



ORANGE COUNTY FIRE AUTHORITY

AGENDA

BOARD OF DIRECTORS SPECIAL MEETING
Thursday, October 15, 2015
6:30 P.M.

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

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

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



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

CALL TO ORDER

INVOCATION by OCFA Chaplain Duncan McColl

PLEDGE OF ALLEGIANCE by Director Shawver

ROLL CALL

PUBLIC COMMENTS – CLOSED SESSION

At this time, any member of the public may address the Board on items listed under Closed Session. Comments are limited to three minutes per person. Please address your comments to the Board as a whole, and do not engage in dialogue with individual Board Members, Authority staff, or members of the audience.

CLOSED SESSION**CS1. CONFERENCE WITH LABOR NEGOTIATOR**

Chief Negotiator: Peter Brown, Liebert Cassidy Whitmore

Employee Organizations: Orange County Professional Firefighters' Association,
Local 3631 and Orange County Fire Authority Chief
Officers' Association

Authority: Government Code Section 54957.6

CS2. CONFERENCE WITH LEGAL COUNSEL – INITIATION OF LITIGATION

Authority: Government Code Section 54956.9(d)(4) (1 case)

CS3. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

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

CLOSED SESSION REPORT**PRESENTATIONS**

No items.

REPORT FROM THE BUDGET AND FINANCE COMMITTEE CHAIR**REPORT FROM THE HUMAN RESOURCES COMMITTEE CHAIR****REPORT FROM THE CLAIMS SETTLEMENT COMMITTEE CHAIR****REPORT FROM THE FIRE CHIEF**

- Domain Objectives and Performance Measures
- California Fires Status (Thomas)

PUBLIC COMMENTS – PUBLIC SESSION

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 as a whole, 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.

2. MINUTES

A. Minutes from the September 24, 2015, Regular Board of Directors Meeting
Submitted by: Sherry Wentz, Clerk of the Authority

Recommended Action:
Approve as submitted.

3. CONSENT CALENDAR

A. Board Meeting Schedule for Calendar Year 2016
Submitted by: Lori Zeller, Assistant Chief/Business Services Department

Recommended Action:
Adopt the proposed Resolution amending the 2016 Meeting Schedule for the Orange County Fire Authority Board of Directors.

4. PUBLIC HEARING(S)

No items.

5. DISCUSSION CALENDAR

A. Amendments to the Board Rules of Procedure
Submitted by: Lori Zeller, Assistant Chief/Business Services Department

Recommended Action:
Adopt the proposed Resolution to amend the Board of Directors Rules of Procedure relating to the dates/times of regular Board/Committee meetings, date of annual election of Board Chair/Vice Chair, Designated Labor Negotiators, the provision of materials for Board Members, and additional minor clean-up items relating to the discontinued use of Board Alternates and the Deputy Fire Chief.

B. Amendment to Advanced Life Support Billing/Reimbursement Agreements
Submitted by: Lori Zeller, Assistant Chief/Business Services Department

Recommended Actions:

1. Approve and authorize the Board Chair to sign an Amendment to the Advanced Life Support Services Billing Agreement in the form provided, to temporarily suspend any increases in the OCFA's Reimbursement Rates for twelve months.
2. Direct staff to request that the County CEO remove the Advance Life Support billing and reimbursement rates from the October 27, 2015, Board of Supervisor's agenda or subsequent agenda for one year.

BOARD MEMBER COMMENTS

ADJOURNMENT - The next regular meeting of the Orange County Fire Authority Board of Directors is scheduled for November 19, 2015, 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 Training and Operations Center, 1 Fire Authority Road, Irvine, CA, not less than 72 hours prior to the meeting. Dated this 8th day of October 2015.

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

UPCOMING MEETINGS:

Board of Directors Meeting (Cancelled)	Thursday, October 22, 2015, 6:00 p.m.
Human Resources Committee Meeting	Tuesday, November 3, 2015, 12:00 noon
Budget and Finance Committee Meeting	Wednesday, November 4, 2015, 12:00 noon
Claims Settlement Committee Meeting	Thursday, November 19, 2015, 5:30 p.m.
Board/Executive Committee Meeting*	Thursday, November 19, 2015, 6:00 p.m.

* In keeping with our Board Rules of Procedure, these meetings are being combined due to the upcoming Thanksgiving holiday.

MINUTES ORANGE COUNTY FIRE AUTHORITY

**Board of Directors Regular Meeting
Thursday, September 24, 2015
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 September 24, 2015, at 6:02 p.m. by Chair Hernandez.

INVOCATION

Chaplain Ken Krikac offered the invocation.

PLEDGE OF ALLEGIANCE

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

ROLL CALL

Angelica Amezcua, Santa Ana
Rick Barnett, Villa Park
Craig Green, Placentia
Noel Hatch, Laguna Woods
Robert Johnson, Cypress
Joseph Muller, Dana Point
Dwight Robinson, Lake Forest
Don Sedgwick, Laguna Hills
David Sloan, Seal Beach
Elizabeth Swift, Buena Park
Phillip Tsunoda, Aliso Viejo

Robert Baker, San Clemente
Gerard Goedhart, La Palma
Shelley Hasselbrink, Los Alamitos
Gene Hernandez, Yorba Linda
Jerry McCloskey, Laguna Niguel
Al Murray, Tustin
Ed Sachs, Mission Viejo
David Shawver, Stanton
Todd Spitzer, County of Orange
Tri Ta, Westminster

Absent: Lisa Bartlett, County of Orange
Jeffrey Lalloway, Irvine

Carol Gamble, Rancho Santa Margarita
John Perry, San Juan Capistrano

Also present were:

Fire Chief Jeff Bowman
Assistant Chief Lori Zeller
Assistant Chief David Thomas
General Counsel David Kendig

Assistant Chief Mike Schroeder
Communications Director Sandy Cooney
Human Resources Director Jeremy Hammond
Clerk of the Authority, Sherry Wentz

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

PUBLIC COMMENTS – CLOSED SESSION (F: 11.11)

Stephen Wontrobski, Mission Viejo resident, spoke in opposition to Closed Session item CS1, Conference with Labor Negotiator. He also inquired as to whether the initiation of litigation had been disclosed from the previous Board meeting.

General Counsel David Kendig reported the individual had not been served yet, as such it is not reportable at this time.

At Chair Hernandez's discretion, Agenda Items 1C and 1B were brought forward to accommodate staff and their family in attendance for these presentations.

PRESENTATIONS

1. Requests for Commendations and Proclamations (X: 11.09)

C. Recognition of Departing Division Chiefs/Introduction of New Division Chiefs (F: 11.09D)

Assistant Chief Dave Thomas introduced, and Chair Hernandez and Fire Chief Bowman recognized retiring Division Chiefs Kris Concepcion and Devin Leonard. Assistant Chief Thomas introduced newly promoted Division Chiefs Dave Anderson and Randy Black.

B. Achievement of Excellence Procurement Award to OCFA's Purchasing Division (F: 17.10I)

Chair Hernandez and Chief Bowman presented the purchasing staff with the National Procurement Institute's Annual Achievement of Excellence Procurement Award for 2015.

CLOSED SESSION (F: 11.15)

General Counsel Kendig reported the Board would be convening to Closed Session to consider the matters on the Agenda identified as CS1, Conference with Labor Negotiator, CS2, Conference with Labor Negotiators, CS3, Conference with Legal Counsel – Initiation of Litigation, and CS4, Conference with Legal Counsel – Anticipated Litigation.

Chair Hernandez recessed the meeting to Closed Session at 6:25 p.m.

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CS1. CONFERENCE WITH LABOR NEGOTIATOR

Chief Negotiator: Peter Brown, Liebert Cassidy Whitmore
Employee Organizations: Orange County Professional Firefighters' Association,
Local 3631 and Orange County Fire Authority Chief
Officers' Association
Authority: Government Code Section 54957.6

CS2. CONFERENCE WITH LABOR NEGOTIATORS

OCFA Designated Labor Negotiators: Board Chair Gene Hernandez, Board Vice
Chair Beth Swift, and Budget and Finance Committee Chair Jerry
McCloskey
Authority: Government Code Section 54957.6
Unrepresented Employee: Fire Chief

CS3. CONFERENCE WITH LEGAL COUNSEL – INITIATION OF LITIGATION

Authority: Government Code Section 54956.9(d)(4) (1 case)

CS4. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

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

Director Amezcua and Tsunoda arrived at this point. (6:49 p.m.)

Chair Hernandez reconvened the meeting at 7:13 p.m., with all prior Board members present.

CLOSED SESSION REPORT (F: 11.15)

General Counsel David Kendig stated there were no reportable actions.

Director Ta arrived at this point. (7:30 p.m.)

CONTINUED PRESENTATIONS

2. Requests for Commendations and Proclamations (continued)

A. Presentation of Fireman's Fund Grant (F: 11.09)

Legislative Analyst Jay Barkman introduced John Jasinski, executive vice president of CITA Insurance Services, and Michael Bibeau Fireman's Fund business manager; they presented the OCFA with a grant of \$8,000 with Fireman's Fund for community outreach and education.

Minutes

OCFA Board of Directors Regular Meeting

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

Budget and Finance Committee Chair McCloskey reported at the September 9, 2015, meeting the Committee voted unanimously to direct staff to place the Monthly Investment Reports on the agenda for the Executive Committee meeting, with the Budget and Finance Committee's recommendations that the Executive Committee receive and file the reports. The Committee also voted to direct staff to place the Rebudget of FY 2014/15 Uncompleted Projects, the Interim Regional Fire Operations and Training Center Security Enhancements, and the Start-Up Funds/Orange County Task Force on Drowning Prevention on the agenda for the Board of Directors meeting, with the Budget and Finance Committee's recommendation to approve the recommended actions.

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

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

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

Chair Hernandez reported at its September 17, 2015, meeting the Committee considered a Worker's Compensation Claim for claimant Jeff Del Campo. There is not reportable action on the claim.

REPORT FROM THE FIRE CHIEF (F: 11.14)

Fire Chief Jeff Bowman introduced Assistant Chief Dave Thomas who provided a Power Point presentation on the California fire activity report. Chief Bowman introduced Communications Director Sandy Cooney who reported on a meeting with Assembly Member Pat Bates and Senate Member Bill Brough, to discuss creating an emergency care center at the existing San Clemente hospital. Lastly, Chief Bowman introduced Assistant Fire Chief Mike Schroeder to report on the launch of the next generation Vesta 9-1-1 phone system.

PUBLIC COMMENTS – PUBLIC SESSION (F: 11.11)

Stephen Wontrobski, Mission Viejo resident, informed the Board that he is being harassed by officials of Local 3631 during Board meetings, and requested the protocol to keep this from happening. He also addressed his request regarding ALS/BLS information.

2. MINUTES

A. Minutes from the August 27, 2015, Special Board of Directors Meeting (F: 11.06)

On motion of Director Johnson and second by Vice Chair Swift, the Board of Directors voted by those present to approve the Minutes of August 27, 2015, as submitted. Directors Robinson, Sedgwick, and Spitzer, were recorded as abstaining, due to their absence from the meeting.

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

A. Rebudget of FY 2014/15 Uncompleted Projects (F: 15.04 14/15)

On motion of Director Murray and second by Director Shawver, the Board of Directors voted unanimously by those present to authorize the following FY 2015/16 budget adjustments, which are funded from unexpended fund balance available from FY 2014/15:

Fund	Increase Revenue	Increase Appropriations	Appropriate Fund Balance
121 – General Fund	\$956,729	\$1,541,022	\$584,293
12110 – General Fund CIP	0	822,032	822,032
12150 – Facilities Maintenance	0	400,000	400,000
133 – Vehicle Replacement	0	1,894,965	1,894,965

B. Interim Regional Fire Operations and Training Center (RFOTC) Security Enhancements (F: 19.07B2)

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

1. Direct staff to proceed with interim RFOTC security enhancements.
2. Approve the budget adjustment increasing appropriations in the FY 2015/16 General Fund by \$22,000 for interim RFOTC security enhancements.

