



ORANGE COUNTY FIRE AUTHORITY AGENDA

Budget and Finance Committee Regular Meeting

Wednesday, September 14, 2022

12:00 Noon

Regional Fire Operations and Training Center

Board Room

1 Fire Authority Road
Irvine, California 92602

Committee Members

Tri Ta, Chair • John O'Neill, Vice-Chair
Troy Bourne • Shelley Hasselbrink • Gene Hernandez
Austin Lumbard • Mark Tettermer • Vince Rossini • Ed Sachs
Jennifer Cervantez, Ex Officio

NOTICE REGARDING PUBLIC PARTICIPATION DURING COVID-19 EMERGENCY

This meeting is open to the public. In addition, there are several alternative ways to view and to make comments during the meeting including:

View Meeting On-Line:

You may access the meeting live electronically at: <https://player.cloud.wowza.com/hosted/xvtnclkw/player.html>.
(Note: you should use one of the other alternatives below if you want to make comments during the meeting.)

Live Public Comments by Zoom: You may also view and make real-time verbal comments during the meeting via the Zoom link below during the meeting. You will be audible during your comments, but the committee members will not be able to see you. To submit a live comment using Zoom, please be prepared to use the "Raise Your Hand" feature when public comment opportunities are invited by the Chair. (You can raise your hand on your smart phone by pressing *9.) Also, members of the public must unmute themselves when prompted upon being recognized by the Chair in order to be heard. (To unmute your smartphone in Zoom, press *6.)

Public Comments via Zoom: <https://zoom.us/j/83264128588#success>

Meeting ID: 832 6412 8588

Passcode: 298121

Raise Your Hand (press *9) and Unmute (press *6)

E-Comments: Alternatively, you may email your written comments to coa@ocfa.org. E-comments will be provided to the committee members upon receipt and will be part of the meeting record as long as they are received during or before the committee takes action on an item. Emails related to an item that are received after the item has been acted upon by the committee will not be considered.

Further instructions on how to provide comments is available at: <https://ocfa.org/PublicComments>.

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 Committee members 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 the 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>



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 and identify the need and the requested modification or accommodation. Please notify us as soon as is feasible, however 48 hours prior to the meeting is appreciated to enable the Authority to make reasonable arrangements to assure accessibility to the meeting.

CALL TO ORDER – Chair Ta

PLEDGE OF ALLEGIANCE - Director Sachs

ROLL CALL - Clerk of the Authority

PUBLIC COMMENTS

Please refer to instructions on how to submit a public comment during COVID-19 Emergency on Page 1 of this Agenda.

1. PRESENTATION

No items.

2. CONSENT CALENDAR

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

A. Minutes for the Budget and Finance Committee Meetings

Submitted by: Maria Huizar, Clerk of the Authority

The record will reflect that any Director not in attendance at the meeting of the Minutes will be registered as an abstention, unless otherwise indicated.

Recommended Actions:

1. Approve the Minutes for the July 13, 2022, Regular Meeting as submitted.
2. Approve the Minutes for the July 14, 2022, Concurrent Joint Special Meeting as submitted.
3. Approve the Minutes for the July 28, 2022, Concurrent Joint Special Meeting as submitted.
4. Approve the Minutes for the August 25, 2022, Concurrent Joint Special Meeting as submitted.

B. Monthly Investment Reports

Submitted by: Robert Cortez, Assistant Chief/Business Services Department, Tricia Jakubiak, Treasurer/Treasury & Financial Planning and James Slobojan, Assistant Treasurer

Recommended Action:

Review the proposed agenda item and direct staff to place the item on the agenda for the Executive Committee meeting of September 22, 2022, with the Budget and Finance Committee's recommendation that the Executive Committee receive and file the reports.

C. **Fourth Quarter Financial Newsletter**

Submitted by: Robert Cortez, Assistant Chief/Business Services Department, Tricia Jakubiak, Treasurer/Treasury & Financial Planning and Stuart Lam, Budget Manager

Recommended Action:

Review the proposed agenda item and direct staff to place the item on the agenda for the Executive Committee meeting of September 22, 2022, with the Budget and Finance Committee's recommendation that the Executive Committee receive and file the report.

D. **Fourth Quarter Purchasing Report**

Submitted by: Robert Cortez, Assistant Chief/Business Services Department and Sara Kennedy, Purchasing Division Manager

Recommended Action:

Review the proposed agenda item and direct staff to place the item on the agenda for the Board of Directors meeting of September 22, 2022, with the Budget and Finance Committee's recommendation that the Board of Directors receive and file the report.

E. **Annual Investment Report**

Submitted by: Robert Cortez, Assistant Chief/Business Services Department, Tricia Jakubiak, Treasurer/Treasury & Financial Planning and James Slobojan, Assistant Treasurer

Recommended Action:

In compliance with Section 18.2 of the Orange County Fire Authority's Investment Policy, review the proposed annual agenda item and direct staff to place the item on the agenda for the Executive Committee meeting of September 22, 2022, with the Budget and Finance Committee's recommendation that the Executive Committee receive and file the report.

