending attrition/promotions that occur as Hand Crew firefighters promote to the firefighter rank.
4. Authorize staff to temporarily exceed the number of authorized dispatcher positions on the Master Position Control to maximize the number of dispatchers hired into each academy, pending attrition/retirements that will occur.
5. Direct staff to continue using overtime to fill temporary vacancies rather than hiring additional personnel, recognizing this as a cost-effective practice for temporary needs.

Impact to Cities/County

Not Applicable.

Fiscal Impact

Backfill/overtime costs are included in the annual budget.

Background

See extended background.

Attachment(s)

1. Frequently Asked Questions & Responses
2. FY 2017/18 Backfill/Overtime & Calendar Year 2018 Total Earnings/Compensation Analysis (PowerPoint Slides)

Background

The OCFA's General Fund budget consists primarily of labor costs, with approximately 92.8% of the final Fiscal Year (FY) 2017/18 budget allocated to salaries and employee benefits. For FY 2017/18, final backfill/overtime expenditures were \$54,738,763 or 15.6% of the salaries and employee benefits budget. The primary factors driving OCFA's backfill/overtime costs are:

- OCFA's Constant Staffing Policy - \$43.1M
- Major Emergency Incident Response - \$7.7M
- Training Requirements - \$2.4M
- Discretionary - \$1.6M

Backfill and overtime costs can either be non-discretionary or discretionary, as explained in the following paragraphs.

Constant Staffing Backfill/Overtime (Non-Discretionary)

The OCFA maintains constant staffing levels, which means that every day, all authorized Operations post-positions are staffed. Constant staffing enables delivery of emergency services 24-hours per day, 7-days per week. A post-position is a seat on a fire or Emergency Medical System (EMS) response unit (including engines, trucks, and paramedic vehicles) that must be filled to meet the staffing requirements of that unit.

- Backfill occurs when there is a vacancy in a position that requires constant staffing and another employee works overtime to fill the vacancy. Examples include:
 - Positions temporarily vacant, due to personnel on leave (sick, vacation, jury duty, military leave, bereavement, workers' compensation, etc.)
 - Positions vacant due to cost control measures (open positions per the labor agreement)
 - Positions vacant as a result of retirements, promotions, or the addition of new positions to staff a new station or convert Basic Life Support engines to Advance Life Support engines
 - Positions temporarily vacant, due to personnel responding to major in/out-of-county emergency incidents
- Overtime is used for work performed above and beyond the constant staffing requirements. Examples include strike teams, overhead assignments, or emergency incidents, either in- or out-of-county, and mandatory training classes that occur on a day other than the employee's regularly assigned shift.

Major Emergency Incident Response (Non-Discretionary)

Another form of non-discretionary overtime incurred by OCFA is for major emergency incident response. OCFA responds to emergency incidents at the request of surrounding fire agencies (Mutual Aid), California Department of Forestry (CAL FIRE), Cleveland National Forest Service (CNF), and the California Office of Emergency Services (Cal OES). Backfill/overtime costs for responding to major emergency incidents in FY 2017/18 totaled \$7.7 million and represented approximately 14.0% of total backfill/overtime expenditures. Approximately 95-100% of these emergency related incident response costs (except Mutual Aid) are reimbursable.

Backfill/Overtime costs for constant staffing and major emergency incident response are considered non-discretionary and represent 92.8% of FY 2017/18 Backfill/Overtime costs.

Training Requirements (Discretionary & Non-Discretionary)

OCFA incurs additional backfill/overtime costs related to various training requirements for suppression personnel. Examples include mandatory training requirements for federal, state, and local programs including Urban Search and Rescue (US&R), Airport Rescue Firefighting (ARFF), Weapons of Mass Destruction (WMD), and Incident Command (IC). Additionally, OCFA historically incurs overtime and backfill costs to provide training academies for new and/or promoted dispatchers, firefighters, engineers, captains, battalion chiefs, and reserve firefighters. Backfill/overtime costs as a result of training activities in FY 2017/18 totaled \$2.4 million and represented 4.4% of the total backfill/overtime expenditures.