C. Ratify Appointments to Executive Committee (F: 12.02A1)

On motion of Director Murray and second by Director Shawver, the Board of Directors voted unanimously by those present to ratify the Executive Committee appointments of Director Gamble as an at-large member, and Directors Muller and Sachs as Structural Fire Fund alternates.

D. Response to Grand Jury Report: “Unfunded Retiree Healthcare Obligations – A Problem for Public Agencies?” (F: 20.04A8)

This item was pulled by Stephen Wontrobski, Mission Viejo resident, who addressed his concerns about OCFA’s Unfunded Actuarial Accrued Liability and impacts on OCFA member agencies should the OCFA declare bankruptcy.

On motion of Director Shawver and second by Director Ta, the Board of Directors voted by those present to approve and authorize the Fire Chief to submit the proposed response to the recommendations contained in the Grand Jury Report entitled “*Unfunded Retiree Healthcare Obligations – A Problem for Public Agencies?*” to the Presiding Judge of the Superior Court and to the Orange County Grand Jury.

END OF CONSENT CALENDAR

4. PUBLIC HEARING(S)

No items.

5. DISCUSSION CALENDAR

**A. OCFA Foundation Fundraising Efforts & PulsePoint Project Request
(F: 19.08A2a7)**

OCFA Foundation Chair Doug Davert provided a Power Point presentation regarding the PulsePoint project.

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

1. Authorize OCFA support of the PulsePoint project by approving \$10,000 in funding to supplement the \$28,000 project budget previously funded through the OCFA Foundation.
2. Increase FY 2015/16 General Fund appropriations by \$10,000 to fund OCFA’s contribution to the PulsePoint project.
3. Direct staff to report back to the Board of Directors in six months with a project update and to obtain authorization for any future contract renewals that may be recommended.

B. Start-Up Funds/Orange County Task Force on Drowning Prevention (F: 20.18)

Communications Director Sandy Cooney presented the staff report and introduced Director Murray who provided an update on recent meetings held by the Task Force.

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

1. Increase appropriations in the FY 2015/16 General Fund budget not to exceed \$25,000 for seed funding for the Orange County Drowning Prevention Task Force.
2. Direct staff, in collaboration with county agencies, to develop a plan for use of the funds for start-up expenses, to include market research and focus groups.
3. The release of this seed funding is contingent upon the commitment of contributions by other agencies.

**C. Amendment to Employment Agreement with Fire Chief Jeff Bowman
(F: 17.10A2)**

Human Resources Director Jeremy Hammond summarized the amendment to the agreement.

On motion of Director Murray and second by Director Shawver, the Board of Directors voted to approve an amendment to the employment agreement with Fire Chief Jeff Bowman. Director Barnett voted in opposition.

BOARD MEMBER COMMENTS (F: 11.13)

Director Hatch noted the invocation was meaningful and he was appreciative of the dedication of the entire OCFA organization.

Director Murray thanked both OCFA Foundation Chair Doug Davert and the Board of Directors for their support of the OC Task Force on Drowning Prevention.

Director Sachs commented on the Fallen Heroes Golf Tournament/Fundraiser.

Vice Chair Swift encouraged the public to sign up for Alert OC, announced current traffic conditions on Beach Boulevard, and the City's land swap with Knott's Berry Farm for the proposed relocation/construction of Station 61.

Chair Hernandez reported attending the Benevolent Fall Festival along with Vice Chair Swift. He asked everyone to keep good thoughts for firefighter Bob James, and invited the Board to attend Yorba Linda's State of the City on Wednesday, October 14, 2015.

ADJOURNMENT – Chair Hernandez adjourned the meeting at 8:19 p.m. The next regular meeting of the Orange County Fire Authority Board of Directors is scheduled for October 22, 2015, 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
October 15, 2015

Agenda Item No. 3A
Consent Calendar

Board Meeting Schedule for Calendar Year 2016

Contact(s) for Further Information

Lori Zeller, Assistant Chief lorizeller@ocfa.org 714.573.6020
Business Services Department

Sherry Wentz, Clerk of the Authority sherrywentz@ocfa.org 714.573.6041

Summary

This item is submitted for approval of an amended regular meeting schedule for the Board of Directors for calendar year 2016.

Prior Board/Committee Action

At its September 26, 2013, meeting the Board adopted Resolution No. 2013-12 to temporarily expand the dates of the regular Board of Directors' meetings for calendar year 2014, due to the then upcoming labor contract negotiations. At its January 22, 2015, meeting the Board continued the use of these meetings for this same purpose for its 2015 meeting schedule by the adoption of Resolution No. 2015-02.

RECOMMENDED ACTION(S)

Adopt the proposed Resolution amending the 2016 Meeting Schedule for the Orange County Fire Authority Board of Directors.

Impact to Cities/County

Not Applicable.

Fiscal Impact

There is no fiscal impact.

Background

At its October 23, 2014, meeting the Board approved a Memorandum of Understanding (MOU) between the Orange County Fire Authority and the Orange County Professional Firefighters' Association, Local 3631, for a term of November 1, 2014, to October 31, 2015. While negotiations for this contract are currently underway, there is the likelihood that negotiations will extend beyond the current term of the MOU.

With on-going labor contract negotiations throughout 2015 and potential continuation into 2016, OCFA staff recommends that the Board again expand its regular 2016 Meeting Schedule to temporarily continue holding monthly Board meetings during 2016 (see Resolution's Exhibit to Attachment for specific meeting dates) until the labor negotiation process has been completed with a new MOU approved and implemented. These additional meetings would enable the Authority's labor negotiators to continue to obtain direction from the Board regarding desired objectives for negotiations and to report progress during on-going negotiations.

In keeping with the Board Rules of Procedure, the Board Chair has the discretion to cancel any meeting should there be a lack of business.

The proposed Resolution adheres to the established meeting schedule of meeting on the fourth Thursday of the month with the exception of the November meeting. The meeting for the month of November has been scheduled for the third Thursday to be combined with the regular Executive Committee, due to the Thanksgiving holiday. The temporary schedule will continue the Board's tradition of going dark in the month of December.

Attachment(s)

Proposed Resolution

RESOLUTION NO. 2015-XX

**A RESOLUTION OF THE ORANGE COUNTY FIRE AUTHORITY
BOARD OF DIRECTORS AUTHORIZING TO TEMPORARILY
EXPAND THE REGULAR MEETING DATES OF THE BOARD OF
DIRECTORS FOR CALENDAR YEAR 2016**

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

WHEREAS, a Board of Directors was established; and

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

WHEREAS, due to continued labor negotiations it has been determined that it would be in the Board's interest to temporarily meet on a monthly basis during the 2016 calendar year and utilize these additional meetings for staff to obtain direction from the Board regarding its desired objectives and to report on progress during the on-going labor negotiations.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Orange County Fire Authority does hereby adopt the attached exhibit establishing meeting dates for calendar year 2016.

PASSED, APPROVED and ADOPTED this 15th day of October 2015.

GENE HERNANDEZ, CHAIR
Board of Directors

ATTEST:

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

2016 MEETING SCHEDULE



ORANGE COUNTY FIRE AUTHORITY Board of Directors

MEETING DATES

January 28

February 25

March 24

April 28

May 26

June 23

July 28

August 25

September 22

October 27

November 17*

December – Dark

***Meeting will be held on the same date as the Executive Committee,
due to the upcoming Thanksgiving holiday.**

MEETING TIME – PER CURRENT BOARD RULES OF PROCEDURE

LOCATION OF MEETINGS:

RFOTC – Board Room

1 Fire Authority Road

Irvine, California 92602

(714) 573-6000



Orange County Fire Authority
AGENDA STAFF REPORT

Board of Directors Meeting
October 15, 2015

Agenda Item No. 5A
Discussion Calendar

Amendments to Board Rules of Procedure

Contact(s) for Further Information

Lori Zeller, Assistant Chief Business Services Department	lorizeller@ocfa.org	714.573.6020
Sherry Wentz, Clerk of the Authority	sherrywentz@ocfa.org	714.573.6041

Summary

This item is submitted for consideration of amendments to modify Rules 1, 6, 11, and 12 of the Board of Directors Rules of Procedure relating to the time of regular Board meetings, date of annual election of Board Chair/Vice Chair, the provision of materials for Board Members, and additional minor clean-up changes due to the deletion of the use of Board alternates and Deputy Fire Chief.

Prior Board/Committee Action

Not applicable.

RECOMMENDED ACTION(S)

Adopt the proposed Resolution to amend the Board of Directors Rules of Procedure relating to the dates/times of regular Board/Committee meetings, date of annual election of Board Chair/Vice Chair, Designated Labor Negotiators, the provision of materials for Board Members, and additional minor clean-up items relating to the discontinued use of Board Alternates and the Deputy Fire Chief.

Impact to Cities/County

Not Applicable.

Fiscal Impact

Hard cost savings of \$15,000 per year associated with reduction in meal service and stipend payments. There would also be additional soft cost savings associated with staff time (room preparation, meal service coordination, multi-media recording, meeting participation/attendance, and security), utilities (lights and air conditioning), and Board members' travel time.

Background

The Board of Directors Rules of Procedure set forth the protocols and procedures pertaining to meetings of the Board of Directors and its standing committees. The Board Rules are periodically reviewed and amended as appropriate. Staff is recommending the following amendments:

Rule 1 – Date and Time of Meetings of the Board of Directors and Executive Committee

The Board Rules were amended on June 26, 2014, to change the Claims Settlement Committee (CSC) and the Executive Committee (EC) regular meeting dates from the fourth Thursday of the

month to the third Thursday of the month, due to the increasing occurrence of Executive Committee meetings extending beyond the projected end time and overlapping with the Board of Directors meeting convene time. A problem not originally foreseen was the impact to the agenda preparation process in a lack of time to include the outcome of committee actions into the Executive Committee staff reports or revisions to staff reports based upon committee discussion/direction.

At the request of Board Chair Hernandez and concurrence of Vice Chair Swift and Chief Bowman, we are proposing to move the dates of the CSC and EC back to the fourth Thursday of each month, with CSC to begin at 5:00 p.m. and the EC to begin at 5:30 p.m. The Board of Directors meeting would begin at 6:00 p.m. for purposes of Closed Session, and the Public Session would continue to convene at 7:00 p.m.

With the improved streamlining revisions to the format of agenda staff reports and proactive outreach by staff to Directors prior to meetings, the EC meetings are proceeding much more smoothly than in the past. Returning the CSC and EC meetings back to the same dates as the Board meetings will be a more efficient use of resources with yearly hard costs savings of \$15,000 as well as additional soft costs savings.

Rule 6 – Election of Chair and Vice Chair

Annually in July, the Board of Directors elects its Chair and Vice Chair for the ensuing term, which currently coordinates with the fiscal year. Due to the outcome of elections in November, there has been the occasion that a Chair has not returned to the Board. Staff is recommending that the annual election take place in January of each year, which would minimize the impact of seating a new Chair and/or Vice Chair, since most cities election results take effect in December, and our Board normally goes dark in December. We are also recommending that this transition take place in January 2017, which would allow our current Chair and Vice Chair to serve for a full term.

Rule 11 – Designated Labor Negotiators (Relating to Fire Chief’s Contract)

It was recommended in connection with prior performance reviews of the Fire Chief that the Board’s Immediate Past Chair be included in the process, since this position would be able to provide substantial input on the Chief’s performance.

