



Orange County Fire Authority
AGENDA STAFF REPORT

Board of Directors Meeting
September 24, 2020

Agenda Item No. 3B
Discussion Calendar

Very Large Helitanker (VLHT) Services

Contact(s) for Further Information

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714.573.6010

Summary

This item is submitted for approval of the 83-day Very Large Helitanker (VLHT) services in collaboration with Southern California Edison (SCE), Coulson Aviation (USA), Inc. (CAI), and the Orange County Fire Authority to enhance regional aerial wildland fire response. The VLHT services will be available for daytime and nighttime firefighting. It is anticipated that the program will commence on October 1, 2020.

Prior Board/Committee Action

Not applicable.

RECOMMENDED ACTIONS

1. Approve Funding Agreement with Southern California Edison in a form substantially consistent with the attachment and approved by legal counsel to accept funding in the amount of \$2,158,000 to fund the fixed daily standby lease cost of one CH-47 Helitanker to enhance the effectiveness of aerial responses to wildland fires.
2. Approve and authorize the Purchasing Manager to execute the Public Aircraft Lease and Service Agreement with Coulson Aviation (USA), Inc. in a form substantially consistent with the attachment and approved by legal counsel utilizing the special procurement provision in the Purchasing Ordinance for the provision of aircraft and other operational related services in an amount not to exceed \$3,283,000.
3. Approve and authorize a FY 2020/21 General Fund (121) budget adjustment to recognize funding from SCE for a revenue increase of \$2,158,000 and to increase appropriations by the same amount.
4. Review the proposed agenda item and approve the updated Cost Reimbursement Rate schedule to include the CH-47 Helitanker hourly flight rate to be effective October 1, 2020.
5. Adopt statutory and categorical exemptions from the California Environmental Quality Act (CEQA) pursuant to: (1) Title 14 of the California Code of Regulations, section 15262 for feasibility and planning studies; and (2) CEQA Guidelines section 15301 for existing facilities.

Impact to Cities/County

The VLHT services will enhance regional aerial wildland fire response.

Fiscal Impact

Authorization of the Budget Adjustment will increase revenues and expenditures by \$2,158,000 in the FY 2020/21 budget. Funding for VLHT services will come in the form of SCE funds, OCFA

Air Operations budget, State Augmentation funds, and reimbursements from other fire agencies requesting VLHT services from the OCFA.

Background

Wildland fire remains the most significant threat to life and property in California. Lives, property, and natural resources are threatened on a 24-hour basis. A recent risk assessment conducted by the California Department of Forestry and Fire Protection (CAL FIRE) concluded that an estimated 11 million residents, or the equivalent of 1 in 4 Californians, live in areas considered to be at high risk of a wildfire. Given the devastating and destructive wildfires of 2018, and the current and historic 2020 wildland fire season, Governor Gavin Newsom, as well as fire agencies and utility companies throughout the state, have emphasized that wildfire mitigation and suppression are a top priority. As a regional fire agency, the OCFA plays a key role in wildfire mitigation and suppression in Southern California.

Given this designation, the OCFA has been presented with the opportunity to partner with Southern California Edison and Coulson Aviation (USA) Inc. (CAI) to provide Very Large Helitanker services that will benefit Orange County and the residents and businesses within the SCE service territory.

About Coulson Aviation Inc.

CAI is a privately-owned provider of primary and secondary aerial firefighting services to national and international firefighting agencies in the northern and southern hemispheres. CAI undertook a highly successful Night Fire Suppression Trial Program in partnership with the Emergency Management Victoria (EMV), Government of Victoria, Australia. The initial and extended attack suppression program was utilized during the 2018/19 South Eastern Australia fire season. A key component of the successful trial program was the development and implementation of a helicopter with the capability to hover-fill from remote open water sources. As demonstrated with the Victorian trial, the ability to increase water delivery and effective fire suppression was greatly enhanced by the ability to hover-fill from the nearest available open natural or man-made water source rather than return to a fixed ground filling facility to refill.

Coulson is an industry leader in aerial firefighting and the only operator of both heavy fixed and rotary wing aircraft. Coulson continues to push the boundaries of innovation with the design, engineering, manufacturing, and installation of the Boeing 737 multipurpose 4,000 USG air tanker. Coulson also is the first commercial operator of large Type 1 helicopters to conduct operations using full night vision goggles including hover filling.

CAI operates Type CH-47 Very Large Helitankers. They are capable of dropping up to 3,000 gallons of water or fire retardant in a single pass. By way of comparison, the OCFA Bell 412EP medium-lift helicopters are capable of dropping up to 375-gallons and the next largest helitanker, the Sikorsky S-64 Skycrane, is capable of up to 1,600 gallons. The VLHT is equipped with Coulson's proprietary Retardant Aerial Delivery System (RADS) tank. The SMART Delivery System Controller technology in these systems will allow for automated target drops for night vision goggle firefighting operations and the pilots will have the capability to adjust water/retardant flow rates based on speed and altitude, providing ground crews the same options as fixed wing air tankers. The VLHT has other unique capabilities such as night-vision, IFR navigation and hover filling making it the largest and most capable helitanker in the world.

The following video link provides more detail on CAI and the CH-47 Very Large Helitanker full capabilities: <https://vimeo.com/445643442>

In 2019, CAI partnered with the OCFA in the NextGen Pilot Program which proved to be a successful partnership. The 2019 Pilot Program was designed to enhance the regional wildland aerial firefighting capabilities through the use of various innovative technology. As the fire season and the Pilot Program progressed, the region realized the benefits of having these additional resources available. The NextGen platform was utilized on 19 incidents throughout Los Angeles City, Los Angeles County, Ventura County, Riverside County, and Orange County. Some of the larger incidents that benefitted from the Pilot Program included the Saddleridge Fire, Getty Fire, Tick Fire, and the Maria Fire.

SCE has agreed to provide \$2,158,000 in an effort to increase the effectiveness of aerial response to wildland fires and will cover the fixed costs of the CH-47 Helitanker lease. VLHT services will be based at the Joint Forces Training Base (JFTB) in Los Alamitos and operate within the defined fire threat areas of the SCE service territory as illustrated in the map (Attachment 4). Pending Board approval, the OCFA VLHT services will operate 24/7 for 83-days and begin on October 1, 2020.

The table below details the estimated budget for the VLHT services:

Equipment/Personnel	Detail	Total
Estimated Costs:		
CH-47 Helitanker Lease	\$26,000 a day x 83-days (fixed-cost)	\$2.158M
Helitanker Flight Time	150 Estimated No. of Hours	\$1.125M
Project Management Costs	Staffing, housing and other	\$245,126
	Total Costs	\$3,528,126
Estimated Funding Sources:		
Southern California Edison	Fixed cost contribution	\$2.158M
Fire Protection Augmentation Funds	2020/21 Allocation remaining balance*	\$354,000
Air Ops Budget	Existing budget available for use*	\$1,016,126
	Total Funding Sources	\$3,528,126

**Cost Offset*

Resources Available to Other Fire Agencies Upon Request

The CH-47 hourly flight rate is being added to the equipment cost reimbursement rate schedule (Attachment 5). This will serve as the basis for OCFA to seek cost reimbursement for services requested by other fire service agencies. OCFA would be responsible for the flight-time charges for OCFA’s own use of the CH-47 resource.