F. **Acceptance of 2022 Department of Homeland Security/Federal Emergency Management Agency's Urban Search & Rescue Preparedness Cooperative Agreement Funding**

Submitted by: Tim Perkins, Division Chief/Operations Department and Kevin Fetterman, Battalion Chief/US&R Program Manager

Recommended Action:

Review the proposed agenda item and direct staff to place the item on the agenda for the Board of Directors meeting of September 22, 2022, with the Budget and Finance Committee's recommendation that the Board of Directors:

1. Approve and adopt the proposed Resolution to accept the Department of Homeland Security/Federal Emergency Management Agency's Grant Readiness Cooperative Agreement funding.
2. Approve a budget adjustment to the FY 2022/23 General Fund (121) budget increasing revenues and expenditures by \$1,247,650

3. DISCUSSION CALENDAR

A. Proposed Purchase of Two Firehawk Helicopters

Submitted by: Brian Fennessy, Fire Chief, Kenny Dossey, Deputy Chief/Emergency Operations Bureau and Lori Zeller, Deputy Chief/Administration and Support Bureau

Recommended Action:

Review the proposed agenda item and direct staff to place the item on the agenda for the Board of Directors meeting of September 22, 2022, with the Budget and Finance Committee's recommendation that the Board of Directors:

1. Approve and authorize the Purchasing Manager to enter into a Master Purchase Agreement with United Rotorcraft, in a form approved by legal counsel (*current draft provided as Attachment 1*), which includes the express condition that the purchase is contingent upon the closure of and funding from the associated lease-purchase financing transaction (anticipated to occur no later than November 7, 2022), utilizing the sole source procurement provision in the Purchasing Ordinance for the provision of two Firehawk (Sikorsky S70 Type 1) helicopters in the amount of \$55,871,980.32 inclusive of Sales Tax.
2. Approve and authorize the Purchasing Manager to enter into a Professional Services Agreement with FlightSafety International, in a form approved by legal counsel (*current draft provided as Attachment 2*), which includes the express condition that the purchase is contingent upon the closure of and funding from the associated lease-purchase financing transaction (anticipated to occur no later than November 7, 2022), utilizing the sole source procurement provision in the Purchasing Ordinance for the provision of OCFA pilot flight safety training to operate the Sikorsky S70 Type 1 helicopters in the amount of \$389,400.
3. Approve and authorize the Purchasing Manager to enter into a Professional Services Agreement with Sikorsky, in a form approved by legal counsel (*current draft provided as Attachment 3*), which includes the express condition that the purchase is contingent upon the closure of and funding from the associated lease-purchase financing transaction (anticipated to occur no later than November 7, 2022), utilizing the sole source procurement provision in the Purchasing Ordinance for the provision of OCFA pilot in-flight training and maintainer training to operate and maintain the Sikorsky S70 Type 1 helicopters in the amount of \$568,460.
4. Direct staff to pursue one of the following lease-purchase financing options and return to the Board of Directors at the October 27, 2022 meeting for approval of the final financing documents: (*Note: Staff will provide supplemental information regarding cost of borrowing for each option prior to, or during the September 14 meeting.*)
 - Option 1:** Term of 7-years
 - Option 2:** Term of 10-years
 - Option 3:** Term of 15-years
5. Approve proposed Resolution adopting OCFA's Local Debt Policy in the form attached hereto as Attachment 4.
6. Direct staff to partner with the City of Irvine and the City of Yorba Linda to coordinate a public hearing pursuant to the Joint Powers Act, which requires one of the member local agencies within the JPA (not the actual JPA itself) to approve the proposed financing of the public capital improvement and make a finding of significant public benefit.
7. Authorize staff to increase revenue and expenditures by \$57,026,440.32 in the FY 2022/23 Adopted Budget, Capital Improvement Program – Fund 133 (Fire Apparatus)

- to recognize the financing proceeds revenue and to increase appropriations for the helicopter acquisition, cost of issuance (includes Municipal Financial Advisor and Special Counsel), and project implementation costs (one-time pilot/mechanic training).
8. Direct staff to return to the Board of Directors in January 2023 with the FY 2022/23 Mid-Year Financial Review, to include necessary adjustments to the Five-Year Capital Improvement Program for the addition of annual lease-purchase installment payments effective starting January 2024, and other CIP adjustments that may be needed for adjusted prioritization of capital projects.
 9. Direct staff to include all supplemental costs associated with the future ongoing operation of the new helicopters, as outlined herein, in the Proposed FY 2023/24 Budget that will be submitted to the Board of Directors for review and approval in May 2023.
 10. Direct staff to return to the Executive Committee with specific timing to be determined based on delivery and operation of the new helicopters, for any related subsequent contract approvals and amendments including (but not limited to) approval of aircraft insurance and adjustment of associated vendor contracts for ongoing augmented pilot training and maintenance programs. Any subsequent contracts or amendments that require a budget adjustment shall be presented to the Board of Directors.
 11. Adopt an exemption from the California Environmental Quality Act (CEQA) pursuant to Title 14, California Code of Regulations, Section 15301 (Existing Facilities) and direct staff to file a Notice of Exemption.