Rule 12 - Provision of Materials for Board Members

Rule 12 was originally dedicated to Board Alternates, which is no longer applicable. It has been amended for the purpose of providing guidance associated in the provision of materials to Board Members. Formalizing the establishment of a process will greatly assist current and future staff and Board Members in their expectations in processing these requests. The proposed amendments outline requests for materials that are not maintained by the OCFA in its normal course of business that require extensive research/analysis and document creation; Public Records Act requests by Board Members for official business purposes; and document provision for personal use.

[Attachment\(s\)](#)

Proposed Resolution

RESOLUTION NO. 2015-XX

**A RESOLUTION OF THE ORANGE COUNTY FIRE AUTHORITY
AMENDING THE BOARD OF DIRECTORS RULES OF PROCEDURE**

WHEREAS, the Orange County Fire Authority Board of Directors adopted Resolution No. 99-04, on January 28, 1999, establishing the Board of Directors Rules of Procedure, and

WHEREAS, the Board of Directors has periodically amended said Rules, the most recent amendment occurring on April 23, 2015; and

WHEREAS, the Board is considering amendments to these Rules.

NOW, THEREFORE, BE IT RESOLVED as follows:

The Board of Directors Rules of Procedures is amended as indicated by the redline version attached hereto as Exhibit A.

PASSED, APPROVED and ADOPTED this 15th day of October 2015.

GENE HERNANDEZ, CHAIR
OCFA Board of Directors

ATTEST:

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

O C F A B O A R D O F D I R E C T O R S



**ORANGE COUNTY FIRE AUTHORITY
BOARD OF DIRECTORS
RULES OF PROCEDURE
(Last Revision: ~~04/23/15~~10/15/15)**

- Rule 1 Time and Place of Meetings of the Board of Directors and the Executive Committee
- Rule 2 Agendas/Minutes for Meetings of the Board of Directors
- Rule 3 Order of Business for Meetings of the Board of Directors
- Rule 4 Motions During Meetings of the Board of Directors
- Rule 5 Decorum for Public Meetings
- Rule 6 Election of Chair and Vice Chair of the Board of Directors/
Absence of Presiding Officer
- Rule 7 Retention of Exhibits and Documentary Material received in Hearings Before the Board of Directors
- Rule 8 Ceremonial Functions and Proclamations
- Rule 9 The Executive Committee
- Rule 10 The Standing Committees
- Rule 11 Designated Labor Negotiations
- Rule 12 ~~Alternate Directors~~Provision of Requested Materials by Board Members
- Rule 13 Compensation/Reimbursement for Expenses
- Rule 14 Amendment of Rules of Procedure

RULE 1. TIME AND PLACE OF MEETINGS OF THE BOARD OF DIRECTORS AND THE EXECUTIVE COMMITTEE

- (a) Except as otherwise provided in this Rule or by Resolution of the Board, a regular meeting of the Board of Directors shall be held on the fourth Thursday of each odd-numbered month, commencing at the hour of 6:00 p.m. in the Board Meeting Room, Regional Fire Operation and Training Center (RFOTC), One Fire Authority Road, Irvine. The meeting for the month of November shall be scheduled for the third Thursday, commencing at the hour of ~~6:00~~5:30 p.m. in the Board Meeting Room, RFOTC, One Fire Authority Road, Irvine. Special meetings may occur on other dates, times, and/or locations as noticed.
- (b) Except as otherwise provided in this Rule, a regular meeting of the Executive Committee shall be held on the ~~third~~fourth Thursday of each month, with the exception of December, commencing at the hour of ~~6:00~~5:30 p.m. in the Board

Meeting Room, RFOTC, One Fire Authority Road, Irvine. Due to the Thanksgiving holiday, the regular November Executive Committee meeting business will be combined with the Board of Director's meeting. Special meetings may occur on other dates, times, and/or locations as noticed.

- (c) The Clerk of the Authority shall maintain the official meeting calendar, and shall post same in the display case located in the lobby of the Board Meeting Room and posting case outside main entry gate, RFOTC, One Fire Authority Road, Irvine.
- (d) Any meeting of the Board may be adjourned to any other date and time when necessary for the transaction of business. Any adjourned meeting of the Board is part of a regular meeting.
- (e) Special meetings of the Board may be called pursuant to and in accordance with Section 54956 of the Government Code. The Clerk shall prepare the notice and call of any special meeting. The notice shall specify the time and place of the special meeting and the business to be transacted. No other business shall be considered at such special meeting. A copy of the notice of the special meeting shall also be posted at the places designated in subsection (c) of Rule 1.
- (f) In the event the Board or Executive Committee, or their respective Chairs, determine it advisable to hold a regular meeting at a location other than the Board Meeting Room, RFOTC, One Fire Authority Road, Irvine, a notice specifying the location of such meeting shall be posted in the display case in the lobby of the Board Meeting Room and posting case outside main entry gate, RFOTC, One Fire Authority Road, Irvine. Additional notices shall be posted and maintained as set forth in (c) above.

RULE 2. AGENDAS/MINUTES FOR MEETINGS OF THE BOARD OF DIRECTORS

- (a) Items for the agenda for any regular meeting of the Board may be included on the agenda only with the approval of the Fire Chief or the Chair of the Board.
- (b) During the Board Member Comments portion of a Board meeting, any member may request that an item be placed on a future agenda of the Board of Directors. Staff will prepare reports as appropriate and place the item on the agenda for the next meeting of the Board of Directors. At any other time, any Board Member may contact the Chair to request that an item be placed on the agenda of the next meeting of the Board of Directors. This item will be placed on the Board Discussion Calendar portion of the agenda for concurrence by the Board. No staff reports or materials will be prepared until the full Board directs that the item be placed on an agenda.
- (c) As required by the Ralph M. Brown Act, items not on the posted agenda for a meeting shall not be considered by the Board except as follows:
 - (1) Upon determination by a majority vote of the Board that an emergency situation exists. The determination shall be made prior to Board consideration of the emergency item. An emergency situation is limited to:

- (a) Work stoppage or other activity which severely impairs public health, safety or both.
 - (b) Crippling disaster which severely impairs public health, safety or both.
- (2) Upon determination by a two-thirds vote of the Board Members present, or a unanimous vote if less than two-thirds of the Members are present, that there is a need to take immediate action and that the need came to the attention of the Authority subsequent to the agenda being posted. The determination shall be made prior to Board consideration of the item.
- (3) The item was posted for a prior meeting occurring not more than five calendar days prior to the date action is taken on the item and at which prior meeting, the item was continued to the meeting at which action is being taken.
- (d) The OCFA Board has adopted the use of Robert’s Rules of Order as its official guideline in the creation of minutes. All Board/Committee meeting will be documented using action-type minutes. Minutes will document the record of what actions were taken by the governing body, not what was said. The minutes will not contain personal comments or someone’s opinion about what happened.
- (1) The minutes shall document the items identified in Rule 3 in the Board’s Order of Business.
 - (2) Public comments will identify the name of the speaker, their city of residences/or organization they represent (if provided by the speaker), and identify the subject to which their comments are being submitted. If commenting on a specific agenda item, the minutes will record the speaker’s name, their city of residences/or organization they represent (if provided), and identify if they are speaking in support or opposition of that item.
- (e) “Notwithstanding any provision in these Rules to the contrary, no Memorandum of Understanding, or amendment, codicil, side letter, or any other modification to a Memorandum of Understanding, including any such documents negotiated pursuant to a reopener clause, between the Orange County Fire Authority and any employee bargaining unit (“proposed labor agreement”), shall be heard as an item on a Board agenda until and unless, at the time of the meeting during which the matter is heard by the Board, seven days has passed since the later of the following to occur: (1) the Clerk of the Authority has published a copy of the proposed document on the OCFA public website; and (2) the members of the employee bargaining unit have ratified the proposed labor agreement.”

RULE 3. ORDER OF BUSINESS FOR MEETINGS OF THE BOARD OF DIRECTORS

- (a) The business for regular meetings of the Board shall include:
- Invocation
 - Pledge of Allegiance
 - Roll Call
 - Presentations
 - Committee Reports

Fire Chief's Report

Public Comments

Minutes

Consent Calendar

- (1) Agenda review at call of the Chair to identify those items on the Consent Calendar which a member of the Board or public requests the opportunity to discuss.
- (2) Approval at the call of the Chair of those items for which there is no request for discussion.
- (3) Discussion of items that the public has requested an opportunity to discuss shall be taken in sequential order.

Public Hearing(s)

Discussion Calendar

Closed Session

Closed Session Report

Adjournment

The Chair may alter or deviate the order of business.

- (b) 9:30 p.m. Rule: At the hour of 9:30 p.m. the meeting will take a brief moment from the agenda at hand and make a determination as to which items will be considered and those that may be continued to the next regular meeting.
- (c) 10:30 p.m. Curfew: All meetings will end business at 10:30 p.m. unless the hearing body elects to extend the curfew by a three-fifths vote of all members present.

RULE 4. MOTIONS DURING MEETINGS OF THE BOARD OF DIRECTORS

- (a) Action of the Board shall be taken by motion. Any action of the Board may be proposed by the motion of any Member. Such a motion, if seconded by any member, shall be on the floor and must be considered, unless a substitute motion has been made, seconded, and adopted. If a motion is not seconded, the motion fails for lack of a second, and shall be so declared by the Chair.
- (b) A motion may be withdrawn or amended by its maker at any time before adoption or rejection, with the consent of the second. Absent the consent of the second, the original motion shall remain on the floor. The second to a motion may be withdrawn by the seconder at any time before adoption or rejection of the motion. Upon withdrawal of the second, the motion will be lost for lack of a second and so declared by the Chair unless seconded by another Member.
- (c) After a motion has been seconded, any Member may discuss the subject of the motion. The Chair may, on any motion, call for the vote if it appears that further discussion will be repetitious or that a majority of the Members present concur in the call.
- (d) A motion to reconsider the vote on an agenda item may be made at the meeting at which the item was acted upon, or any adjourned session of the same meeting.

RULE 5. DECORUM FOR PUBLIC MEETINGS

- (a) Members of the Board shall conduct themselves in an orderly and business-like manner to ensure that the business of the Authority shall be attended to efficiently and thoroughly and to ensure that the integrity of the deliberative process of the Board is maintained at all times. Members of the Board shall maintain a polite, respectful, and courteous manner when addressing one another, Authority staff, and members of the public during the meetings.
- (b) Subject to direction by a majority of the Board, the Chair, or in the Chair's absence the Vice Chair, or in their absence any other member designated by the Board, shall be responsible for resolving all procedural issues and for maintaining the orderly conduct and decorum of meetings. It shall be the duty of the Chair to ensure that the rules of decorum contained herein are observed. The Chair shall maintain control of communication among Board Members, and between Board Members and the public.
- (c) Communication by Board Members
 1. Board Members should be recognized by the Chair before speaking.
 2. A Board Member who is speaking shall remember that the purpose of the meeting is to attend to and resolve Authority business. Board Members shall avoid repetition and shall endeavor to limit their comments to the subject matter at hand. Board Members shall endeavor to express their views without engaging in lengthy debates.
 3. When one Board Member is speaking, other Board Members shall not interrupt or otherwise disturb the speaker.
- (d) Communication with members of the public addressing the Board.
 1. Board Members may question the person addressing the Board at the conclusion of the person's comments. A Board Member wishing to ask questions of a member of the public should first be recognized by the Chair.
 2. Board Members shall not engage the person addressing the Board in a dialogue, but shall confine communication to a question and answer format.
 3. If a member of the audience has addressed the Board on matters which are not on the agenda, Board Members shall refrain from extended discussions of the matter. If a Board Member so wishes, he/she may, during the Board Member Comments portion of the meeting, request that the matter be placed on a future agenda.
- (e) Authority Staff shall not engage in a dialogue with members of the public during Board meetings. When addressed by the Board, staff shall respond in a polite and respectful manner.
- (f) Members of the Audience shall not engage in disorderly or boisterous conduct, including the utterance of loud, threatening or abusive language, clapping, whistling, and stamping of feet or other acts which disturb, disrupt, impede or otherwise render the orderly conduct of the Board meeting unfeasible. A member of the audience engaging in any such conduct shall, at the discretion of the Chair or a majority of the Board Members, be subject to removal from that meeting.