California Environment Quality Act (CEQA) Exemptions

The proposed VLHT services would result in OCFA’s temporary storage and operation of one new helitanker at the Los Alamitos Joint Forces Training Base for an 83-day period. The new helitanker is the CH-47 Very Large Helitanker. The helitanker will be operated and maintained by crew supplied by Coulson Aviation (USA) Inc. The CH-47 Very Large Helitanker will be used for day and night operations. Notably, the helitanker will be made available to over 15 other counties in the southern California region; therefore, the helitanker could also be fighting fires in those other counties during the 83-days.

The proposed VLHT services are exempt from CEQA for at least two reasons. First, the proposed VLHT service is exempt pursuant to CEQA's statutory exemption for feasibility and planning studies (14 Cal Code Regs. §15262). Pursuant to this exemption, CEQA does not apply to feasibility or planning studies that will not have a legally binding effect on later activities. The proposed agreements involve a pilot project involving the VLHT to assess its feasibility and utility in fighting fires in this region over a limited 83-day period.

Second, CEQA's Class 1 Exemption applies to the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing or private facilities, structures or topographical features involving negligible or no expansion of an existing or former use (14 Cal Code Regs. §15301). The Joint Forces Training Base (JFTB) in Los Alamitos is home to existing aerial facilities and operations, and its existing facilities, structures and topographic features will not be altered.

Staff recommends approval of the stated recommended actions in order to begin the 83-day program on October 1, 2020.

Attachment(s)

1. Funding Agreement with Southern California Edison
2. Public Aircraft Lease and Service Agreement with Coulson Aviation (USA), Inc.
3. Special Procurement Form
4. Southern California Edison Service Territory Map
5. Proposed Cost Reimbursement Rates – Equipment
6. CEQA Exemptions

**FUNDING AGREEMENT BY AND BETWEEN THE ORANGE COUNTY FIRE
AUTHORITY AND SOUTHERN CALIFORNIA EDISON COMPANY**

This Funding Agreement (“Agreement”) is by and between THE ORANGE COUNTY FIRE AUTHORITY, a California Joint Powers Authority (“OCFA”) and SOUTHERN CALIFORNIA EDISON COMPANY, a California corporation (“SCE”), and is effective on the last date when both Parties sign this Agreement (the “Effective Date”). OCFA and SCE may be referred to herein individually as a “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, due to extreme weather associated with climate change, Southern California has experienced longer and more severe wildfire seasons;

WHEREAS, to increase the effectiveness of aerial response to wildfires, OCFA intends to enter into an 83 day lease agreement with Coulson Aviation (“Coulson”) for a CH47 helitanker that, when the fixed-tank is fully loaded, is capable of dropping more water or retardant than any other helicopter operating today;

WHEREAS, OCFA has requested that SCE provide funding of that part of the fixed lease costs relating to stand-by time only for the CH-47 helitanker (with OCFA funding that part of the fixed lease cost relating to flight time) and SCE has determined that the use of the helitanker offers significant benefits for wildfire suppression, protecting lives and property, including mitigating against damage to SCE’s transmission and distribution system, and increasing firefighter safety;

WHEREAS, the Parties intend that in operating the helitanker, OCFA will prioritize fire suppression activities in and throughout SCE’s service territory, unless in the professional judgment of OCFA management to do so in any specific instance would not maximize the benefits described above or as otherwise directed by the appropriate governmental authorities; and

WHEREAS, the Parties desire to enter into an Agreement that sets forth the terms and conditions pursuant to which SCE will contribute funds to OCFA for the fixed lease costs relating to stand-by time only while OCFA agrees to fund any and all flight time and operational costs in the Coulson lease agreement.

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Funding.

Within seven business days of the Effective Date, SCE will electronically transfer a payment in the amount of two million one hundred fifty-eight thousand dollars (\$2,158,000) (the “Funding Amount”) to OCFA. OCFA will use this payment exclusively to fund, in part, the stand-by time portion of the lease agreement with Coulson for operation of a CH-47 Helitanker, which lease must begin no later than October 1, 2020 and last for 83 days, unless a different lease period is agreed to by the Parties in writing. Under this agreement, OCFA shall fund the “flight time” portion of the Coulson lease agreement, which includes any and all costs required to operate the

aircraft. The Parties acknowledge that time is of the essence in performing their obligations under this Agreement. If, for any reason, OCFA does not enter into the lease by October 1, 2020, or such other date agreed to by the Parties in writing, then OCFA shall return the entire payment to SCE. SCE shall not be entitled to any refund of the payment for the fixed stand-by costs in the event OCFA receives reimbursement from the State, Federal Government, or any other entity for use of the CH47 helitanker.

2. Roles and Responsibilities.

SCE shall have no role in directing the operation or use of the helicopters and shall not be a party to the lease. SCE's sole responsibility under this Agreement is to provide the Funding Amount to defray, in part, amounts payable by OCFA to Coulson under the lease. As between SCE and OCFA, OCFA is solely responsible for the safe and lawful operation and use of the helicopters, including all decisions regarding deployment, maintenance, basing and positioning, pilot readiness, and ground support, and OCFA shall be solely responsible for compliance with the terms and conditions of the lease and all payments thereunder.

The Parties acknowledge that as of the date of this Agreement, Coulson may not have obtained the Federal Aviation Administration ("FAA") permit(s) necessary for the CH47 helitanker to fly in the U.S. with an onboard 3,000 USG tank. If Coulson is unable to obtain the required FAA permit(s) to use such capacity tank, then OCFA shall cause Coulson to use an external bucket with a capacity of no less than 2,000 USG with the CH47 helitanker during the lease period.

3. Data Collection.

OCFA will provide the data and information that SCE reasonably requires to allow SCE to (1) evaluate the effectiveness of the Program in suppressing wildfires, protecting lives and property, and increasing firefighter safety, and (2) respond to information requests from, or make regulatory filings and reports to, the California Public Utilities Commission ("CPUC") and other regulators or governmental departments or agencies. Such data shall include, but not be limited to, the following: (a) aircraft utilization rate (flight time conducting suppression missions vs. standby hours), (b) gallons of water or retardant dropped and number of drops per fire, (c) number and location of wildfires attacked, and (d) ratio of fires attacked in SCE's service territory to non-SCE service territory. OCFA shall submit the foregoing data in a GIS shapefile to SCE on a monthly basis on the tenth (10th) day of each calendar month beginning on November 10, 2020 through January 10, 2020 and within five (5) days of SCE's written request therefore at any other time during the lease of the helitanker by OCFA from Coulson.

4. Indemnification.

To the maximum extent permitted by law, OCFA shall indemnify, defend, and hold harmless SCE, and its respective successors, assigns, affiliates, subsidiaries, parent companies, officers, directors, agents, and employees, from and against any and all expenses, claims, losses, damages, liabilities or actions in respect thereof (including reasonable attorneys' fees and reasonably allocated cost of in-house counsel) to the extent arising from or related to the lease, operation or use of the heavy lift helitanker.

5. Authority to Contract.

Each Party represents and warrants that it has the authority to contract or otherwise commit to perform the obligations herein.

6. Relationship of the Parties.

Nothing in this Agreement is intended to, or shall be deemed to, establish any partnership or joint venture between the Parties, constitute any Party to be the agent of another Party, nor authorize any Party to make or enter into any commitments for or on behalf of another Party.

7. Public Announcements.

Neither Party may issue any press release regarding the Agreement unless (1) the press release is issued jointly by the Parties, or (2) prior to the release, the Party proposing to make the announcement furnishes the other Parties with a copy of the press release and obtains the other Parties' written approval; provided, however, that if such press release is required to comply with applicable laws, including the California Public Records Act and the Ralph M. Brown Act, legal proceedings, or the rules and regulations of any court or stock exchange having jurisdiction over a Party, then the Parties shall work in good faith to develop a mutually acceptable announcement.