Backfill/Overtime/Discretionary

For FY 2017/18, total discretionary backfill/overtime was \$1.6 million or 2.8% and is attributable to the following:

- Employees staffing special events, participating on project teams, and Fire Explorer Program activities
- Information systems including the Geographic Information System (GIS), automotive, communications services, and fire prevention personnel requested to work outside their normal work schedule

Page 4 of the attached presentation illustrates the distribution and cause of backfill/overtime by category (discretionary and non-discretionary).

Regular vs. Overtime Analysis

As referenced on Page 5 of Attachment 2, backfill/overtime continues to be nearly 27.88% more cost effective than hiring a full-time benefited employee for filling temporary vacancies. For FY 2017/18, the estimated cost savings to OCFA by using overtime rather than full time employees to fill vacancies was \$19 million as illustrated on Page 5 of Attachment 2.

Significant Change to Total Employee Compensation Reporting

As a reminder, on January 5, 2018, the State Controller transmitted a letter discussing upcoming changes for government compensation reporting. Effective CY 2018, employers are required to only report the normal employer paid retirement costs and not report the UAAL. Currently, the UAAL comprises 40-60% of the employer retirement costs.

Compensation Cost Transparency

Annual employee compensation costs are posted and readily available on the OCFA website dating back to CY 2009. Since 2012, the format of the report includes all earnings segregated by base salary, overtime, payouts, and other/special pay. Employer paid retirement and benefits are also included in the employee compensation report. This year's report will be posted to the OCFA website and submitted to the State Controller on or before April 30, 2019, in compliance with the due date.

Filling Vacant Positions

To help reduce the number of vacancies that are open pending hiring and promotions, OCFA has conducted, and plans to conduct, the following academies:

Academies held in FY 2018/19

1 Firefighter Academy
4 Fire Apparatus Engineer Academies
2 Fire Captain Academies

Academies planned for FY 2019/20

2 Firefighter Academies
2 Fire Apparatus Engineer Academies
2 Fire Captain Academies

While we have reached nearly full staffing at the firefighter rank immediately following Firefighter Academy 46's graduation, that status was very short in duration. Currently, we are conducting Firefighter Academy 47 and we anticipate the same result as Firefighter Academy 46. Firefighter vacancies have continued to accumulate quickly as we promote firefighters into the engineer and captain ranks, and also experience retirement activity among all ranks. As a result, staff is seeking Board authorization for the hiring of approximately 60 firefighters per academy for all academies during the next two fiscal years (FY 19/20 and 20/21) due to attrition/promotions that will occur during and following academy graduations.

In addition, the Hand Crew firefighter rank will be impacted due to promotions that will occur during and following academy graduations. Hand Crew firefighter vacancies will accumulate quickly as we promote hand crew firefighters into the firefighter ranks. As a result, staff is seeking Board authorization for the hiring of approximately 16 Hand Crew firefighters during the fiscal year due to attrition/promotions that will occur during and following academy graduations.

Also, dispatcher vacancies have continued to accumulate quickly from attrition/retirements. As a result, staff is seeking Board authorization for the hiring of approximately two (2) dispatchers during the fiscal year due to attrition/retirements that will occur.

Backfill/Overtime Monitoring & Analysis

OCFA finance staff prepares monthly reports to track and monitor backfill/overtime activity. Reports are provided internally to management to show expenditures by section and by cause (reason) so that Operations and support departments can monitor and, if required, adjust activities as needed in their respective areas.

The OCFA also has policies, procedures, and systems in place that monitor and report overtime usage. Due to the extraordinary fire season, combined with open positions and vacancies, and due to promotion and retirements during CY 2018, the OCFA was required to force many employees that possessed specialty skills to work extended hours. As stated earlier, the OCFA has aggressively been conducting various academies to help reduce the distribution of overtime and impact on the employee. OCFA staff is also working with the Orange County Professional Firefighters Association, Local 3631, to enhance the existing policies and make modifications to the Staffing System to reduce the amount of forced overtime. The policy covering this reporting period was to allow employees to voluntarily work up to 96 continuous hours.