- (g) Members of the public may address the Board of Directors during the Public Comment Period and prior to the consideration of any agenda item. Any person wishing to speak, whether during the Public Comment Period or on an agenda item, shall first complete a request to speak form slip and submit the form to the Authority Clerk prior to the calling to order of the meeting or as soon as possible thereafter.
- (h) No person shall address the Board of Directors without first being recognized by the Chair.
- (i) The purpose of addressing the Board of Directors is to formally communicate to the Board on matters relating to Authority business or citizen concerns within the subject matter jurisdiction of the Board. Persons addressing the Board on an agenda item shall confine the subject matter of their remarks to the particular matter before the Board.
- (j) Each person addressing the Board of Directors shall do so in an orderly manner and shall not engage in any conduct, which disrupts, disturbs, or otherwise impedes the orderly conduct of the Board meeting. Any person, who so disrupts the meeting shall, at the discretion of the Chair or a majority of the Board Members, be subject to removal from that meeting.
- (k) Persons addressing the Board of Directors shall address the Board as a whole and shall not engage in a dialogue with individual Board Members, Authority staff, or members of the audience.
- (l) A time limit of approximately three minutes per person shall be allocated to all persons addressing the Board of Directors, however, at the discretion of the Chair, an individual speaking on behalf of a group sharing common concerns or opinions may be allocated additional time to speak for the group. A total of approximately thirty minutes will be allocated at the beginning of the meeting for Public Comments, with additional time granted at the discretion of the Chair. If needed, additional time for Public Comments will be provided at the conclusion of the normal business of the Board.
- (m) Upon a violation of the rules of decorum established herein, the procedure to enforce the rules is as follows:
 - 1. Warning The Chair shall first request that a person who is violating the rules cease such conduct. If, after receiving a request from the Chair, the person persists in violating these rules, the Chair shall order a recess. Any representative of the local assigned law enforcement personnel who is present at the meeting when the violation occurred shall be authorized to warn the person that his/her conduct is violating the rules and that he/she is requested to cease such conduct. If upon resumption of the meeting the violation persists, the Chair shall order another recess, whereupon the local assigned law enforcement personnel shall have the authority to order the person removed from the meeting and/or cited in violation of Penal Code Section 403.
 - 2. Motion to Enforce If the Chair of the Board fails to enforce the rules of decorum set forth herein, any Board Member may move to require the Chair to do so, and an affirmative vote of a majority of the Board shall require the

Chair to do so. If the Chair fails to carry out the will of the majority of the Board, the majority may designate another Board Member to act as Chair for the limited purpose of enforcing the rules of decorum established herein.

3. Clearing the Room Pursuant to Government Code Section 54957.9, in the event that any meeting is willfully interrupted by a person or groups of persons so as to render the orderly conduct of such meeting unfeasible and order cannot be restored by the removal of the individuals who are willfully interrupting the meeting, by a majority vote of the Board Members the meeting room may be ordered cleared and the meeting shall continue in session. Only matters appearing on the agenda may be considered in such a session. Representatives of the press or other news media, except those participating in the disturbance, shall be allowed to attend any session held pursuant to this Section 54957.9.
4. Violation of the California Penal Code A person or persons who substantially impair(s) the conduct of a Board meeting by knowingly and intentionally violating these rules of decorum may be prosecuted under Penal Code Section 403 for disturbing a public meeting. Every person who violates Penal Code Section 403 is guilty of a misdemeanor.

RULE 6. ELECTION OF CHAIR AND VICE CHAIR OF THE BOARD OF DIRECTORS/ABSENCE OF PRESIDING OFFICER

- (a) The officers of the Board are the Chair and Vice Chair.
- (b) Elections for Chair and Vice Chair shall be held at the first meeting of each ~~fiscal~~ calendar year.

The method of nomination and election of the Chair and Vice Chair will be at the discretion of the Board.

- (c) The Presiding Officer of the Board, ~~who~~ shall be the Chair, or in the Chair's absence the Vice Chair, followed by the Immediate Past Chair, then the Budget and Finance Committee Chair.

RULE 7. RETENTION OF EXHIBITS AND DOCUMENTARY MATERIAL RECEIVED IN HEARINGS BEFORE THE BOARD OF DIRECTORS

All exhibits, including documentary materials such as photographs, drawings, maps, letters, petitions, and other physical evidence received by the Board at hearings shall be retained by the Clerk as part of the record of the hearings. To the extent possible, the Clerk may furnish copies of such materials to persons requesting them upon payment of the fee prescribed for copies of public records.

RULE 8. CEREMONIAL FUNCTIONS AND PROCLAMATIONS

The Chair is authorized to represent the Authority at ceremonial functions, proclamation ceremonies, and other similar events when the Board has not otherwise designated one of its Members to represent the Authority.

RULE 9. THE EXECUTIVE COMMITTEE

- (a) The Executive Committee shall conduct all business of the Authority, with the exception of policy issues, including labor relations, budget issues, and other matters specifically retained by the Board of Directors.
- (b) The Executive Committee shall consist of no more than nine members of the Board of Directors. Members of the Executive Committee shall serve until a new member is seated in their stead by virtue of appointment or assumption of one of the designated positions. The Executive Committee membership is comprised of the following designated positions: the Chair and Vice Chair of the Board of Directors, the immediate past Chair of the Board, and the Chair of the Budget and Finance Committee. In addition, membership as constituted, shall include at least one member of the County Board of Supervisors. The Chair shall appoint the remaining at-large members, who shall serve subject to approval by majority vote of the Directors present at a subsequent meeting. Said members are authorized to serve pending such vote of the Board. In the selection of at-large members, appointments shall be made in such a manner as to achieve approximately the ratio of cash contract cities to total member agencies of the Authority. The Chair of the City Managers Technical Advisory Committee shall serve as the ex officio non-voting member of the Executive Committee and shall not be included in the determination of a quorum for any meeting.
- (c) The Chair shall appoint a three-member panel of structural fire fund Alternate Directors and a three-member panel of cash contract city Alternate Directors. If an at-large member of the Executive Committee notifies the Clerk of the Authority that he or she cannot attend an Executive Committee meeting, the Clerk shall call, on a rotating basis, Alternate Directors from the respective panels in an attempt to replace a structural fire fund Director with a structural fire fund Alternate and/or a cash contract city Director with a cash contract city Alternate, as the case may be.

In the absence of the member of the Executive Committee representing the County Board of Supervisors, the Alternate voting member shall be, ~~in order:~~ the second regular member of the Board of Directors representing the County Board of Supervisors, ~~and then the alternate member representing the County Board of Supervisors.~~

In the absence of the Budget and Finance Chair, the Alternate voting member shall be the Vice Chair of the Budget and Finance Committee.

Should the position of Immediate Past Chair on the Executive Committee become vacant, the most recent past Chair, who is a Director and who is not currently seated on the Executive Committee, shall serve in that capacity. Should there be no prior Board Chair on the Board of Directors, the current Director with the most tenure and not currently seated as a member of the Executive Committee will be seated on the Executive Committee and shall serve in the interim until there is an Immediate Past Chair.

There shall be no Alternate Directors appointed in the absence of the Chair, Vice Chair, or immediate past Chair.

Should the Board Chair or Vice Chair be unable to officiate over a Board and/or Executive Committee meeting that the Immediate Past Chair followed by the Budget and Finance Committee Chair assume the duty of presiding over the meeting.

RULE 10. THE STANDING COMMITTEES

- (a) Standing Committees may be established by the Board of Directors for the purpose of facilitating a thorough review of various issues before presentation to and action by the full Board. Alternate Directors shall not act as alternates for Directors on standing committees.
- (b) The Budget and Finance Committee shall be established as a standing committee. The regular meetings of the Budget and Finance Committee will be on the second Wednesday of each month, with the exception of December, at 12 noon located in Classroom 1 (Board Breakout Room) at the RFOTC. Special meetings may occur on other dates, times, and/or locations as noticed.
- (1) The Chair shall make all appointments to the Budget and Finance Committee. Appointments to the Budget and Finance Committee shall be made in such a manner as to achieve, as close as reasonably possible, a balance between the number of members representing Structural Fire Fund and Cash Contract cities.
 - (2) At the first meeting of the Budget and Finance Committee following the annual election of the Chair and Vice Chair of the Board of Directors, the Directors assigned to the Budget and Finance Committee shall elect from their members a Chair and Vice Chair of the Committee.
 - (3) The Chair, or in his/her absence, the Vice Chair, of the Budget and Finance Committee shall serve as a member of the Executive Committee.
 - (4) Items for the agenda for any regular meeting of the Budget and Finance Committee shall be included on the agenda only with the approval of the Committee Chair or the Staff Liaison.
 - (5) The Board of Directors, through the Chair, shall appoint one City Manager to the Budget and Finance Committee. The City Manager shall serve as an ex officio non-voting member of the Budget and Finance Committee. As an ex officio member, the City Manager shall not be included in the determination of a quorum for any meeting.
- (c) The Claims Settlement Committee shall be established as a standing committee. The regular meetings of the Claims Settlement Committee will be at 5:30 p.m., prior to and on the same days as the regular meetings of the Executive Committee meetings. The Committee will meet in Classroom 1 (Board Breakout Room) at the RFOTC. Special meetings may occur on other dates, times, and/or locations as noticed.
- (1) The Claims Settlement Committee consists of the Board Chair and Vice Chair, the Budget and Finance Committee Chair, the Human Resources Committee Chair, the Fire Chief, and the Human Resources Director. The ~~Deputy~~ Fire Chief's designee shall, in the absence of the Fire Chief, be an

alternate Committee member. The Risk Manager shall in the absence of the Human Resources Director, be an alternate Committee member. In the absence of a member of the Board of Directors, the absent member may designate in writing, filed with the Clerk of the Authority, an alternate Committee member from the Executive Committee who may attend and participate to the full extent as the designated Committee member.

- (2) Staff to the Committee will be the Risk Manager or his or her designee. Additional subject matter experts may attend Committees as necessary.
 - (3) The Claims Settlement Committee shall have authority to (a) settle workers' compensation claims for amounts over \$50,000, not to exceed \$250,000, exclusive of any statutorily required future medical payments; (b) settle non-workers' compensation claims for amounts over \$50,000, not to exceed \$250,000; and (c) advise and recommend to OCFA's attorney of record the settlement of any lawsuit in an amount not to exceed \$250,000.
- (d) The Human Resources Committee shall be established as a standing committee. The regular meetings of the Human Resources Committee will be established by the Committee. The date and time selected by the Human Resources Committee is the first Tuesday of each month at 12 noon. The Human Resources Committee will meet in Classroom 1 (Board Breakout Room) at the RFOTC. Special meetings may occur on other dates, times, and/or locations as noticed.
- (1) The Human Resources Committee shall not exceed seven members of the Board of Directors. The Chair shall make all appointments to the Human Resources Committee. Appointments to the Human Resources Committee shall be made in such a manner as to achieve, as close as reasonably possible, a balance between the number of members representing Structural Fire Fund and Cash Contract cities.
 - (2) At the first meeting of the Human Resources Committee following the annual election of the Chair and Vice Chair of the Board of Directors, the Directors assigned to the Human Resources Committee shall elect from its members a Chair and Vice Chair of the Committee.
 - (3) Staff to the Committee will be the Human Resources Director or his or her designee. Additional subject matter experts may attend Committees as necessary.
 - (4) The Human Resources Committee shall advise OCFA staff and make recommendations to the Board of Directors on matters regarding human resources policies; job class specifications, compensation programs; benefit changes and renewals; labor negotiations; staff training, development and recognition programs; succession planning; risk management and workers' compensation policies; and development of management/performance evaluation and information systems.