8. Term and Survival.

This Agreement shall be effective as of the Effective Date through the date that all obligations of the Parties hereto with respect to this Agreement have been satisfied (the "Term"), except that the Parties shall continue to be bound by the provisions of this Agreement which by their nature survive such completion or termination, including Section 4 ("Indemnification").

9. Written Notices.

Any written notice or correspondence under this Agreement shall be in writing and shall be effective upon actual receipt whether delivered by personal delivery, email, facsimile, national overnight courier, or United States mail, demand or request required or authorized in connection with this Agreement shall be deemed properly given if delivered in person or sent by electronic mail, nationally recognized overnight courier, or first class mail, postage prepaid, to the address specified below:

if to OCFA, addressed to:

If to SCE, address to:

Brian Fennessy
Fire Chief
1 Fire Authority Road
Irvine, CA 92602

Fax: (714) 368-8800
Email: brianfennessy@ocfa.org

With a Copy to:

David Kendig
c/o Woodruff, Spradlin & Smart
555 Anton Boulevard, Suite 1200
Costa Mesa, CA 92626

Fax: (____) _____ - _____

Email: _____

Fax: (714) 415-1183
Email: dkendig@wss-law.com

10. Assignment.

No Party shall assign this Agreement or any part or interest thereof, without the prior written consent of the other Parties, and any assignment without such consent shall be void and of no effect.

11. Governing Law.

This Agreement shall be interpreted, governed, and construed under the laws of the State of California as if executed and to be performed wholly within the State of California.

12. Entire Agreement.

This Agreement contains the entire agreement and understanding between and among the Parties and merges and supersedes all prior agreements, representations and discussions pertaining to the subject matter of this Agreement. This Agreement is intended to be a final expression of the agreement of the Parties and except to the extent expressly referenced herein, is an integrated agreement within the meaning of Section 1856 of the California Code of Civil Procedure (the Parole Evidence Rule). There are no contemporaneous separate written or oral agreements between the Parties in any way related to the subject matter of this Agreement. No subsequent agreement, waiver, modification, representation or promise with respect to the subject matter of the Agreement made by the Parties hereto, or by or to any employee, officer, agent or representative of any Party shall be of any effect unless it is in writing and executed by the Parties hereto.

13. Counterparts and Electronic Signatures.

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall be deemed to be one and the same instrument. Documents executed, scanned and transmitted electronically and electronic signatures shall be deemed original signatures for purposes of the Agreement and all matters related thereto, with such scanned and electronic signatures having the same legal effect as original signatures.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives.

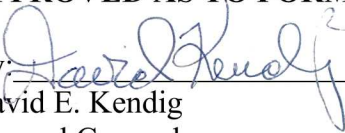
“OCFA”

ORANGE COUNTY FIRE AUTHORITY

Date: _____

By: _____
Brian Fennessy
Fire Chief

APPROVED AS TO FORM.

By:  _____
David E. Kendig
General Counsel

ATTEST:

Maria D. Huizar
Clerk of the Authority

Date: _____

“SCE”

**SOUTHERN CALIFORNIA EDISON
COMPANY**

Date: _____

By: _____
Name _____
Title _____

Date: _____

By: _____
Name _____
Title _____

PUBLIC AIRCRAFT LEASE AND SERVICE AGREEMENT

THIS PUBLIC AIRCRAFT LEASE AND SERVICE AGREEMENT (“Public Aircraft Agreement”) is made this 24th day of September 2020

BETWEEN:

COULSON AVIATION (USA) INC., a limited liability company organized under the laws of the State of Oregon (“CAI”); and

ORANGE COUNTY FIRE AUTHORITY, a joint powers agency created pursuant to the California Joint Exercise of Powers Act (Gov’t Code §§ 6500 *et seq.*) (“OCFA”).

WHEREAS:

- (A) OCFA wishes to lease the Aircraft and obtain services for operation of OCFA’s Governmental Functions, all as described in detail herein;
- (B) CAI wishes to lease and supply such Aircraft and services to OCFA and operate the Aircraft for OCFA in OCFA’s Governmental Functions, all as described in detail herein; and
- (C) The Aircraft shall be considered Public Aircraft when performing any of the operations contemplated by this Public Aircraft Agreement;

NOW, THEREFORE, in consideration of the mutual covenants herein contained, together with other good and valuable consideration, and intending to be legally bound hereby, the parties agree as follows:

1. DEFINITIONS.

1.1 In this Lease the following words and expressions have, except where the context otherwise requires, the meanings set forth below:

“The Aircraft” means one (1) Type One CH-47 Helitanker night vision goggles certified to be designated with FAA Registration mark N42CU and manufacturer’s serial number 91-0270;

“Aircraft Flight Hour Payment” means Seven Thousand Five Hundred Dollars (\$7,500) per flight hour including fuel.

“Crew” means a night vision goggles certified flight crew, and a full maintenance crew, to operate and maintain Aircraft, and a night vision goggles certified flight crew and a full maintenance crew;

“Commencement Date” means the earlier of the 1st October 2020 and the date upon which the FAA Public Aircraft Declaration is received by CAI and submitted to the FAA;

“Daily Rental Payment” means the amount of Twenty Six Thousand (\$26,000), which shall include in addition to leases of the Aircraft, an 10,000 USG fuel truck, 53 foot spares trailer and driver, and a mobile support base (Prevost Bus);

“Day Operations” means the provision of services from 6am to 6pm on a daily basis;

“Event of Default” shall have the meaning prescribed in clause 11.2;

“FAA” means the United States Federal Aviation Administration;

“FAA Public Aircraft Policy” means the policy of the FAA with regard to defining Public Aircraft contained in the FAA Notice of Policy Regarding Civil Aircraft Operators Providing Contract Support to Government Entities (Public Aircraft Operations) published on March 23, 2011 in the Federal Register, FAA Advisory Circular No. 00-1B, and such additional or successor documents regarding FAA’s policy regarding Public Aircraft;

“Flight Hour Payment” means Aircraft Flight Hour Payments due.

“Governmental Functions” means as such term is defined in Section 40125 of Title 49 of the United States Code, an activity undertaken by a government, such as intelligence missions, firefighting, or biological or geological resource management;

“Insurance Schedule” means those insurance terms and amounts described in Appendix 1 attached hereto.

“Night Operations” means the provision of services from 6pm to 6am on a daily basis;

“Owner(s)” means the registered and beneficial owner of each Aircraft.

“Public Aircraft” shall have the meaning as such term is defined in Section 40102(a)(41) of Title 49 of the United States Code as aircraft exclusively leased for at least 90 continuous days by the government of a State, the District of Columbia, or a territory or possession of the United States or a political subdivision of one of these governments, except as provided in Section 40125(b) of Title 49 of the United States Code, which excludes aircraft used for commercial purposes or to carry an individual other than a crewmember or a qualified non-crewmember.

“Public Aircraft Declaration” means a written declaration (from the contracting officer of OCFA or higher-level official) of public aircraft status for all flights of the Aircraft under this Public Aircraft Agreement substantially in the form of Appendix 2 attached hereto;

“Qualified Non-Crewmember” means an individual, other than a member of the crew, aboard an aircraft whose presence is required to perform, or is associated with the performance of, a governmental function as described in Section 40125 of Title 49 of the United States Code.

“Taxes” means any taxes, levies, imposts, duties, charges, fees, deductions, withholdings, restrictions or conditions now or hereafter imposed by any governmental or taxing authority;

“Term” means a period of ninety (90) calendar days from the Commencement Date.