As discussed in this report, the majority of backfill/overtime incurred by OCFA is non-discretionary and emergency response activity is generally 95-100% reimbursable. The small portion of overtime (2.8% of total backfill/overtime expenditures) considered discretionary is carefully managed and closely monitored.

FY 2017/18 BACKFILL/OVERTIME ANALYSIS FREQUENTLY ASKED QUESTIONS

1. What is a firefighter's standard work schedule?

Firefighters assigned to suppression positions work 24-hour shifts which equate to a 56-hour average work week or 2,912 hours per year. When firefighters are assigned to staff positions on a 40-hour work week, they average 2,080 regular hours per year.

2. What does "maintaining constant staffing levels" mean? What is the difference between backfill and overtime?

This means that every day, all authorized Operations post-positions are staffed. A post-position is a seat on a fire or Emergency Medical System (EMS) response unit (including engines, trucks and paramedic vans) that must be filled to meet the staffing requirement of that unit. Backfill occurs when there is a vacancy in a position that requires constant staffing and the employee either volunteers or is forced to work to fill the vacancy. Overtime is also used for work done above and beyond the constant staffing requirements. Examples of overtime include strike teams, overhead assignments to emergency incidents, either in- or out-of-county, and mandatory training classes that occur on days other than the employee's regularly assigned shift.

3. Because OCFA's backfill/overtime budget is significant, does that mean we are understaffed?

OCFA's backfill/overtime budget is significant, due to the reasons outlined in #2 above. Due to retirements and promotions, there are positions that have gone unfilled. In addition, a labor agreement includes provisions to hold 10 positions open for each rank in the firefighter labor group. This will be phased out over the next two fiscal years. For FY 2017/18, vacant positions reached a high of 75 which required constant staffing on an overtime/backfill basis. Recent and planned academies along with promotional exams are expected to continue reducing the number of vacancies and open positions.

4. How many continuous hours may a firefighter work?

Currently, the maximum number of continuous hours (regular and backfill/overtime) an employee may work is 96. The Assistant Chief of Operations may suspend the 96-hour rule to ensure sufficient incident response capability and adequate station coverage. Employees enter their availability to work into the OCFA's Staffing System. The system hires employees based upon the premise of an equal distribution of overtime and agreed upon hiring list procedures. Personnel assigned to out-of-county strike teams or to overhead positions are often deployed for periods of 14-21 days. When assigned to these extended incidents, employees work within established work/rest cycles.

5. Is the OCFA concerned about employee fatigue as the result of the continuous work hour rules?

The OCFA recognizes employee fatigue is a factor that impacts employee performance. Severe fatigue may increase the dangers inherent in the performance of emergency operations. The OCFA takes steps to protect employees from these dangers and ensures that firefighters are trained, equipped and supervised to work as safely as possible. There is an additional emphasis on employee health and wellness provided through the WEFIT (Wellness) Program. Supervisors have the means by which to ensure employees are either adequately rested or relieved of duty where appropriate. Firefighters on extended incidents adhere to specified work/rest cycles.