RULE 11. DESIGNATED LABOR NEGOTIATORS

- (a) For purposes of holding a closed session concerning compensation and benefits for the Fire Chief, the Board of Directors' designated representatives shall be the Chair, the Vice Chair, the Immediate Past Chair, and the Budget and Finance Committee Chair. Should the Board and/or Budget and Finance Committee reorganize prior to the completion of the Fire Chief's evaluation process the negotiators that began the process will complete the evaluation.
- (b) For purposes of holding a closed session concerning compensation and benefits for all other represented and unrepresented employees, the Board of Directors' designated representatives shall be the ~~Deputy~~ Fire Chief's designee, the Human Resources Director and any other representative so designated at a meeting of the Board of Directors.

RULE 12. ~~ALTERNATE DIRECTORS~~ PROVISION OF REQUESTED MATERIALS BY BOARD MEMBERS

~~An Alternate Director may act in the absence of the Director for his or her member agency and, in that capacity, may attend closed sessions of the Board of Directors. Alternate Directors shall not act as alternates for Directors on the Executive Committee or standing committees.~~ (a) Should an individual Board Member request information or materials that: (i) are not currently maintained by the OCFA in its normal course of business, and (ii) would require significant staff resources for research or analysis to create a document or to prepare or compile the information, then the requesting Board Member shall obtain approval from the Board of Directors during a Board meeting to agendaize the consideration to authorize the request at the next Board meeting.

(b) Should a Board Member or a member agency make a Public Records Act request for official business purposes, in keeping with the current fee schedule, the Board Member or its member agency will not be charged a fee for this service. This privilege is not to be used as a means for members of the public to circumvent the fees approved by the Board of Directors associated with records requests. Any records produced in response to a Board Member or member agency official business requests shall be made available to all Board Members along with a summary of the hard and soft costs involved in the provision of the requested records.

(c) Any Board Member requesting records for purposes other than official use will be charged any applicable fees approved by the Board of Directors that are associated with the request.

RULE 13. COMPENSATION/REIMBURSEMENT FOR EXPENSES

- (a) Compensation: Members of the Board of Directors are entitled to receive \$100 per meeting per day, with a maximum of \$300 per month, for voting member attendance at OCFA publicly noticed (Brown Act compliant) meetings and the monthly Chair/Chief meeting.
- (b) Authorized Expenses: OCFA funds, equipment, supplies (including letterhead), titles, and staff time must only be used for authorized OCFA business. The

following types of occurrences qualify a Board Member to receive payment and/or reimbursement of expenses relating to travel, meals, lodging, and other actual and necessary expenses, and generally constitute authorized expenses, as long as the other requirements of this policy are met:

- 1) Communicating with representatives of regional, state and national government on OCFA adopted policy positions;
- 2) Attending conferences designed to improve Board Member's expertise and information levels, including, but not limited to, ethics training required pursuant to California Government Code Section 53234;
- 3) Participating in regional, state and national organizations whose activities affect OCFA's interests;
- 4) Recognizing service to OCFA (for example, acknowledging a longtime employee with a retirement gift or celebration of nominal value and cost);
- 5) Attending OCFA events.

All other expenditures require prior approval by the OCFA Board of Directors at a public meeting. The following expenses also require prior Board of Directors' approval:

- 1) International travel;
- 2) Expenses exceeding \$2,500 per person, per trip.

Examples of personal expenses that OCFA will not reimburse include, but are not limited to:

- 1) The personal portion of any trip;
- 2) Political contributions or events;
- 3) Family expenses, including partner's expenses when accompanying a Board Member on OCFA-related business, as well as children or pet-related expenses;
- 4) Charitable contributions or events, unless the event has a direct relationship to OCFA business, (for example, acknowledging extraordinary deeds by OCFA personnel) is approved by the Fire Chief and does not exceed \$250;
- 5) Entertainment expenses, including theater, movies (either in-room or at the theater), sporting events (including gym, massage and/or golf related expenses), or other cultural events;
- 6) Non-mileage personal automobile expenses, including repairs, traffic citations, insurance or gasoline;
- 7) Personal losses incurred while on OCFA business.

Any questions regarding the propriety of a particular type of expense should be resolved before the expense is incurred.

- (c) Expense and Reimbursement Guidelines: To conserve OCFA resources and keep expenses within appropriate standards for public officials, expenditures, whether paid directly by OCFA or reimbursed to a Board Member, Members should

adhere to the following guidelines. Unless otherwise specifically provided, reimbursement for travel, meals, lodging, and other actual and necessary expenses shall be at the Internal Revenue Service rates presently in effect as established in Publication 463 or any successor publication.

Transportation: The most economical mode and class of transportation reasonably consistent with scheduling needs and space requirements must be used, using the most direct and time-efficient route. In the event that a more expensive transportation form or route is used, the cost borne by OCFA will be limited to the cost of the most economical, direct, efficient and reasonable transportation form. Government and group rates offered by a provider of transportation services shall be used when available.

Automobile mileage is reimbursable at Internal Revenue Service rates in effect at the time of travel (see www.irs.gov). These rates are designed to compensate the driver for gasoline, insurance, maintenance, and other expenses associated with operating the vehicle. This amount does not include bridge and road tolls, which are also reimbursable.

Reasonable and necessary charges for public transportation, taxi, or shuttle service are reimbursable at actual cost with receipts.

Rental vehicles may be used during out-of-county travel and will be reimbursed at actual cost. Rental vehicles may be used when the efficient conduct of OCFA business precludes the use of other means of transportation or when car rental is the most economical mode available. Itemized original receipts must be submitted with vehicle rental claims.

Lodging: Actual lodging costs will be reimbursed or paid for when travel on official OCFA business reasonably requires an overnight stay. If such lodging is in connection with a conference or organized educational activity, lodging costs shall not exceed the group rate published by the conference or activity sponsor for the meeting in question, provided that the group rate is available at the time of booking. Government and group rates offered by a provider of lodging services shall be used when available.

Non-reimbursable lodging-related expenses include, but are not limited to, costs for an extra person staying in the room, costs related to late checkout or uncanceled reservations, in-room pay-per-view movie rentals, and non-OCFA business related phone calls. Itemized receipts must accompany claims for lodging reimbursements.

Meals: Meal expenses and associated gratuities should be moderate, taking into account community standards and the prevailing restaurant costs of the area. OCFA will pay the actual cost of the meals, but will not pay for alcohol/personal bar expenses.

Telephone/Fax/ Cellular: Board Members will be reimbursed for actual telephone and fax expenses incurred on OCFA business. Telephone bills should identify which calls were made on OCFA business. For cellular calls when the Board Member has a particular number of minutes included in the Board Member's

plan, the Board Member can identify the percentage of calls made on OCFA business.

Airport Parking: Long-term parking should be used for travel exceeding 24-hours. OCFA will pay the actual cost of long-term parking.

Other: Baggage handling at then current airport baggage rates per bag and gratuities of up to 15 percent will be reimbursed.

Miscellaneous: Actual expenses for registration, tuition, and parking are reimbursable for OCFA authorized business. Miscellaneous expenses must be supported with itemized receipts.

Expenses for which Board Members receive reimbursement from another agency are not reimbursable.

- (d) **Expense Report Content and Submission Deadline:** Expense reports must document that the expense in question meet the requirements of the policy. For example, if the meeting is with a legislator, the Board Member should explain whose meals were purchased, what issues were discussed and how those relate to the Authority's adopted legislative positions and priorities.

Board Members must submit their expense reports within 30 days of an expense being incurred, accompanied by receipts documenting each expense. Restaurant receipts, in addition to any credit card receipts, are also part of the necessary documentation. Receipts for gratuities and tolls under \$5 are not required.

- (e) **Audits of Expense Reports:** All expenses are subject to verification of compliance with this policy.
- (f) **Reports to Governing Board:** At the following Board of Directors' meeting, each Board Member shall briefly report on meetings attended at OCFA expense. If multiple Board Members attended, a joint report may be made.
- (g) **Compliance with Laws:** Board Members should keep in mind that some expenditures may be subject to reporting under the Political Reform Act and other laws. All documents related to reimbursable agency expenditures are public records subject to disclosure under the California Public Records Act.
- (h) **Violation of this Policy:** Misuse of public resources or falsifying expense reports in violation of this policy may result in any or all of the following: 1) loss of reimbursement privileges, 2) a demand for restitution to OCFA, 3) OCFA's reporting the expenses as income to the elected official to state and federal tax authorities, and 4) prosecution for misuse of public resources.

RULE 14. AMENDMENT OF RULES OF PROCEDURE

No rule of the Board shall be adopted or amended except by resolution adopted by the Board.



Orange County Fire Authority
AGENDA STAFF REPORT

Board of Directors Meeting
October 15, 2015

Agenda Item No. 5B
Discussion Calendar

**Amendment to
Advanced Life Support Billing/Reimbursement Agreements**

Contact(s) for Further Information

Lori Zeller, Assistant Chief Business Services Department	lorizeller@ocfa.org	714.573.6020
Jim Ruane, Finance Manager	jimruane@ocfa.org	714.573.6304

Summary

This item is submitted to request approval as to form of an amendment to the Billing Agreement between OCFA and the current 911 Emergency Ambulance Transportation Services providers.

Prior Board/Committee Action

Not Applicable.

RECOMMENDED ACTION(S)

1. Approve and authorize the Board Chair to sign an Amendment to the Advanced Life Support Services Billing Agreement in the form provided, to temporarily suspend any increases in the OCFA's Reimbursement Rates for twelve months.
2. Direct staff to request that the County CEO remove the Advance Life Support billing and reimbursement rates from the October 27, 2015, Board of Supervisor's agenda or subsequent agenda for one year.

Impact to Cities/County

Not Applicable

Fiscal Impact

Approval of the Amendment will result in OCFA's ALS Reimbursement Revenue remaining flat from FY 2014/15 at approximately \$4.5 million. The OCFA's adopted FY 2015/16 Budget assumed that this revenue category would remain flat due to uncertainty regarding future approval by the County Board of Supervisors to adjust the Basic Life Support/Advanced Life Support billing rates.

Background

At the March 23, 2015, Board of Directors meeting, the Board approved, as to form, the Advanced Life Support Billing Agreement between OCFA and the current 911 emergency ambulance providers (Attachment 1). As part of the Agreement, the County Board of Supervisors approves the maximum Basic Life support (BLS) and Advanced Life Support (ALS) billing rates. The OCFA Board of Directors approves the maximum ALS reimbursement rate subject to the increase approved by the supervisors to the BLS rate. OCFA's ALS reimbursement rate also cannot exceed OCFA's cost of providing the service.

The Orange County Health Care Agency (HCA) has recommended a 2.4% increase to the **BLS and ALS billing rates** for FY 2015/16. The proposed percentage increase is based on two years of CPI increases due to the rates not being approved for adjustment last year. OCFA staff presented the proposed 2.4% increase to the ALS reimbursement rate at the July 23, 2015, Board of Directors meeting for approval, contingent upon the Board of Supervisors approval of the BLS/ALS billing rates.

The proposed increase to the BLS and ALS maximum **billing rates** was discussed at the Board of Supervisors meeting on August 25, 2015. After a significant amount of discussion by the Board of Supervisors and public comment, the item was continued until further review and analysis by the County Emergency Medical Care Committee (EMCC). The agenda item is scheduled to return to the Board of Supervisor for discussion at its October 27, 2015, meeting. Subsequent to the August 25, 2015, Board of Supervisors meeting, OCFA staff met with the current 911 ambulance providers to discuss future rate setting methodology and policy. During the discussions, the providers informed OCFA staff that, as a result of the significant increase in minimum wage effective January 1, 2016, the 911 ambulance providers will be requesting a \$173.00 (23%) increase in the BLS rate rather than the 2.4% recommend by County staff.