2. AGREEMENT TO LEASE

Subject to, and in accordance with, the terms and conditions of this Public Aircraft Agreement, CAI agrees to lease the Aircraft to OCFA and OCFA agrees to take the Aircraft on lease from CAI for the Term.

3. LEASE AND DELIVERY

3.1 Delivery and Acceptance

OCFA has determined that the Aircraft is suitable for OCFA’s intended use, and OCFA has inspected the same and accepts the same for purposes of this Public Aircraft Agreement.

3.2 OCFA SELECTION OF AIRCRAFT

OCFA REPRESENTS AND WARRANTS TO CAI THAT OCFA HAS USED ITS OWN JUDGMENT IN SELECTING THE AIRCRAFT AND HAS DONE SO BASED ON THEIR SIZE, DESIGN, TYPE AND PERFORMANCE AND THAT OCFA HAS NOT RELIED ON ANY ADVICE OF CAI IN MAKING SUCH SELECTION.

3.3 Title

Title to the Aircraft will be and will at all times remain vested and registered in Owners. OCFA will have no right, title or interest in the Aircraft except as provided in this Public Aircraft Agreement. OCFA will not assert any lien or encumbrance against the Aircraft, nor permit any other party, claiming by through, on behalf of, or because of any action of OCFA to do so.

3.3 Term

The Aircraft shall be exclusively leased to OCFA from the execution of this Public Aircraft Agreement to the end of the Term, unless earlier terminated as provided herein.

4. PUBLIC AIRCRAFT

4.1 Status of Operations as Public Aircraft Operations

The Aircraft shall be operated under this Public Aircraft Agreement as Public Aircraft. The Aircraft shall only be used during the Term for Governmental Functions and all persons carried on board the Aircraft shall be either a crewmember or a Qualified Non-Crewmember.

4.2 Public Aircraft Determination

OCFA shall provide CAI with the Public Aircraft Declaration and otherwise cooperate with CAI in providing any additional documentation or declarations as may be requested by the FAA or such other government agency whether Federal or State with jurisdiction over the operations contemplated in this Public Aircraft Agreement. Upon receipt of the Public Aircraft Declaration signed by OCFA, CAI shall, in advance of any operation of any flight under this Public Aircraft Agreement, notify the FAA Flight Standards District Office having oversight of the operations under this Public Aircraft Agreement that it has contracted with OCFA to conduct eligible public aircraft operations, and submit the Public Aircraft Declaration. Notwithstanding any other provision herein, CAI shall not and shall not be required to perform any operations under this Public Aircraft Agreement prior to receipt by CAI of the Public Aircraft Declaration and submission of the same to the FAA.

5. CREW AND PILOT REQUIREMENTS

5.1 Crew Operation

The Aircraft will be exclusively operated and maintained by the Crew arranged and supplied by CAI. OCFA shall provide ground crews for remote operations of the Aircraft.

5.2 Pilot Requirements

CAI shall provide two (2) pilots and one (1) Flight Engineer for operation by the Aircraft during Day Operations, and two (2) pilots and one (1) Flight Engineer for the Aircraft during Night Operations. All pilots for Day Operations shall be United States Forest Service or CAL FIRE carded pilots.

All pilots for Night Operations shall be FAA certified for Night Vision Goggles flying and United States Forest Service or CAL FIRE carded pilots.

5.3 Mechanic Requirements

CAI shall provide four (4) mechanics for operation by the Aircraft during Day Operations and four (4) mechanics for operations of the Aircraft during Night Operations.

5.4 Ground Crew Requirements

CAI shall provide sufficient ground crew to drive and deploy the mobile support base (Prevost Bus). CAI shall provide ground crew to operate the fuel truck and spares trailer for the aircraft during both Day and Night Operations.

6. SCOPE OF WORK AND FLIGHTS

6.1 Flight Missions

Operations of the Aircraft shall be available for both Day and Night Operations. All operations shall be conducted in support of and as part of OCFA's Governmental Functions related to firefighting, and shall be in accordance with operating rules applicable to all aircraft in the National Airspace System. Notwithstanding any other provision herein, CAI provided pilots shall exercise fully authority as pilot-in-command over each flight and shall have no obligation to perform any mission on behalf of OCFA, which, in the sole discretion of the CAI provided pilots, is beyond the scope of such pilots' abilities, certification, or

authorization; or would unreasonably endanger such pilot or the Aircraft; or would be in contravention of any applicable law or any flight operation protocol. No such action of any pilot provided by CAI shall create or support any liability of CAI for loss, injury, damage or delay to OCFA.

6.2 Aircraft Maintenance and Airworthiness

The Aircraft shall be maintained exclusively by the mechanics provided by CAI and shall be maintained in conformance with each Aircraft's FAA approved maintenance manual. OCFA will not make or authorize any improvement, change, addition or alteration to either Aircraft without the express consent and agreement of CAI. All repairs, parts, replacements, mechanisms and devices added to the Aircraft during the Term shall immediately, without further act, become part of the Aircraft and subject to the ownership of Owners free and clear of any lien, encumbrance, or interest of OCFA or any party, claiming by through, on behalf of, or because of any action of OCFA.

6.3 Base of Operations

OCFA will provide storage and other facilities as the base of operation at Los Alamitos Joint Forces Training Base in Orange County, sufficient for purposes of the scope of work contemplated by this Public Aircraft Agreement and shall provide CAI with access and permissions at such base of operation for the performance of the contemplated scope of work.

7. RENTAL PAYMENTS AND EXPENSES

7.1 Rental Payments

CAI shall invoice OCFA for Daily Rental Payment on a weekly basis, which shall begin accruing on the Commencement Date and continue through the end of the Term.

OCFA shall pay the invoice (in full and without any deduction or withholding in respect of set-off, counterclaim, duties, taxes or other charges) within fourteen (14) days of receipt of invoice via ACH as follows:

Coulson Aviation (USA) Inc
Wells Fargo Bank, 1900 Southwest 5th Avenue, Portland, Oregon 97201
Routing Number: 123006800
Account Number: 0503999583

7.2 Operating Expenses

CAI shall invoice OCFA for Flight Hour Payments on a weekly basis.

OCFA shall pay the invoice (in full and without any deduction or withholding in respect of set-off, counterclaim, duties, taxes or other charges) within fourteen (14) of receipt of invoice via ACH as follows:

Coulson Aviation (USA) Inc
Wells Fargo Bank, 1900 Southwest 5th Avenue, Portland, Oregon 97201
Routing Number: 123006800
Account Number: 0503999583

7.3 Late Payments

Any late payment shall bear per diem interest from the due date, until the date paid at an annual rate of 10%. Payment of interest shall not excuse or cure any default.

7.4 Taxes

All payments, including specifically the Rental Payments made by OCFA hereunder, shall be made free and clear of, and without deduction for Taxes. OCFA shall be solely responsible for the payment of any Taxes imposed on the lease and services provided under this Public Aircraft Agreement. OCFA shall indemnify and hold harmless CAI from and against all taxes payable by them at any time in respect of this Public Aircraft Agreement in respect of any transaction contemplated by this Public Aircraft Agreement; provided that in no event shall OCFA be responsible for Taxes that are imposed on the net income, profit, gains, capital or net worth of CAI, or Taxes arising out of or solely attributable to the fraud, willful misconduct, or reckless disregard (with knowledge of the probable consequences) of CAI.