B. Addition of State-Funded Handcrew Positions

Submitted by: Lori Zeller, Deputy Chief/Administration and Support Bureau, Kenny Dossey, Deputy Chief/Emergency Operations Bureau and Stephanie Holloman, Assistant Chief/Human Resources Director

Recommended Action:

Review the proposed agenda item and direct staff to place the item on the agenda for the Board of Directors meeting of September 22, 2022, with the Budget & Finance Committee's recommendation that the Board:

1. Increase General Fund (121) revenues and expenditures in the FY 2022/23 Adopted Budget by \$4,233,333 for the ongoing addition of state-funded handcrews.
2. Approve the addition of the following state-funded positions to the Master Position Control List: one (1) Hand Crew Superintendent, two (2) Fire Captains, three (3) Fire Apparatus Engineers, twenty (20) Hand Crew Firefighters and one (1) Human Resources Analyst II.

C. Award of RFP# RO2480a Armed Physical Security/Security Management Services and Approval of Corresponding Budget Adjustments

Submitted by: Jim Ruane, Assistant Chief/Logistics Department and Patrick Bauer, Property Manager/Logistics Department

Recommended Action:

Review the proposed agenda item and direct staff to place the following on the agenda for the Board of Directors meeting on September 22, 2022, with the Budget and Finance Committee's recommendation that the Board of Directors:

1. Approve and authorize the Purchasing Manager to execute the proposed Security Services Agreement (Attachment 1) for Armed Physical Security and Security Management Services with the Orange County Sheriff's Department for a three-year initial term plus two optional one-year renewals in an amount not to exceed \$1,304,269 annually (\$6,521,345 5-year aggregate), plus allowances for annual cost adjustments as described in Exhibit "B" of the Agreement.
2. Direct staff to make the recommended budget adjustment, as noted in the fiscal impact section of this report.
3. Approve and authorize the Purchasing Manager to increase and extend the existing contract with Allied Universal as needed to allow for the transition to the new contract for Armed Physical Security Services

D. Carryover of FY 2021/22 Uncompleted Projects

Submitted by: Robert Cortez, Assistant Chief/Business Services Department, Tricia Jakubiak, Treasurer/Treasury & Financial Planning and Stuart Lam, Budget Manager

Recommended Action:

Review the proposed agenda item and direct staff to place the item on the agenda for the Board of Directors meeting of September 22, 2022, with the Budget and Finance Committee's recommendation that the Board of Directors authorize the following proposed budget adjustments:

1. Approve a budget adjustment in the FY 2022/23 General Fund (121) to adjust revenues by \$16,168,371 and expenditures by \$15,945,596.
2. Approve a budget adjustment in the FY 2022/23 General Fund CIP (12110) to adjust expenditures by \$3,171,048.
3. Approve a budget adjustment in the FY 2022/23 Fire Stations and Facilities Fund (123) to adjust expenditures by \$20,162,709.
4. Approve a budget adjustment in the FY 2022/23 Communications and Information Systems Fund (124) to adjust expenditures by \$2,557,847.
5. Approve a budget adjustment in the FY 2022/23 Fire Apparatus Fund (133) to adjust expenditures by \$2,113,000.
6. Approve a budget adjustment in the FY 2022/23 Settlement Agreement Fund (139) to adjust expenditures by \$1,500,000.
7. Approve a budget adjustment in the FY 2022/23 Structural Fire Entitlement Fund (171) to adjust expenditures by \$4,301,785.

REPORTS

No items.

COMMITTEE MEMBER COMMENTS

ADJOURNMENT – The next regular meeting of the Budget and Finance Committee is scheduled for Wednesday, October 12, 2022, at 12:00 p.m.

AFFIDAVIT OF POSTING

I hereby certify under penalty of perjury and as required by the State of California, Government Code § 54954.2(a), that the foregoing Agenda was posted in the lobby and front gate public display case 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.

Maria D. Huizar, CMC
 Clerk of the Authority

FUTURE B&FC AGENDA ITEMS – THREE-MONTH OUTLOOK:

- Monthly Investment Report
- 1ST Quarter Financial Newsletter
- 1st Quarter Purchasing Report
- Annual Statement of Investment Policy and Investment Authorization
- Annual Comprehensive Financial Report
- Approval of Helicopter Lease-Purchase Finance Agreement

UPCOMING MEETINGS:

Concurrent Joint Special Meeting of the Board of Directors and Committees Executive Committee	Thursday, September 22, 2022, 6:00 p.m. Thursday, September 22, 2022, 5:30 p.m.
Board of Directors	Thursday, September 22, 2022, 6:00 p.m.
Budget and Finance Committee	Wednesday, October 12, 2022, 12 noon
Concurrent Joint Special Meeting of the Board of Directors and Committees	Thursday, October 13, 2022, 6:00 p.m.
Legislative and Public Affairs Committee	Wednesday, October 19, 2022, 12 noon