As written, the current Advanced Life Support Billing Agreement would require that the OCFA ALS reimbursement rate also be increased by 23%, if the Board of Supervisors approves the BLS rate increase proposed by the current 911 ambulance providers. This was not the intent of the Ambulance Billing Agreement as written. As part of OCFA staff discussions with HCA and the 911 providers, the group is working on developing reimbursement options that are equitable to both OCFA and the 911 providers based on a changing payor mix. Additionally, the group will be moving towards recommending a streamlined mathematical formula that will allow reasonable adjustments of the rates. As a result, OCFA staff is recommending the Board approve an amendment to the ALS Billing Agreement (Attachment 2) to temporarily suspend any increase to the ALS reimbursement rate. Upon approval of this item, staff will request that the ALS rates be removed from the Board of Supervisors agenda for October 27, 2015, or subsequent dates for one year. Additionally, by approving this amendment, the July OCFA Board of Directors' action allowing for a 2.4% increase to the ALS Reimbursement Rate will be rescinded.

Attachment

1. Advanced Life Support Services Billing Agreement
2. Amendment to Advanced Life Support Services Billing Agreement

**ADVANCED LIFE SUPPORT SERVICES
BILLING AGREEMENT**

This Advanced Life Support Services Billing Agreement ("ALS Agreement") is made and entered into this 21 day of May 2015, by and between the ORANGE COUNTY FIRE AUTHORITY, a Joint Powers Agency organized pursuant to the provisions of Article 1, Chapter 5, Division 7, Title 1 (commencing with Section 6500) of the California Government Code, hereinafter referred to as "OCFA," and CARE Ambulance Service, Inc., hereinafter referred to as "Contractor." OCFA and Contractor may be referred to collectively herein as the "parties."

RECITALS

A. Contractor has entered into an agreement with the Orange County EMS ("OCEMS"), to provide emergency ambulance transportation services in one or more OCEMS Exclusive Operating Areas (EOA) ("Ambulance Agreement"); and

B. OCFA provides paramedic personnel to perform advanced life support ("ALS") services ("ALS Services") to patients who may also receive ambulance transport services from Contractor; and

C. The United States Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS), has issued regulations allowing basic life support ("BLS") ambulance providers to bill for ALS services rendered by a separate entity as long as a written billing agreement exists between the parties; and

D. OCEMS and OCFA have determined that it is in the best interest of the public to permit Contractor to bill for ALS Services rendered by OCFA paramedics, subject to appropriate reimbursement to OCFA; and

E. As stipulated in the Ambulance Request for Proposal (RFP) issued by OCEMS and as stipulated in the OCEMS Ambulance Agreement, which Contractor has entered into, Contractor is responsible for charging and collecting the ALS Service Rate and for directly paying to OCFA the ALS Reimbursement Rate.

NOW, THEREFORE, for valuable consideration, receipt of which is hereby acknowledged, and in consideration of the foregoing recitals, which are hereby incorporated by reference into this ALS Agreement below, and the mutual promises, covenants, and conditions contained herein, the parties hereto agree as follows:

AGREEMENT

1 TERM

The term of this ALS Agreement shall commence on the earlier of June 1, 2015, or the effective date of the OCEMS Ambulance Agreement, the "Effective Date" and end upon the expiration of the OCEMS Ambulance Agreement, or any extensions thereof

issued and approved by OCEMS. Notwithstanding the foregoing, this ALS Agreement may be terminated by OCFA without cause upon 180 days advance written notice. This ALS Agreement may also be terminated for cause as provided below.

2 ALS SERVICE RATES

2.1 **Maximum ALS Service Rate.** The Orange County Board of Supervisors establishes the maximum Advanced Life Support (“ALS”) service rate (“ALS Service Rate”) that may be charged by Contractor for OCFA-provided emergency ALS services to patients transported either ALS or BLS. For those calls for service in which ALS services are provided by OCFA to patients that are transported either ALS or BLS, Contractor shall be responsible for charging and collecting the ALS Service Rate, in addition to Contractor’s BLS Service Rate. Contractor shall not charge more than the maximum ALS Service Rate approved by the Board of Supervisors. ALS means the same as is defined in the EMS Act. The ALS Service Rate is reviewed periodically by the Board of Supervisors. The maximum approved ALS Service Rate is subject to the same annual percentage adjustment increase as the County’s emergency BLS base rate increase, if any. The approved maximum ALS Service Rate (as of July 1, 2014) is as follows:

<u>Type of Charge</u>	<u>Maximum Rate</u>
ALS Service Rate	\$387.35 per transport w/ALS services

2.2 **ALS Reimbursement Rate.** The OCFA Board of Directors establishes the OCFA ALS reimbursement rate (“ALS Reimbursement Rate”), subject to approval by the Orange County Board of Supervisors. Contractor shall pay OCFA the established ALS Reimbursement Rate for each call for service in which OCFA provides ALS services to patients that are transported either ALS or BLS in order to cover OCFA’s costs for providing such services.

2.2.1 **Medicare Patients.** The ALS Reimbursement Rate for Medicare patients, including patients covered under Medi-Medi or Medicare+Choice plans (e.g., Secure Horizons) that use Medicare rates as a basis for payment in full, is based on the Medicare allowed amounts for each Contractor. The ALS Increment is defined as the difference between the Medicare allowed amount for a given ALS service (i.e., ALS-1E or ALS-2) and the Medicare allowed amount for BLS emergency services, prior to the 20% co-payment deduction.

2.2.1.1 *ALS-1 Emergency Services.* The ALS Reimbursement Rate for ALS-1 emergency transports and ALS-1 emergency assessments with BLS transports for Medicare patients, including patients covered under Medi-Medi or Medicare+Choice plans (e.g., Secure Horizons) that use Medicare rates as a basis for payment in full, is the ALS Increment, which is the difference between the Medicare allowed amount for ALS-1

emergency services and the Medicare allowed amount for BLS emergency services for a given Contractor, prior to the 20% co-payment deduction.

2.2.1.2 *ALS-2 Services*. The ALS Reimbursement Rate for ALS-2 services for Medicare patients, including patients covered under Medi-Medi or Medicare+Choice plans (e.g., Secure Horizons) that use Medicare rates as a basis for payment in full, is the ALS Increment, which is the difference between the Medicare allowed amount for ALS-2 services and the Medicare allowed amount for BLS emergency services for a given Contractor, prior to the 20% co-payment deduction.

2.2.2 **Annual Adjustments**. The ALS Reimbursement Rate is reviewed annually by OCFA. The ALS Reimbursement Rate payable to OCFA by Contractor for all ALS services provided to patients, excluding Medicare patients and patients covered under Medi-Medi or Medicare + Choice plans (e.g., Secure Horizons) that use Medicare rates as a basis for payment in full, is subject to the same annual percentage adjustment increase as the County’s emergency BLS base rate increase, if any.

2.2.3 **ALS Reimbursement Rate**. As of July 1, 2014, the approved ALS Reimbursement Rate is as follows:

<u>Type of Charge</u>	<u>Maximum Rate</u>
1. ALS Reimbursement Rate	\$274.38 per transport w/ALS services
2. ALS Reimbursement Rate for Medicare patients or patients with Medi-Medi or Medicare+Choice plans	ALS-1 or ALS-2 Increment

2.3 **Medical Supply Reimbursement Rate**. The OCFA Board of Directors establishes the medical supply reimbursement rate (“Medical Supply Reimbursement Rate”), which Contractor shall pay OCFA per BLS/ALS transport. Contractor shall pay OCFA the Medical Supply Reimbursement Rate for each BLS/ALS patient transport to cover OCFA’s costs for providing expendable medical supplies to Contractor. The Medical Supply Reimbursement Rate is reviewed annually by OCFA. The Medical Supply Reimbursement Rate is subject to the same annual percentage adjustment increase as the County’s emergency BLS base rate increase, if any. As of July 1, 2014, the Medical Supply Reimbursement Rate is as follows:

<u>Type of Charge</u>	<u>Maximum Rate</u>
Medical Supply Reimbursement Rate	\$30.65 per transport (BLS/ALS)

2.4 **Zero Pay Patients**. OCFA will not require Contractor to pay the established ALS Reimbursement Rate or Medical Supply Reimbursement Rate (nor any portion thereof) for “zero pay patients.” “Zero pay patients” are those calls for service to

patients whose only method of healthcare coverage or insurance is provided by a state or local subsidized health care program (i.e., patients receiving health care benefits pursuant to any one of the following state or local subsidized health care programs: (a) Medi-Cal; (b) CalOptima; (c) California Child Services (“CCS”); and/or (d) County Medical Services for the Indigent (“County/MSI”)). Patients who have other means of payment or who are covered by additional or supplemental insurers, other than subsidized health care programs, are not “zero pay patients.” Contractor may seek relief from making the required reimbursement payments to OCFA by applying for a Zero Pay Patient Exemption, as provided below.

2.5 **Risk of Non-Payment.** Except as provided otherwise herein, Contractor assumes the entire risk of non-payment for any and all of the services rendered and the charges incurred in connection with its performance under the Ambulance Agreement and this ALS Agreement, including all BLS and ALS charges incurred, as well as all ALS reimbursements and medical supply reimbursements regardless of whether Contractor receives payment for services from any source.

2.6 **Medicare Patients.** Contractor shall not charge Medicare patients more than the maximum Medicare rate.

3 **BILLING, AUDIT AND ACCESS TO RECORDS**

3.1 **Billing System.** Contractor shall only bill for services according to the approved service rates and schedules set forth in the OCEMS Ambulance Agreement, this ALS Agreement, and as authorized by OCEMS. Prior to the Effective Date, Contractor shall establish an auditable billing system approved by OCEMS, which shall be available for review by OCFA on a periodic basis. Contractor’s patient billing/records system shall be organized so that search and retrieval of all billing records can readily be made according to the following individual criteria:

Patient Name	ALS	911 Calls
BLS	ALS Assessment/BLS Transport	Day/Month/Year
BLS Transport	ALS Transport	OCFA Incident No.

3.2 **Accounting.** Contractor shall maintain accurate and complete records of all patient accounting, including but not limited to: (i) all patient invoices, (ii) all patient/insurer payments; (iii) all BLS service charges; (iv) all ALS service charges; (v) all ALS reimbursement payments; (vi) all medical supply reimbursements; (vii) all invoices, payments, and correspondence to and from private insurers, federal or state health care programs, and other responsible third parties; and (viii) all records evidencing payments made by Contractor to OCFA in connection with its performance under this ALS Agreement. Such accounting shall be performed by Contractor in accordance with generally accepted accounting principles and practices consistently applied. OCFA shall have access to such records and information upon seventy-two (72) hours advanced

written notice at all times during normal business hours for the purpose of inspection, audit, review, evaluation, and duplication. Contractor shall, at no cost to OCFA, provide proper facilities for OCFA's access, inspection, audit, review, evaluation, and duplication of such information.

3.3 **Responsibility for Submission of Claims**. Contractor shall be responsible for billing and submitting claims for all transports in which ALS services are rendered, specifically including the performance of ALS assessments as defined in 42 C.F.R. §414.605, in accordance with applicable Medicare guidelines for the level of service provided.

3.3.1 **Submission of Claims**. For services provided pursuant to the contract, Contractor shall submit one claim covering both ALS and BLS services to the appropriate carrier or payer utilizing Contractor's provider number. In no event shall more than one claim per trip be submitted where not permitted by law.