8. INSURANCE, INDEMNIFICATION, AND WAIVER

8.1 Insurance

(a) CAI shall maintain at all times, naming OCFA and the Owner(s) as additional insureds, during the Term (i) public liability insurance (including, but not limited to, aviation liability) against liability to third parties, including passengers and crew on the Aircraft, for personal injury and death and damage to property for a minimum amount and terms set out in the Insurance Schedule for each and every occurrence, and (ii) appropriate insurance against loss of, or damage to, the Aircraft hull for an amount reflecting reasonable replacement value of the Aircraft as provided in the Insurance Schedule.

(b) Each party shall be responsible for providing workers' compensation insurance and unemployment insurance for its employees and crew members provided by it for performance of this Public Aircraft Agreement as required by applicable laws

8.2 Indemnification

(a) OCFA agrees to indemnify, protect, save, defend and keep harmless CAI and CAI's directors, shareholders, members, beneficiaries, officers, employees, agents, attorneys-in-fact, lawyers, affiliates, successors and any permitted assigns (collectively, the "Indemnified Parties") on, a net after-tax basis, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, demands, costs, expenses and disbursements (including, without limitation, reasonable legal fees and expenses) of any kind and nature whatsoever (collectively, the "Claims"), which may be imposed on, incurred by, or asserted against, any of CAI's Indemnified Parties, whether or not any of CAI's Indemnified Parties shall also be indemnified as to any such matters by any other person, party or entity of any kind whatsoever, in any way relating to or arising out of any breach, action, inaction, misrepresentation, or direction by OCFA related to the performance or support of the operations contemplated herein that results in any Claim(s) against one of CAI's indemnified Parties; provided that OCFA shall have no obligation to indemnify any of CAI's Indemnified Party in respect of any Claims to the extent that such

Claim is suffered or incurred as a direct consequence of the fraud, willful misconduct or reckless disregard of such Indemnified Party. Notwithstanding anything to the contrary contained in the foregoing, any other section of this Public Aircraft Agreement or otherwise, the indemnification agreements, obligations and liabilities of any kind whatsoever of such party set forth or provided in this Section 8.2 shall survive the expiration or termination of this Public Aircraft Agreement for any reason whatsoever.

(b) CAI agrees to indemnify, protect, save, defend and keep harmless OCFA and OCFA's Indemnified Parties on, a net after-tax basis, from and against any and all Claims, which may be imposed on, incurred by, or asserted against, any of OCFA's Indemnified Parties, whether or not any of OCFA's indemnified Parties shall also be indemnified as to any such matters by any other person, party or entity of any kind whatsoever, in any way relating to or arising out of any breach, action, inaction, misrepresentation, or direction by CAI related to the performance or support of the operations contemplated herein that results in any Claim(s) against one of OCFA's Indemnified Party; provided that CAI shall have no obligation to indemnify any of OCFA's Indemnified Party in respect of any Claims to the extent that such Claim is suffered or incurred as a direct consequence of the fraud, willful misconduct or reckless disregard of such Indemnified Party. Notwithstanding anything to the contrary contained in the foregoing, any other section of this Public Aircraft Agreement or otherwise, the indemnification agreements, obligations and liabilities of any kind whatsoever of such party set forth or provided in this Section 8.2 shall survive the expiration or termination of this Public Aircraft Agreement for any reason whatsoever.

9. MUTUAL REPRESENTATIONS

CAI and OCFA represent to each other:

(i) The execution, delivery and performance of this Public Aircraft Agreement has been duly authorized by all necessary corporate or government action of such party and do not require the approval or consent of or notice to any trustee or holders of any indebtedness or obligations of such party (except as has already been obtained);

(ii) This Public Aircraft Agreement has been duly executed and delivered by an officer of such party authorized to execute and deliver such documents on behalf of such party; and

(iii) This Public Aircraft Agreement and covenants of such party contained herein and therein constitute or will, upon execution, constitute legal, valid and binding obligations of such party, enforceable against such party in accordance with its terms subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting creditors' rights generally and by the application of equitable principles by courts of competent jurisdiction, sitting at law or in equity.

10. NOTIFICATION

Any notice given by one party to the other in connection with this Agreement shall be in writing and shall be sent by email, telefax, courier, overnight delivery, certified mail, to the addresses

listed below or to such other addresses as either party may specify to the other in writing from time to time:

<p>If to OCFA, addressed to:</p> <p>Brian Fennessy Fire Chief 1 Fire Authority Road Irvine, CA 92602</p> <p>Fax: (714) 368-8800 Email: brianfennessy@ocfa.org</p> <p>With a Copy to:</p> <p>David Kendig c/o Woodruff, Spradlin & Smart 555 Anton Boulevard, Suite 1200 Costa Mesa, CA 92626</p> <p>Fax: (714) 415-1183 Email: dkendig@wss-law.com</p>	<p>If to CAI, address to:</p> <p>Wayne Coulson President & CEO 4890 Cherry Creek Road Port Alberni, BC Canada V9Y 8E9</p> <p>Fax: (250) 723-7766 Email: wayne.coulson@coulsongroup.com</p>
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Notices shall be deemed effective when delivered or when proof of delivery is obtained (in the case of email, when the sender receives a read receipt from the addressee), or if earlier and whether or not received, three (3) days after such notice is deposited in the United States mail postage pre-paid as certified mail to the party as set forth above.

11. TERMINATION AND DEFAULT

11.1 Default

The following shall constitute an Event of Default:

- (i) a failure to make any payment when due hereunder within three (3) calendar days of when such payment is due;
- (ii) party's admission in writing of inability to pay its debts generally as they come due or a general assignment for the benefit of its creditors, or admission of insolvency;
- (iii) any declaration, representation, warranty or statement made or deemed to be made by a party in connection with this Public Aircraft Agreement is or proves to have been incorrect when made or becomes incorrect during the Term; or
- (iv) any material breach by a party of its obligations or performance under this Public Aircraft Agreement.

11.2 Remedies

In an Event of Default, the non-defaulting party may immediately terminate this Public Aircraft Agreement upon sending notification to the other party, and/or seek any and all such remedies and rights as may be available to such party at law or equity.

12. MISCELLANEOUS

12.1 Binding Effect

This Public Aircraft Agreement shall be binding upon and shall inure to the benefit of the parties and their respective heirs, executors, administrators, successors, legal representatives and assigns provided that this provision shall not be construed as permitting assignment or substitution except as otherwise provided herein.

12.2 Execution

Delivery of an executed counterpart of a signature page of this Agreement by email or any other digital or electronic means shall be effective as delivery of a manually executed counterpart of this Public Aircraft Agreement.

12.3 Severability

In the event that any condition, covenant or other provision herein contained is held to be invalid or void by any court of competent jurisdiction, the same shall be deemed severable from the remainder of this Lease and shall in no way affect any other covenant or condition herein contained. If such condition, covenant or other provision shall be deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

12.4 Clauses, Appendices And Schedules

References in this Public Aircraft Agreement to clauses, appendices, or schedules are, unless otherwise specified, references to clauses of and appendices and schedules to this Public Aircraft Agreement and together the clauses, appendices and schedules shall together constitute this Public Aircraft Agreement.

12.5 Assignment

No assignment, transfer or charge may be made by any party of all or any of its rights in respect of this Public Aircraft Agreement without the prior written consent of the other.

12.6 GOVERNING LAW

THIS PUBLIC AIRCRAFT AGREEMENT SHALL, IN ALL RESPECTS, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA APPLICABLE TO CONTRACTS ENTERED INTO IN THE STATE OF CALIFORNIA BY RESIDENTS OF SUCH STATE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE. LEGAL ACTIONS CONCERNING ANY DISPUTE, CLAIM OR MATTER ARISING OUT OF OR IN RELATION TO THIS PUBLIC AIRCRAFT AGREEMENT SHALL BE INSTITUTED IN THE SUPERIOR COURT OF THE COUNTY OF ORANGE, STATE OF CALIFORNIA, OR ANY OTHER APPROPRIATE COURT IN SUCH COUNTY, AND

CAI COVENANTS AND AGREES TO SUBMIT TO THE PERSONAL JURISDICTION
OF SUCH COURT IN THE EVENT OF SUCH ACTION.