ORANGE COUNTY FIRE AUTHORITY

Fiscal Year 2017/18 Backfill/Overtime

Calendar Year 2018 Total Earnings/Compensation Analysis



Board of Directors Meeting

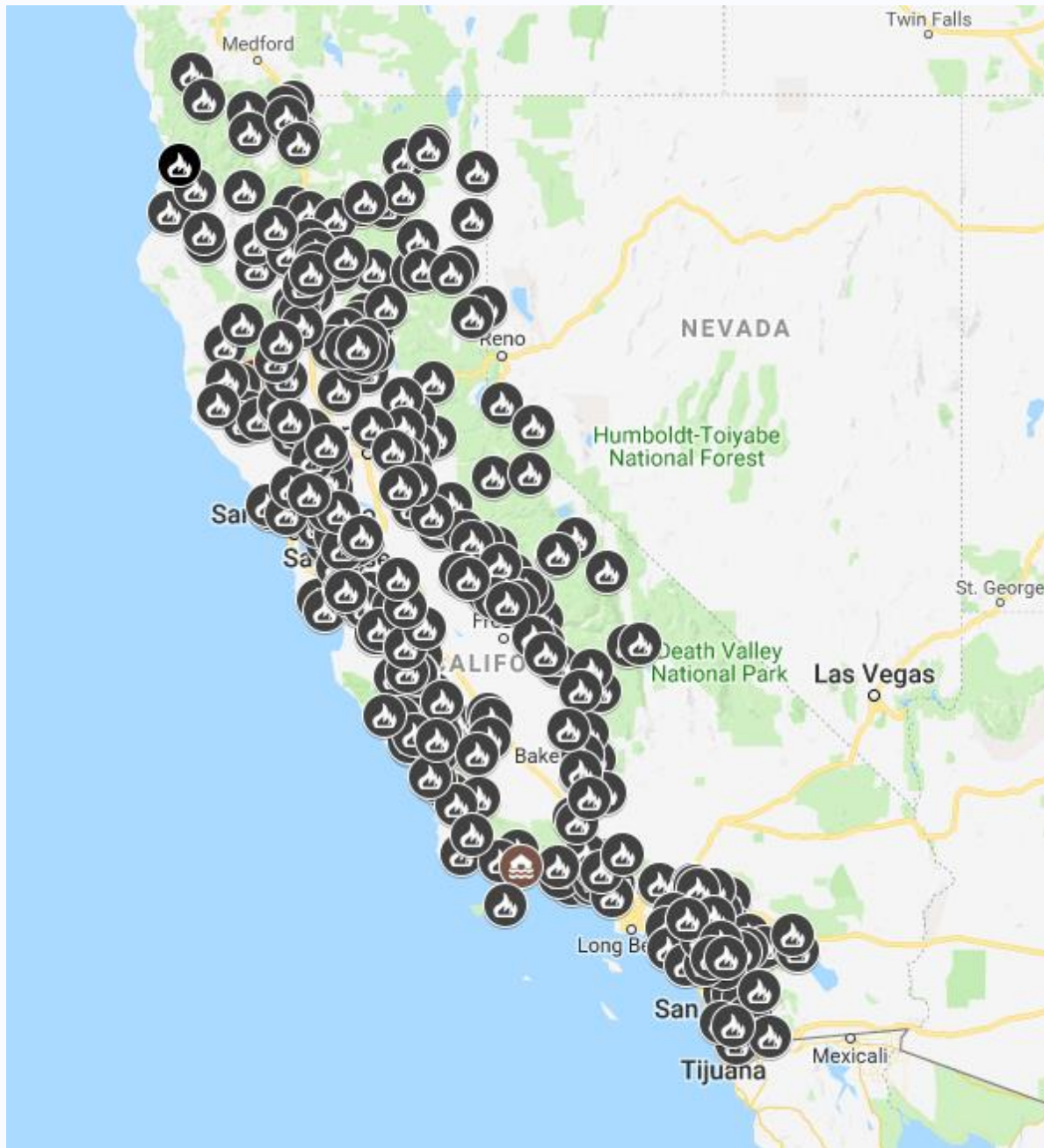
Prepared by:

OCFA Finance Division

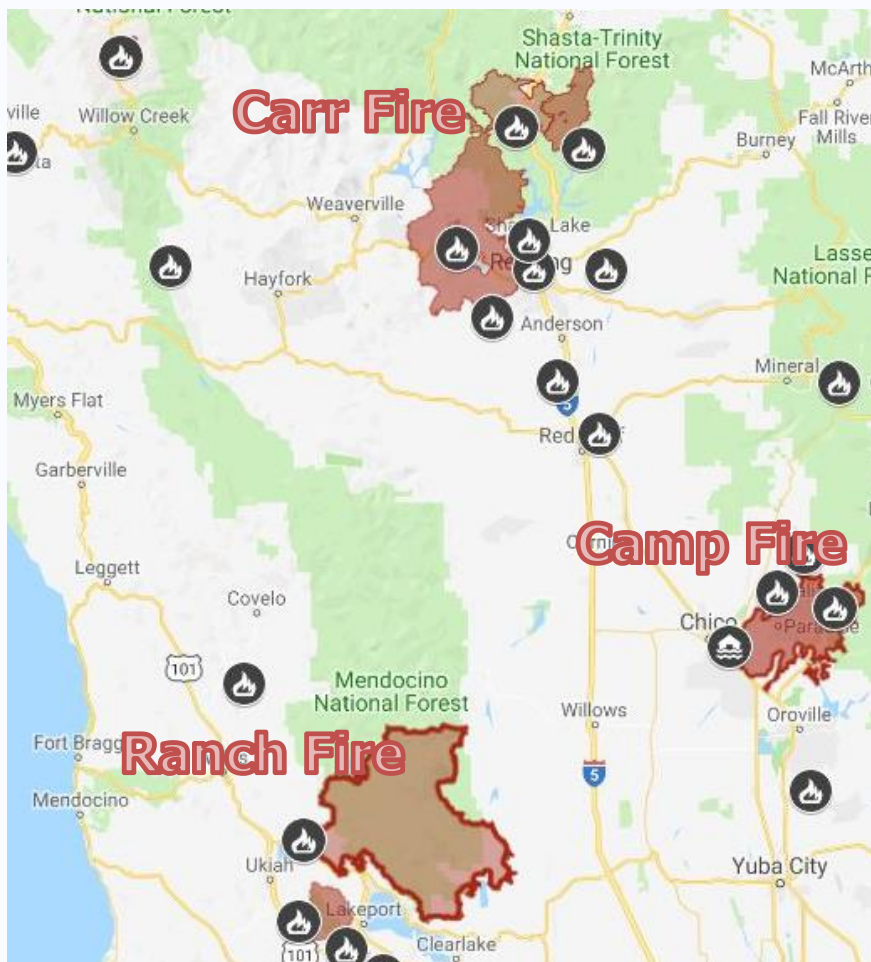
March 28, 2019



California Fires 2018



California Fires 2018



NUMBER OF FIRES AND ACRES:

Interval	Fires	Acres
January 1, 2018 through December 30, 2018	6,284	876,147
January 1, 2017 through December 30, 2017	7,117	505,956
5 year average (same interval)	5,756	233,483
2018 Combined YTD (CALFIRE & US Forest Service)	7,571	1,671,203

FY 2017/18 Backfill/Overtime Categories

Categories of Backfill/Overtime	FY 2017/18	% of Total
<u>Non-Discretionary Categories:</u>		
Open Positions	\$21,679,370	39.6%
Vacation, Sick, Workers Comp, Other Leave	\$18,932,996	34.6%
Emergency *	\$7,677,438	14.0%
FLSA Rate Adjustment	\$2,175,432	4.0%
Other Non-Discretionary	\$322,667	0.6%
Total Non-Discretionary	\$50,787,903	92.8%
Total Training	\$2,400,322	4.4%
Total Discretionary	\$1,550,538	2.8%
Fiscal Year Totals	\$54,738,763	100.0%

* Emergency overtime is generally 95-100% reimbursable

FY 2017/18 Regular vs. Overtime Analysis

Firefighter Example

Top Step Hourly Rate Regular Full-Time	Hourly Regular Rate	Hourly OT Rate	\$ Diff.	% Diff.
Salaries:				
Base Hourly Rate	\$31.55	\$47.33		
Other Pays (Holiday, Educ. Inc., EMT, FLSA)	\$9.04	\$0.11		
Total Salaries	\$40.59	\$47.44		
Benefits:				
Retirement	\$19.00			
Workers' Compensation	\$2.70	\$2.70		
Health Insurance	\$7.83			
Medicare	\$0.56	\$0.84		
Total Benefits	\$30.09	\$3.54		
Total Hourly Salaries & Benefits	\$70.69	\$50.98	\$19.71	27.88%