3.3.2 **Sharing of Information and Documentation and Respect of Privacy**. Contractor shall permit access by OCFA to Contractor's respective books and records as they relate to billing and reimbursement for services hereunder. Contractor shall share all patient care and billing information necessary to properly submit Medicare claims, including patient care reports and billing slips. Contractor shall within thirty (30) days of receiving any requests for information or documents from the patient, the Centers for Medicare and Medicaid Services (CMS) (formerly HCFA) or its authorized carrier or intermediary, other payment source, or other state or federal agency with oversight of the billing and patient care practices of the parties pursuant to the contract, make available to OCFA any and all such records requested. All information or documents exchanged between the parties related to personal health information of a patient shall be exchanged in compliance with all privacy laws and rules, including the privacy rule established under the Health Insurance Portability and Accountability Act (HIPAA). Both parties will agree to maintain policies to protect the confidentiality of patient information to the extent required by law and to educate and enforce such policies with their respective personnel.

3.4 **Medicare Audits**. In the event that Contractor is obligated to repay any amounts, related to ALS billed services or medical supplies, to Medicare or other carrier pursuant to a post-payment audit, OCFA shall repay Contractor the ALS Reimbursement Rate or Medical Supply Reimbursement Rate, as applicable, on those claims for which payment is recouped by Medicare or other carrier. However, OCFA will only be responsible for repaying the Contractor in two situations: when a claim is downgraded by the Medicare contractor from an ALS-1E call to a BLS emergency call, or from an ALS-2 to an ALS-1E call. In these situations, OCFA will only repay the Contractor an amount equal to the total ALS Increment (i.e., when a call is downgraded from ALS to BLS) or a portion of the ALS Increment, which is the difference between the ALS Increment of an ALS-2 services and the ALS Increment of an ALS-1E service (i.e., when a call is downgraded from an ALS-2 to an ALS-1E). The Contractor shall supply documentation supporting the overpayment demand by the Medicare Contractor prior to any OCFA repayment.

4 CONTRACTOR MONTHLY PAYMENT

4.1 **Monthly Payments to OCFA.** All ALS reimbursements and medical supply reimbursements, as required by this ALS Agreement, (hereinafter referred to as “Monthly Payments”) shall be promptly paid by Contractor to OCFA beginning ninety (90) days from the Effective Date, and such payments shall continue to be promptly remitted by Contractor to OCFA thereafter within ninety (90) days after the first day of each month throughout the contract term. Zero Pay Patient Exemptions may be requested by Contractor for each qualifying call by following the procedures below. A penalty of \$500 may be imposed for each late payment. If Contractor’s monthly payments are sixty (60) days late (or more), Contractor may be assessed a 1½% late fee for each month that payments are not made. Failure to make timely Monthly Payments may be deemed a breach of contract.

4.2 **Zero Pay Patient Exemption Requests.** Contractor shall submit to OCFA for approval all Zero Pay Patient Exemption requests and all documentation justifying each request. Zero Pay Patient Exemption requests shall be submitted by Contractor with its monthly ALS reimbursement and medical supply reimbursement payments for the month in which the exemption is requested and must be reflected as a credit on the current Monthly Payment remittance. Requests for exemptions outside the current monthly payment period will not be considered, except as provided herein. Each Zero Pay Patient Exemption will be evaluated and either granted or denied at the sole discretion of the OCFA EMS Section Battalion Chief. Contractor shall be notified in writing by the OCFA EMS Section Battalion Chief if any exemption request will be denied within thirty (30) days of receipt of the request. The decision may be appealed by the Contractor to the OCFA Fire Chief, whose decision shall be final. In the event a Zero Pay Patient Exemption request is denied, Contractor shall adjust its next Monthly Payment remittance for the amount of the credit denied. Exemption requests for “Retro Credits” must be made within the month the Contractor receives notification of the retroactive enrollment in a qualified zero pay patient program.

4.3 **Monthly Payment Report.** Contractor shall submit a Monthly Payment Report (in electronic format) to the OCFA Accounts Receivable Section along with all Monthly Payments. The Monthly Payment Report shall contain the following information:

- a. EOA number;
- b. Name of responsible party invoiced per transport;
- c. Patient name and address;
- d. Indicate BLS, ALS, or ALS Assessment/BLS Transport;
- e. Date of call for service;
- f. OCFA incident number;
- g. ALS reimbursement amount remitted to OCFA per transport; and,
- h. Medical supply reimbursement amount remitted to OCFA per transport.

4.4 **Audit Report.** An audit concerning Monthly Payments may be conducted at the sole discretion of OCFA at any time throughout the contract term. If instructed, Contractor shall promptly produce an audit list (in an approved electronic format) to OCFA auditors, which contains the following information:

- a. Name of responsible party invoiced per transport;
- b. Patient name and address;
- c. Indicate BLS, ALS, or ALS Assessment/BLS Transport;
- d. Date of call for service;
- e. OCFA incident number;
- f. Amount invoiced per transport;
- g. Amount recovered per transport;
- h. Any exemption requests for transports included in the audit sample; and,
- i. Any other requested relevant information required to perform an audit.

5 TERMINATION FOR CAUSE

5.1 In the event of a breach of this ALS Agreement by Contractor, OCFA may, in its sole and absolute discretion, elect to (1) give Contractor an opportunity cure the breach, or (2) immediately terminate the ALS Agreement.

5.2 The rights and remedies provided in this Section are in addition to any other rights and remedies provided by law or under this ALS Agreement.

6 PAYMENT UPON TERMINATION OR EXPIRATION

Unless otherwise specified by OCFA, upon the termination or expiration of this ALS Agreement, Contractor shall continue to bill and collect for ALS services provided through the termination/expiration date of this ALS Agreement, and shall promptly submit Monthly Payment(s) and Monthly Payment Report(s) to OCFA, which payments shall remain subject to audit by OCFA. These obligations shall survive the termination/expiration of this ALS Agreement.

7 INSURANCE

7.1 During the term of this ALS Agreement, Contractor shall maintain insurance coverage as required by OCEMS Ambulance Agreement.

7.2 All insurance policies, except Workers' Compensation and Employers' Liability and Professional Liability, shall contain the following clauses:

7.2.1 "The OCFA are added as additional insureds as respects operations to the named insured performed under contract with OCEMS or the OCFA. Such policies shall be primary, and any other policies maintained by or providing protection for the County or OCFA shall be excess or secondary, but noncontributing."

7.2.2 "This insurance shall not be canceled, limited, or allowed to lapse until after thirty (30) days written notice has been given to the OCFA."

7.3 Upon execution of this ALS Agreement, Contractor shall provide to OCFA, and to the satisfaction of OCFA, certificates of insurance and endorsements evidencing the policies fulfilling the requirements of this Section. If self-insured for workers' compensation, Contractor shall submit to OCFA a copy of its certification of self-insurance issued by the Department of Industrial Relations.

7.4 If Contractor does not keep all of the insurance policies required by this Section in full force and effect at all times during the term of this ALS Agreement, OCFA may elect to treat the failure to maintain the requisite insurance as a breach of contract, which may result in immediate termination of this ALS Agreement.

7.5 At any time during the term of this ALS Agreement, if OCFA reasonably determines, at its sole discretion, that the amounts of insurance held by Contractor pursuant to this Section are no longer sufficient, or that additional types of coverage are needed, Contractor shall modify the existing coverage or obtain additional policies, as OCFA shall reasonably determine. All new policies shall be on the terms and conditions contained herein.

7.6 Contractor shall annually, within ten (10) days of the anniversary of the Effective Date of this ALS Agreement, provide to OCFA evidence that all insurance required pursuant to this Section continues to be in full force and effect.

8 **ASSIGNMENT**

8.1 Except as provided herein, Contractor shall not delegate or assign its rights or otherwise transfer its obligations, in whole or in part, under this ALS Agreement to any other person or entity without the prior written consent of OCFA. Any such assignment without the prior written consent of OCFA shall be void and the attempted assignment may constitute a breach of contract.

8.2 The following shall be considered to be a “transfer” for purposes of this Section:

8.2.1 Any change in the business structure, including but not limited to, changes from or to: (a) a sole proprietorship; (b) a partnership, including any change in the partners; (c) a corporation, including any change in the shareholders, whether by operation of law or otherwise;

8.2.2 Bankruptcy, an assignment for the benefit of creditors, or the appointment of a receiver; or

8.2.3 A transfer by any shareholder of greater than ten percent (10%) of the stock issued as of the Effective Date by Contractor, or a sale or transfer of over twenty-five percent (25%) of the assets of Contractor. In the event Contractor experiences regular stock exchanges in excess of the ten percent (10%) threshold, a separate agreement may be negotiated to set a threshold that still provides OCFA with the protections intended. The stock sale of a publicly traded corporation that does not constitute a change in majority ownership will not be deemed a transfer of ownership for purposes of this Section.

9 **AUDITS AND INSPECTIONS**

At any time during normal business hours, and as often as may reasonably be deemed necessary by OCFA, OCFA may observe and inspect Contractor’s business office, and Contractor must make promptly available to OCFA for its examination all Contractor records that pertain to its performance of the ALS Agreement. OCFA may audit, examine, and copy any and all Contractor records pertaining to its performance of this ALS Agreement, including but not limited to, daily logs, financial/billing records,

and all other records or data. OCFA's right to inspect Contractor's business office and any and all records pertaining to its performance of the ALS Agreement will be restricted to normal business hours and reasonable notice shall be given to Contractor in advance of such inspection.

10 **INDEPENDENT CONTRACTOR**

OCFA, its officers, elected officials, agents, representatives, and employees shall not have any control whatsoever over the conduct of Contractor's employees, except as set forth in the ALS Agreement. Contractor shall not represent that either it or its agents or employees or officers are in any manner agents or employees of OCFA, it being understood that Contractor, its agents, employees, and officers are as to OCFA wholly independent contractors and that Contractor's obligations to OCFA are solely those that are set forth in this ALS Agreement. Contractor hereby further acknowledges and agrees that OCFA shall have no responsibility whatsoever for salary, health benefits, retirement benefits, taxes, or any other benefits of any kind that may be due to Contractor's employees.

11 **INDEMNIFICATION**

11.1 ***General.*** Contractor shall defend, indemnify and hold harmless OCFA, its officers, agents, elected officials, and employees, from all liability, claims, losses and demands, including defense costs and reasonable attorneys' fees, whether resulting from court action or otherwise, arising out of the acts or omissions of Contractor, its officers, agents, or employees, or the condition of property used, in the performance of the OCEMS Ambulance Agreement and/or this ALS Agreement, excepting acts or omissions directed by OCFA, its officers, agents, or employees, acting within the scope of their employment, for which OCFA agrees to defend and indemnify Contractor in a like manner.

11.2 ***Rates.*** Contractor shall defend, indemnify and hold harmless OCFA, its officers, agents, elected officials, and employees, from all liability, claims, losses and demands, including defense costs and reasonable attorneys' fees, whether resulting from court action or otherwise, arising from any and all challenges to the service rates set forth in this ALS Agreement. A challenge to service rates includes, but is not limited to, both procedural and substantive challenges to the adequacy of, or authority to impose, either the BLS service rate, the ALS service rate, the ALS reimbursement rate, and/or the medical supply reimbursement rate as set forth in this ALS Agreement.

12 **COMPLIANCE WITH LAWS**

12.1 All services provided and duties performed by Contractor pursuant to this ALS Agreement must be rendered in full compliance with all applicable federal, state, and local laws, rules, statutes, and regulations. It shall be Contractor's sole responsibility to determine which federal, state, and local laws, rules, statutes, and regulations apply to

the services and duties to be performed pursuant to this ALS Agreement, and to maintain compliance at all times throughout the term of the agreement.

12.2 Contractor shall ensure that all of its employees and ambulances that are used in the performance of services under this ALS Agreement are at all times during the term of the agreement in full compliance with all federal, state, and local laws, rules, statutes, and regulations, including but not limited to: the California Vehicle Code; the California Health & Safety Code; Orange County Ordinance No. 3517 (as may be amended); applicable city ambulance ordinances; and any and all applicable OCEMS or State EMS Authority policies, standards, procedures, regulations, and/or protocols. All Contractor employees shall have in their possession, at all times while on duty, applicable licenses, certifications, and/or permits, as may be required by the agencies and authorities listed herein.