IN WITNESS WHEREOF, CAI and OCFA have each caused this Public Aircraft Agreement to be duly executed and delivered by each of CAI and OCFA on the date first above written.

COULSON AVIATION (USA) INC.	ORANGE COUNTY FIRE AUTHORITY
Name: Title:	Name: Title:

Insurance Schedule

Appendix 1

[on OCFA letterhead]

[insert date]

COULSON AVIATION (USA) INC.

Attn:

Re: Public Aircraft Declaration

Dear Mr. _____:

As you know, the **ORANGE COUNTY FIRE AUTHORITY** (OCFA), a joint powers agency created pursuant to the California Joint Exercise of Powers Act (Gov't Code §§ 6500 et seq.) and comprised of 24 member agencies, each of which are a political subdivision of the State of California, entered into a contract (Public Aircraft Agreement) dated September 24, 2020 with **COULSON AVIATION (USA) INC.** (CAI) under which CAI will exclusively lease the [*describe aircraft*] to OCFA and provide the exclusive services of such aircraft for a governmental function such as intelligence missions, firefighting, or biological or geological resource management of OCFA during the term of such Public Aircraft Agreement, which is ninety (90) calendar days. We hereby declare that under Title 49 of the United States Code and in accordance with FAA Notice of Policy Regarding Civil Aircraft Operators Providing Contract Support to Government Entities (Public Aircraft Operations) published on March 23, 2011 in the Federal Register, and FAA Advisory Circular No. 00-1B, the governmental functions and the operations contemplated by the Public Aircraft Agreement qualify as Public Aircraft Operations (PAO). As such, we acknowledge that we have to provide this declaration to that effect, which CAI in turn shall provide to the FAA, prior to commencement of operations under the Public Aircraft Agreement. Below is information in support of this declaration, which is intended to apply to all flights operated by CAI pursuant to the Public Aircraft Agreement.

Name of civil operator (the contracted operator): Coulson Aviation (USA) Inc.**Aircraft type(s) to be used for the PAO:** [*describe aircraft*]**Name of aircraft owner(s):** [*reference registered owner of Aircraft*]**Aircraft registration number(s):** [*registration marks*]**Date of contract:****Date of proposed first flight as a PAO:****Date contract terminates:****Name of the government entity declaring public aircraft status (the government entity contracting for aircraft services):** ORANGE COUNTY FIRE AUTHORITY**Name, title, and contact information for the government official making the declaration of PAO status:****Nature of operations (include enough detail to demonstrate that the flights are for a governmental function under the statute):** The Aircraft will be dedicated exclusively during the 90-day term of the Public Aircraft Agreement to providing intelligence missions, firefighting, biological or geological resource management within the boundaries of the Orange County Fire Authority and Southern California Edison service territory.

Should there be any questions or if additional information is needed, please feel free to contact me.

Sincerely,

[insert signatory and title]

OCFA Special Procurement Justification Form

The Purchasing Ordinance of the Orange County Fire Authority requires competitive bids and proposals for service and commodity contracts. A special procurement is defined as a purchase, where due to unusual or special circumstances, it would be in the best interest of the OCFA to accomplish the procurement without compliance with the competitive bidding requirements. Special Procurements are not applicable to construction services. The using department requesting a special procurement shall provide written evidence to support a special procurement determination. This form is to be submitted with the purchase requisition to Purchasing with any special procurement requests.

SECTION I - INSTRUCTIONS

1. Written justification on this form will be completed by the requesting department and submitted with the purchase requisition.
2. The request must be approved by the section manager and assistant chief prior to submitting the request to the purchasing manager.
3. All special procurement forms must be submitted to the Purchasing Manager and then reviewed and approved by the Assistance Chief, Business Services.
4. All special procurements exceeding \$50,000 annually require Executive Committee approval. In this case, the special procurement form must be submitted to the Executive Committee as an attachment to the staff report.
5. The approved special procurement justification form will be included in the contract file.

SECTION II – REQUEST INFORMATION

Department/Section: Operations	Requested By: Chief Fennessy	Date: 9/16/2020
Recommended Vendor: Coulson Aviation, Inc.	Vendor Contact: Wayne Coulson	Vendor's E-mail Address: wayne.coulson@coulsongroup.com
Vendor Address: 610 SW Alder Street, Suite 910, Portland, Oregon 97205		Vendor's Telephone #: (250) 720-6723
Type of Contract: <input checked="" type="checkbox"/> One-time <input type="checkbox"/> Multi-Year <input type="checkbox"/> Renewal <input type="checkbox"/> Amendment <input type="checkbox"/> Increase	Contract Term (Dates): 9/24/2020 - 12/24/2020	Contract Amount: \$2,158,000
<i>If the contract type is a Renewal, Amendment or Increase, please provide previous contract information with this request (PO, BO, previous approval date, Chief approval or EC approval, and dollar amount).</i>		Attachments: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

SECTION III – JUSTIFICATION

1. **Provide a detailed description of the product or service requested. Describe what it is. Attach additional sheet if necessary.**

Coulson Aviation Inc. (CAI) provides Night Aerial Firefighting Performance-Based services which utilize performance-based and state of the art technology in firefighting aircraft using a night-vision equipped firefighting Type I helicopter for the aerial attack of wildland fires.

2. **Please state the reasoning for the special procurement and the special circumstances of why it would be in the best interest of OCFA to accomplish the procurement without a competitive bidding process. Provide a summary of findings (research and analysis) including any supporting documentation which validates your recommendation and demonstrates the nature of this request. Attach additional sheet if necessary.**

CAI is an industry leader in aerial firefighting and the only operator of both heavy fixed and rotary wing aircraft. CAI's night suppression operations include hover filling, open water sources and night vision goggles. CAI operates CH-47 Very Large Helitankers (VLHT) that are capable of dropping up to 3,000 gallons of water or fire retardant

SECTION III – JUSTIFICATION (continued)

in a single pass. CAI is the best equipped company to handle aerial firefighting needs. While there may be other firms that offer firefighting helitanker services, CAI is experienced and best positioned to begin these services on October 1, 2020.

3. Pricing - What efforts were made to get the best pricing (e.g., did you simply request a quote, negotiate a better price with the vendor, did the vendor provide a discount)? Please provide the quote with your special procurement request.

The pricing includes 24/7 availability for 83 days. This contract is a result of agreements with SCE, OCFA, and Coulson Aviation (USA) Inc. in an effort to bring the services and the funding together for a benefit for residents of Orange County and the state of California to protect in the event of wildland fires during fire season. SCE is providing the funding for the daily standby fixed costs.

4. Will this purchase obligate the OCFA to future purchases (maintenance, licensing or continuing needs)? (If yes, please explain how and what the future costs will be.)

The VLHT services are intended to be for 83-days. OCFA may determine a need for these services during future fire season. The special procurement will be re-examined at the conclusion of the 83-days should the services continue beyond the initial contract term.