It is over 27% more cost-effective to use overtime for filling vacant Firefighter positions compared to hiring a regular full-time employee

Regular vs. Overtime Analysis

2017/18 Firefighter Unit Estimated Cost Savings

	Actual Overtime Hours Worked	FTE Equivalent	Estimated * FTE Cost	Estimated * Overtime Cost	Estimated * Cost Saving by Utilizing Overtime/Backfill
Fire Captain	303,902	104.4	\$27,224,254	\$20,286,449	\$6,937,805
Engineer	262,878	90.3	\$20,512,409	\$14,995,063	\$5,517,346
Firefighter	351,514	120.7	\$24,847,098	\$17,919,431	\$6,927,667
		315.3	\$72,583,761	\$53,200,943	\$19,382,818

The estimated \$19.4 million savings is a direct result of utilizing overtime/backfill rather than full-time employees at a savings of 25-28%

* Utilizes estimated hourly rates for top step within a classification.

Calendar Year 2018 Top 10 Employee Pensionable vs. Non- Pensionable Compensation

	Title/ Assignment	Base Hours	Other Hours	Total Hours	Total Compensation	Average Hourly Rate	Compensation Pensionable	Compensation Non- Pensionable	Employer Paid Pension (Non- Pensionable)	Employer Paid Health (Non- Pensionable)
	Fire									
1	Captain/PM	2,912	4,243	7,155	\$524,057	\$73.24	\$164,674	\$292,583	\$43,905	\$22,895
2	Chief Officer	2,528	2,078	4,606	\$489,015	\$106.17	\$185,673	\$225,716	\$53,758	\$23,868
3	Chief Officer	2,080	1,444	3,524	\$474,820	\$134.74	\$201,098	\$194,130	\$55,705	\$23,887
4	Fire Captain	2,912	3,560	6,472	\$461,056	\$71.24	\$142,594	\$254,386	\$41,181	\$22,895
5	Chief Officer	2,912	2,016	4,928	\$455,734	\$92.48	\$182,871	\$197,765	\$53,613	\$21,485
6	Chief Officer	2,912	2,414	5,326	\$452,369	\$84.94	\$166,623	\$212,637	\$48,867	\$24,242
	Fire									
7	Captain/PM	2,912	3,039	5,951	\$443,095	\$74.46	\$161,413	\$214,879	\$43,908	\$22,895
8	Chief Officer	2,112	1,027	3,139	\$440,295	\$140.27	\$201,131	\$158,307	\$56,127	\$24,730
	Fire									
9	Captain/PM	2,912	2,990	5,902	\$436,933	\$74.03	\$158,547	\$209,781	\$45,710	\$22,895
10	Chief Officer	2,880	1,752	4,632	\$425,461	\$91.85	\$179,639	\$172,749	\$52,047	\$21,026

Summary

- Approximately 93% of the backfill/overtime cost are non-discretionary (80 % - constant staffing) and emergency activity (13% - reimbursable)
- For FY 2017/18, approximately 40% of non-discretionary overtime was a result of open positions. OCFA staff has conducted, scheduled, or anticipates the following academies over the next two fiscal years:

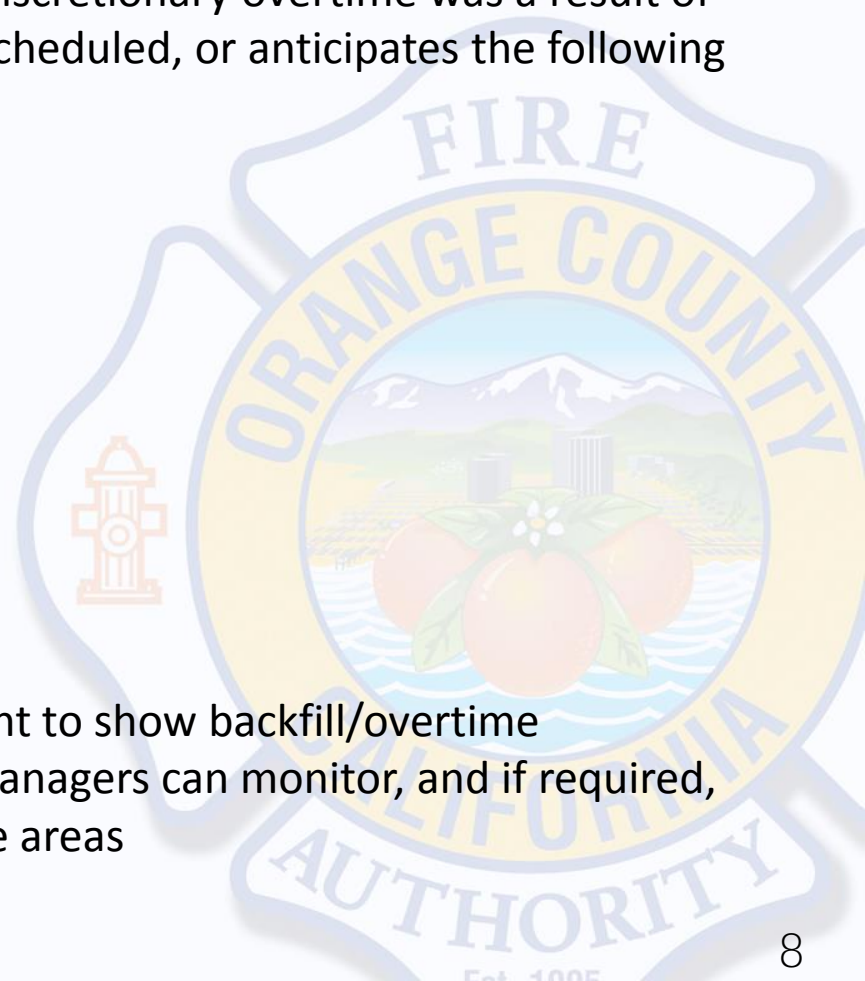
FY 2018/19

- 1 Firefighter Academy
- 4 Fire Apparatus Engineer Academies
- 2 Fire Captain Academies

FY 2019/20

- 2 Firefighter Academies
- 2 Fire Apparatus Engineer Academies
- 2 Fire Captain Academies

- Monthly reports are provided to management to show backfill/overtime expenditures by section and cause so that managers can monitor, and if required, adjust activities as needed in their respective areas



Recommended Action

Review the proposed agenda item and direct staff to place the item on the agenda for the Board of Directors meeting of March 28, 2019, with the Budget and Finance Committee's recommendation that the Board of Directors:

1. Direct staff to continue pursuing reductions in overtime by filling permanent vacancies as quickly as possible after the positions become vacant.
2. Authorize staff to temporarily exceed the number of authorized firefighter positions on the Master Position Control to maximize the number of firefighters hired into each academy, pending attrition/promotions that occur following academy graduations.
3. Authorize staff to temporarily exceed the number of authorized Hand Crew firefighter positions on the Master Position Control to maximize the number of Hand Crew firefighters hired from each Hand Crew firefighter recruitment process, pending attrition/promotions that occur as Hand Crew firefighters promote to the firefighter rank.
4. Authorize staff to temporarily exceed the number of authorized dispatcher positions on the Master Position Control to maximize the number of dispatchers hired into each academy, pending attrition/retirements that will occur.
5. Direct staff to continue using overtime to fill temporary vacancies rather than hiring additional personnel, recognizing this as a cost-effective practice for temporary needs.