13 **RISK**

13.1 Notwithstanding any other term or condition herein, in responding to a call for service, Contractor shall have no claim whatsoever against OCFA, or have any right to recover from OCFA, for the cost of any of the services it renders in its performance of services under this ALS Agreement. Contractor must look solely and exclusively to the service recipient, their insurers, applicable state or federal health care programs, or other responsible party for payment of the services it renders.

13.2 Contractor shall assume the entire risk of non-payment for any and all of the services rendered, duties performed, and charges incurred in connection with its performance of services under the OCEMS Ambulance Agreement and this ALS Agreement, including, but not limited to, all BLS and ALS charges incurred, the ALS reimbursement rate, and/or the medical supply reimbursement rate.

14 **ACTS OR OMISSIONS OF REPRESENTATIVES**

The acts and/or omissions of the owner(s), officers, operators, officials, employees, agents, and representatives of Contractor in the performance of the services and obligations under this ALS Agreement shall constitute the acts and/or omissions of Contractor.

15 **RETURN OF OCFA PERSONNEL**

OCFA provides ALS services from a variety of delivery platforms, including engine and truck companies. In cases where OCFA personnel accompany patients in the ambulance en route to hospitals or to other receiving facilities, and the OCFA ALS unit does not follow-up to the hospital/receiving facility, the contractor shall return those OCFA personnel to their assigned fire station(s) or unit(s) within a reasonable amount of time (generally thirty (30) minutes) from the conclusion of the run. The conclusion of the run is defined as the moment when the patient has been transferred into the care of hospital/medical staff, the ambulance crew has completed all required

documentation/electronic patient care records, and the ambulance has been restocked and is ready to be placed back in service.

At the conclusion of the run, the ambulance crew is to advise the accompanying OCFA personnel that they are ready to return them to their station or unit. At the discretion of the OCFA personnel, they may coordinate an alternative method of returning to their station or unit. If while returning OCFA personnel to their station or unit, the ambulance provider receives another 9-1-1 emergency call, the ambulance shall accept the dispatched call for service and take those returning OCFA personnel to the new call. This process will be reviewed every six months to measure the effectiveness and potential additional enhancements.

16 **CONFLICT OF INTEREST**

Contractor hereby warrants and represents that it is not, and will not be, violating either directly or indirectly any conflict of interest statute, rule, or regulation by its performance of services under this ALS Agreement.

17 **COMPLAINTS**

Contractor shall immediately notify OCFA in writing of any complaints, inquiries, or investigations initiated by OCEMS, the California Emergency Medical Services Authority, and/or any other federal, state, or local regulatory agency regarding Contractor services performed pursuant to this ALS Agreement, including but not limited to: level of service; service delivery; service quality; billing practices; medical training and/or care; and personnel. Nothing in this ALS Agreement shall be construed as superseding the authority of OCEMS or any other duly empowered regulatory agency from separately and/or concurrently exercising its authority to provide regulatory oversight and to take action to ensure that Contractor's private, emergency ambulance response services are administered according to law.

18 **CONFIDENTIALITY**

Contractor shall maintain the confidentiality of all its records, including, but not limited to, patient care reports, claim documentation, insurance information and all OCFA records, in accordance with all applicable local, State and Federal laws, regulations, ordinances and directives relating to confidentiality. Contractor shall inform all of its officers, employees, and agents providing services under this ALS Agreement of the confidentiality provisions of this Section.

19 **SUCCESSORS**

Each of the terms and conditions of this ALS Agreement shall inure to the benefit of and shall bind, as the case may be, not only the parties hereto, but each and every one of the heirs, executors, administrators, successors, assignees, and legal representatives of the parties.

20 **INTEGRATION**

This ALS Agreement, including any and all exhibits attached hereto and incorporated herein by reference, supersedes all previous communications, transactions, and understandings, whether oral or written, and constitutes the sole and entire agreement between the parties pertaining to the subject matter hereof. No modification or deletion of, or addition to, these terms or conditions is binding on either party unless made in writing and signed by a duly authorized representative of both parties.

21 **NO WAIVER**

21.1 No delay or omission in the exercise of any right or remedy available hereunder shall impair such right or remedy or be construed as a waiver. Any waiver of any breach, default, or condition hereunder must be in writing and shall not be construed as a waiver of any other breach or default concerning the same or any other provision of this ALS Agreement.

21.2 The waiver by OCFA of any breach by Contractor of any of the provisions of this ALS Agreement shall not constitute a continuing waiver or a waiver of any subsequent breach or default by Contractor either of the same or a different provision of this ALS Agreement.

22 **THIRD PARTY BENEFICIARIES**

The terms of this ALS Agreement are intended to confer benefits only on the parties to this agreement. No rights of action shall accrue to any other persons or entities under this ALS Agreement.

23 **EXECUTION OF AGREEMENT**

The person(s) executing this ALS Agreement hereby warrant and represent that the execution of this agreement and the performance of the terms and conditions of this agreement have been authorized by all requisite corporate, federal, state, municipal or other entity requirements and that the undersigned have the right, power, legal capacity and authority to execute, to bind Contractor, and to enter into this ALS Agreement.

24 **NOTICES**

Any notices required or permitted under this ALS Agreement shall be in writing and shall be delivered personally or sent by U.S. Mail, First Class, postage prepaid, return receipt requested, and addressed as follows:

Orange County Fire Authority:

Orange County Fire Authority
Attn.: EMS Section Battalion Chief
One Fire Authority Road
Irvine, California 92602

[Contractor]:

CARE Ambulance Service, Inc.
1517 W Braden CT
Orange, CA 92868-1125

25 **SEVERABILITY**

If any term or condition of this ALS Agreement, or the application thereof to any person or circumstance, shall to any extent be held by a court of competent jurisdiction to be invalid, void, or otherwise unenforceable, the remainder of this ALS Agreement, or the application thereof to any person or circumstance, shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

26 **AMENDMENT**

No modification, amendment, addition to, deletion, or alteration of the terms of this ALS Agreement, whether written or oral, shall be valid unless made in writing and formally approved and executed by both parties.

27 **VENUE**

This ALS Agreement shall be governed and construed in accordance with the laws of the State of California. In the event of any legal action to enforce or interpret this ALS Agreement, the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California, and the parties hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure section 394.

SIGNATURE PAGE

IN WITNESS WHEREOF, the parties hereto have executed this ALS Agreement as follows, to be effective on the Effective Date as set forth above.

CARE Ambulance Service, Inc.

Sign: 

Date: 5/21/2015

Name: Troy M. Hagen

Title: CEO

ORANGE COUNTY FIRE AUTHORITY

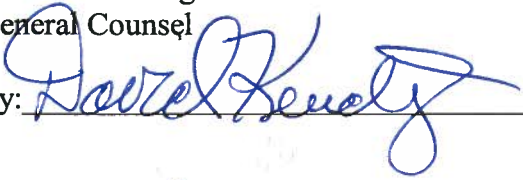
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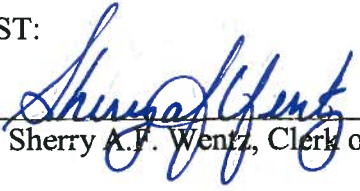
Elwyn A. Murray, Chair
Orange County Fire Authority
Board of Directors

APPROVED AS TO FORM:

David E. Kendig
General Counsel

By: 

ATTEST:

By: 
Sherry A.F. Wentz, Clerk of the Authority

**AMENDMENT TO
ADVANCED LIFE SUPPORT SERVICES
BILLING AGREEMENT**

This Amendment to the Advanced Life Support Services Billing Agreement ("Amendment") is made and entered into this ____ th day of _____, 2015 ("Amendment Effective Date"), by and between the ORANGE COUNTY FIRE AUTHORITY, a Joint Powers Agency organized pursuant to the provisions of Article 1, Chapter 5, Division 7, Title 1 (commencing with Section 6500) of the California Government Code, hereinafter referred to as "OCFA," and CARE AMBULANCE SERVICE, Inc., hereinafter referred to as "Contractor." OCFA and Contractor are referred to collectively herein as the "parties."

RECITALS

A. OCFA and Contractor entered into that certain Advance Life Support Services Billing Agreement on May 21, 2015 ("ALS Billing Agreement"), which is incorporated herein by this reference.

B. Pursuant to the ALS Billing Agreement, Contractor is obligated to pay OCFA the established ALS Reimbursement Rate for each service call where OCFA personnel perform advance life support ("ALS") services to patients who also receive ambulance transport services from Contractor.

C. Pursuant to the ALS Billing Agreement, Contractor is obligated to pay OCFA the established Medical Supply Reimbursement Rate for each service call where OCFA personnel perform ALS services or Basic Life Support ("BLS") services to patients who also receive ambulance transport services from Contractor.

D. The ALS Reimbursement Rate and the Medical Supply Reimbursement Rate are each subject to the same annual percentage adjustment increase as the County's Basic Life Support emergency ground ambulance rate ("BLS Base Rate") and the Orange County Board of Supervisors periodically considers adjustments to the BLS Base Rate.

E. Contractor is seeking a substantial increase in the BLS Base Rate from the Board of Supervisors in response to increased minimum wage requirements, among other increases in Contractor's operational costs.

F. Raising the ALS Reimbursement Rate and the Medical Supply Reimbursement Rate by the same percentage increase in the BLS Base Rate sought by Contractor would reduce the effectiveness of Contractor's efforts to address its increased costs resulting from minimum wage requirements and other increases in its operational costs.

G. Notwithstanding any increase to the BLS Base Rate that may be approved by the Board of Supervisors, the parties desire to retain the current ALS Reimbursement Rate and Medical Supply Reimbursement Rate specified in the ALS Billing Agreement and to temporarily

suspend any increases in the OCFA's ALS Reimbursement Rate and Medical Supply Reimbursement Rate for a period of twelve (12) months.

NOW, THEREFORE, the parties hereto mutually agree as follows:

AGREEMENT

1. Section 2.2.4 is hereby added to the ALS Billing Agreement to read as follows:

"2.2.4 Temporary Suspension of Annual Adjustment to ALS Reimbursement Rate. Notwithstanding Section 2.2.2, and irrespective of any County-approved increases to the BLS Base Rate that may occur prior to the one-year anniversary of the Amendment Effective Date, the ALS Reimbursement Rate shall remain fixed at the amount(s) specified in Section 2.2.3. Commencing on and continuing after the one-year anniversary of the Amendment Effective Date, annual adjustments to the ALS Reimbursement Rate shall resume in accordance with Section 2.2.2."

2. Section 2.3.1 is hereby added to the ALS Billing Agreement to read as follows:

"2.3.1 Temporary Suspension of Annual Adjustment to Medical Supply Reimbursement Rate. Irrespective of any County-approved increases to the BLS Base Rate that may occur prior to the one-year anniversary of the Amendment Effective Date, the Medical Supply Reimbursement Rate shall remain fixed at the amount specified in Section 2.3. Commencing on and continuing after the one-year anniversary of the Amendment Effective Date, annual adjustments to the Medical Supply Reimbursement Rate shall resume in accordance with Section 2.3."

3. Except as expressly modified by this Amendment, all terms and conditions of the ALS Billing Agreement shall remain unchanged and in full force and effect.

[Signatures on Following Page]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as follows, to be effective on the date first set forth above.

CARE AMBULANCE, Inc.

Sign: _____

Date: _____

Name: _____

Title: _____

ORANGE COUNTY FIRE AUTHORITY

By: _____

Date: _____

Gene Hernandez, Chairman
OCFA Board of Directors

APPROVED AS TO FORM:
David E. Kendig, General Counsel

By: _____

ATTEST:

By: _____

Sherry A.F. Wentz, Clerk of the Authority