Special Procurement Request Submitted by:

REQUESTORS NAME	SIGNATURE	DATE
Chief Fennessy		9/16/20
DIVISION CHIEF/SECTION MANAGER NAME	SIGNATURE	DATE
ASSISTANT CHIEF NAME	SIGNATURE	DATE
Kenny Dossey		9/17/20

Purchasing Manager's Comments:

PURCHASING MANAGER'S APPROVAL	DATE
	9/16/2020
ASSISTANT CHIEF BUSINESS SERVICES APPROVAL	DATE
	9/16/20

Executive Committee Approval Required Yes No Special Procurement over \$50,000

Executive Committee Approved: Yes No Date approved _____

Southern California Edison Service Territory Map



ORANGE COUNTY FIRE AUTHORITY
COST REIMBURSEMENT RATES
EQUIPMENT
EFFECTIVE October 1, 2020

DESCRIPTION	2019/20 RATE	2020/21 RATE	\$ CHANGE	% CHANGE	SOURCE	Hourly / Daily
TYPE 1 ENGINE	\$78.90	\$140.00	\$61.10	77.44%	Cal OES	Hourly
TYPE 2 ENGINE	\$68.00	\$132.00	\$64.00	94.12%	Cal OES	Hourly
TYPE 3 ENGINE	\$68.00	\$126.50	\$58.50	86.03%	Cal OES	Hourly
TRUCK/QUINT	\$78.90	\$81.10	\$2.20	2.79%	FEMA	Hourly
AIR/LIGHT UTILITY	\$23.84	\$35.42	\$11.58	48.57%	FEMA	Hourly
AIRPORT CRASH UNIT	\$78.90	\$81.10	\$2.20	2.79%	FEMA	Hourly
CHIPPER	\$24.31	\$24.89	\$0.58	2.39%	FEMA	Hourly
COMPACT TRACK LOADER	\$36.05	\$38.72	\$2.67	7.41%	FEMA	Hourly
CREW CARRYING VEHICLE	\$20.95	\$21.60	\$0.65	3.10%	FEMA	Hourly
DOZER	\$93.74	\$98.77	\$5.03	5.37%	FEMA	Hourly
DOZER MODULE (DOZER+TRANSPORT)	\$160.64	\$168.46	\$7.82	4.87%	FEMA	Hourly
DOZER TENDER	\$17.65	\$17.91	\$0.26	1.47%	FEMA	Hourly
DOZER TRAILER	\$15.50	\$18.49	\$2.99	19.29%	FEMA	Hourly
DOZER TRANSPORT	\$66.90	\$69.69	\$2.79	4.17%	FEMA	Hourly
DUMP TRUCK	\$75.50	\$77.50	\$2.00	2.65%	FEMA	Hourly
FIRE COMMAND UNIT	\$20.95	\$21.60	\$0.65	3.10%	FEMA	Hourly
FUEL TENDER	\$28.70	\$31.05	\$2.35	8.19%	FEMA	Hourly
GRADER	\$46.50	\$63.63	\$17.13	36.84%	FEMA	Hourly
LOADER	\$43.85	\$46.17	\$2.32	5.29%	FEMA	Hourly
MECHANIC SERVICE TRUCK	\$96.00	\$230.00	\$134.00	139.58%	Cal OES	Daily
MEDIC UNIT	\$96.00	\$230.00	\$134.00	139.58%	Cal OES	Daily
PATROL UNIT (Type 6/ Swift Water Rescue)	\$68.00	\$120.00	\$52.00	76.47%	Cal OES	Hourly
PICKUP (less than 3/4 ton)	\$86.00	\$140.00	\$54.00	62.79%	Cal OES	Daily
SEDAN	\$47.00	\$119.00	\$72.00	153.19%	Cal OES	Daily
SPORT UTILITY VEHICLE	\$96.00	\$205.00	\$109.00	113.54%	Cal OES	Daily
VAN	\$109.00	\$194.00	\$85.00	77.98%	Cal OES	Daily
WATER TENDER	\$28.70	\$102.67	\$73.97	257.74%	Cal OES	Hourly
OTHER (3/4 ton and above)	\$96.00	\$230.00	\$134.00	139.58%	Cal OES	Daily
HAZMAT (Unit 4)	\$78.90	\$81.10	\$2.20	2.79%	FEMA	Hourly
HAZMAT (Unit 79)	\$78.90	\$81.10	\$2.20	2.79%	FEMA	Hourly
HAZMAT (Unit 204)	\$20.60	\$25.46	\$4.86	23.59%	FEMA	Hourly
HELICOPTER - BELL SUPER HUEY (1)	\$1,482.23	\$1,562.37	\$80.14	5.41%	OCFA	Hourly
HELICOPTER - BELL 412 (1)	\$3,954.61	\$4,769.66	\$815.05	20.61%	OCFA	Hourly
HELITANKER CH-47	N/A	\$7,500.00	N/A	N/A	OCFA CONTRACTOR	Hourly

Notes:

1. Helicopter rates are based on 20 years useful life without the pilot and crew chief (Captain). The new rate reflects average usage for the past four years.

14 CCR § 15262**§ 15262. Feasibility and Planning Studies.**

A project involving only feasibility or planning studies for possible future actions which the agency, board, or commission has not approved, adopted, or funded does not require the preparation of an EIR or negative declaration but does require consideration of environmental factors. This section does not apply to the adoption of a plan that will have a legally binding effect on later activities.

14 CCR § 15301**§ 15301. Existing Facilities.**

Class 1 consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. The types of "existing facilities" itemized below are not intended to be all-inclusive of the types of projects which might fall within Class 1. The key consideration is whether the project involves negligible or no expansion of an existing use.

Examples include but are not limited to:

- (a) Interior or exterior alterations involving such things as interior partitions, plumbing, and electrical conveyances;
- (b) Existing facilities of both investor and publicly-owned utilities used to provide electric power, natural gas, sewerage, or other public utility services;
- (c) Existing highways and streets, sidewalks, gutters, bicycle and pedestrian trails, and similar facilities (this includes road grading for the purpose of public safety).
- (d) Restoration or rehabilitation of deteriorated or damaged structures, facilities, or mechanical equipment to meet current standards of public health and safety, unless it is determined that the damage was substantial and resulted from an environmental hazard such as earthquake, landslide, or flood;
- (e) Additions to existing structures provided that the addition will not result in an increase of more than:
 - (1) 50 percent of the floor area of the structures before the addition, or 2,500 square feet, whichever is less; or
 - (2) 10,000 square feet if:
 - (A) The project is in an area where all public services and facilities are available to allow for maximum development permissible in the General Plan and
 - (B) The area in which the project is located is not environmentally sensitive.
- (f) Addition of safety or health protection devices for use during construction of or in conjunction with existing structures, facilities, or mechanical equipment, or topographical features including navigational devices;
- (g) New copy on existing on and off-premise signs;

- (h) Maintenance of existing landscaping, native growth, and water supply reservoirs (excluding the use of pesticides, as defined in Section 12753, Division 7, Chapter 2, Food and Agricultural Code);
- (i) Maintenance of fish screens, fish ladders, wildlife habitat areas, artificial wildlife waterway devices, streamflows, springs and waterholes, and stream channels (clearing of debris) to protect fish and wildlife resources;
- (j) Fish stocking by the California Department of Fish and Game;
- (k) Division of existing multiple family or single-family residences into common-interest ownership and subdivision of existing commercial or industrial buildings, where no physical changes occur which are not otherwise exempt;
- (l) Demolition and removal of individual small structures listed in this subdivision;
 - (1) One single-family residence. In urbanized areas, up to three single-family residences may be demolished under this exemption.
 - (2) A duplex or similar multifamily residential structure. In urbanized areas, this exemption applies to duplexes and similar structures where not more than six dwelling units will be demolished.
 - (3) A store, motel, office, restaurant, and similar small commercial structure if designed for an occupant load of 30 persons or less. In urbanized areas, the exemption also applies to the demolition of up to three such commercial buildings on sites zoned for such use.
 - (4) Accessory (appurtenant) structures including garages, carports, patios, swimming pools, and fences.
- (m) Minor repairs and alterations to existing dams and appurtenant structures under the supervision of the Department of Water Resources.
- (n) Conversion of a single-family residence to office use.
- (o) Installation, in an existing facility occupied by a medical waste generator, of a steam sterilization unit for the treatment of medical waste generated by that facility provided that the unit is installed and operated in accordance with the Medical Waste Management Act (Section 117600, et seq., of the Health and Safety Code) and accepts no offsite waste.
- (p) Use of a single-family residence as a small family day care home, as defined in Section 1596.78 of the Health and Safety Code.

VLHT Services FAQ

9/24/20

1. What is the Very Large Helitanker (VLHT) Services?

The Very Large Helitanker (VLHT) Services is an 83-day partnership with Southern California Edison (SCE), Coulson Aviation (USA), Inc. (CAI), and the Orange County Fire Authority that will enhance aerial wildland fire response in Orange County and the residents and businesses within the SCE service territory. The VLHT Services will be available for daytime and nighttime firefighting and the service is anticipated to commence on October 1, 2020.

This VLHT Services will utilize a Type 1 CH-47 Very Large Helitanker which is capable of dropping up to 3,000 gallons of water or fire retardant in a single pass. By way of comparison, the OCFA Bell 412EP medium-lift helicopters are capable of dropping up to 375-gallons and the next largest helitanker, the Sikorsky S-64 Skycrane, is capable of up to 1,600 gallons. The CH-47 is equipped with Coulson's proprietary Retardant Aerial Delivery System (RADS) tank. The SMART Delivery System Controller technology in these systems will allow for automated target drops for night vision goggle firefighting operations and the pilots will have the capability to adjust water/retardant flow rates based on speed and altitude, providing ground crews the same options as fixed wing air tankers. The VLHT has other unique capabilities such as night-vision, IFR navigation and hover filling making it the largest and most capable helitanker in the world.

The following video link provides more detail on the CH-47 Very Large Helitanker full capabilities: <https://vimeo.com/445643442>

2. How are the VLHT Services different from last years' NextGen Pilot Program?

In 2019, SCE and Coulson Aviation partnered with the OCFA in the NextGen Pilot Program which proved to be a successful partnership. The 2019 Pilot Program was designed to enhance the regional wildland aerial firefighting capabilities through the use of various innovative technology. As the fire season and the Pilot Program progressed, the region realized the benefits of having these additional resources available. The NextGen platform was utilized on 19 incidents throughout Los Angeles City, Los Angeles County, Ventura County, Riverside County, and Orange County. Some of the larger incidents that benefitted from the programs included the Saddleridge Fire, Getty Fire, Tick Fire, and the Maria Fire.

By way of comparison, the NextGen Pilot program operated a Type 1 helitanker with a water dropping capacity of 1,000+ gallons and a Type 3 intelligence-gathering helicopter for precision water dropping. The VLHT Services will operate one Type 1 helitanker capable of dropping up to 3,000 gallons.

3. Why the urgency in bringing the VLHT Services item before the Board for consideration?

OCFA met recently with and interest was expressed by Southern California Edison (SCE) in funding and partnering to provide for the Very Large Helitanker (VLHT) Services. SCE is agreeable to October 1, 2020, as the desired start date given the current wildland fire activity in California.

4. Why did the VLHT item not go before the Budget & Finance Committee (B&FC) for review?

The September B&FC meeting was held on September 9th, and took place prior to staff meeting with SCE and the partnerships opportunity discussed. Based on VLHT services October 1st start date, staff was able to prepare the staff report, draft agreements and other necessary documents within a relatively short period of time. Given that historically the most destructive point of the year round fire season is Oct.-Dec, and the current fire activity and weather conditions in California, there is an urgent need for VLHT Services to commence on October 1. Due to the urgency and timing mentioned above, staff did not have an opportunity to present this item to the B&FC in advance of the item being considered by the Board at its September 24th meeting.

5. What are the benefits to OCFA by implementing the VLHT Services?

Data and history have demonstrated time and time again that the best way to keep fires small and before they can become large destructive and life-threatening fires is thru aggressive ground and aerial initial attack. Attacking fires during the early stages with the largest helitanker available is considered a force multiplier and is a capability that very few agencies possess. With firefighter and aerial fire support in high demand and stretched thin, this VLHT provides Orange County with a necessary layer of protection.

6. How are the VLHT Services funded?

OCFA will provide the VLHT Services no different than how we provide strike teams and other services throughout the State. This includes seeking reimbursements in arrears. The VLHT Services will be covered through a number of funding sources and current budget allocation. This includes SCE's funding contribution to lease the helitanker, current Air Ops budget savings, and the new State Augmentation Funds received this fiscal year. In addition, staff is proposing to create an assistance-by-hire rate in order to recover flight time costs when an outside agency requests VLHT services from the OCFA. Following is a brief summary of each of the funding components:

SCE Funding: As part of the VLHT Services partnership, SCE will provide \$2,158,000 to cover the fixed costs of leasing the CH-47. The fixed costs include the daily standby rate of \$26,000 for the CH-47 which is by far the largest cost segment.

Current AirOps Budget: Given the recent announcement regarding the grounding of OCFA's Bell Super Huey's (helicopter's 3 and 4), and analysis of the AirOps budget, staff identified just over \$1M in budget cost savings that may be applied to the VLHT Services. These AirOps budget savings include helicopter routine and non-routine maintenance, as well as fuel consumption costs. Staff anticipates applying the AirOps budget cost savings to cover the VLHT variable costs, such as flight time and project management.

2020-21 State Augmentation Funds: This fiscal year, CALFIRE awarded a new allocation of \$689,329 in State Augmentation Funds titled Fire Protection Augmentation 2020-21. This new allocation of funding is above and beyond our annual allocation of State Augmentation Funds. Staff anticipates that approximately \$354,000 will be applied for the VLHT Services. Staff anticipates applying these new State Augmentation Funds to cover the VLHT variable costs, such as flight time and project management.

Assistance-by-Hire (ABH) Cost Recovery: Given that the VLHT Services will be made available to other non-OCFA agencies, staff is proposing to create an ABH rate. The ABH rate will serve as the basis for OCFA to seek

cost recovery for services requested by other fire service agencies. The use of the ABH cost recovery will provide an opportunity to offset and/or replenish the use of the OCFA AirOps budget.

Staff anticipates that reimbursements will cover the flight time with the exception of OCFA fires that are not State Responsibility Area fires. For OCFA related fires, staff anticipates utilizing State Augmentation Funds first to cover our costs followed by AirOps cost savings if funding is needed. To the extent possible, staff will manage and monitor the VLHT Services expenses to achieve near cost neutrality.

7. How will the OCFA be reimbursed for responding to non-OCFA related incidents?

As mentioned above, and similar to when OCFA seeks cost recovery when responding to non-OCFA related incidents, staff is proposing to create an ABH rate to bill for the CH-47 flight time when responding to requests made by agencies outside of OCFA's jurisdiction. The ABH rate will be set at \$7,500 per flight hour as provided in attachment 5 of the September 24, 2020, VLHT Services staff report. By way of comparison, our current agency owned Bell 412 helicopters have an ABH flight hourly rate of \$4,769.66.

At this time we are estimating 150-hours of CH-47 flight time and is too early to tell if the CH-47 will fly the full 150-hours given where we are in the wildland fire season.