

CITY OF COSTA MESA

FIRE SERVICE DELIVERY OPTIONS ASSESSMENT



Costa Mesa

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INTRODUCTION

The delivery of fire and paramedic services is a core component of maintaining the public and life safety of the Community, and consistently rates high in terms of importance to the residents and businesses of Costa Mesa. The Costa Mesa City Council has recognized these facts and has continuously invested in maintaining a high quality, effective fire department. As a result, the cost of fire and paramedic services represents a significant portion of the City's budget and continues to rise on an annual basis. In light of the major fiscal challenges facing Costa Mesa and all cities in California and the nation, it is appropriate to examine alternative delivery options that are available to provide the necessary services and still reduce costs now and over the long-term.

Accordingly, the Costa Mesa City Council at the request of the Costa Mesa Fire Association, who agreed to pay for the costs of the proposal preparation, directed staff to seek a proposal from the Orange County Fire Authority (OCFA) for contract fire services. Based upon Council's direction, staff solicited, and received a formal proposal from OCFA on February 16, 2011. Subsequent to the initial submittal, OCFA revised their proposal costs to remove their retirement plan's previous unfunded liability which significantly reduced the proposed cost for each option. However, there will be a corresponding on-going cost that Costa Mesa will have to PERS to fund the unfunded retirement liability for departing fire employees.

The City Council directed that a review and analysis of the proposal be performed along with a comparison of these proposals with the Costa Mesa Fire Department services and costs.

This report presents the City Council with four options to consider in providing Fire Protection, Emergency Medical, and Fire Prevention Services to the Community. Each of the following options was analyzed:

- Maintain the Costa Mesa Fire Department in its current configuration
- Orange County Fire Authority Option 1
- Orange County Fire Authority Option 2
- Orange County Fire Authority Option 3

This report discusses each of these options using evaluation criteria approved by the City Council at a study session conducted in March 2011.

METHODOLOGY

Prior to commencing the study, the Interim Assistant Chief Executive Officer consulted with the Chief Executive Officer (CEO) and Costa Mesa Fire Chief in order to arrive at a common understanding of the project scope and timetable for the performance of the analysis. A City Council study session was conducted for the purpose of validating the rating criteria to be utilized for the analysis.

Additionally, the Interim Assistant Chief Executive Officer scheduled individual meetings with key stakeholders including the President and an officer of the Costa Mesa Fire Association, as well as the Public Services Director and members of his staff to gain an understanding of their specific interests with respect to the analysis.

The Costa Mesa Finance and Administrative Services Departments were engaged to provide data necessary to determine the current net costs for maintaining the Costa Mesa Fire Department, and to develop assumptions for future growth in costs, and transition costs for departing Costa Mesa Fire Department employees in the event that the City Council elects to contract for fire services. Therefore, all cost data and assumptions included in this report have been provided and validated by the Costa Mesa Finance Department.

To initiate the assessment, the Interim Assistant Chief Executive Officer performed an extensive review of the proposal submitted by OCFA. Once the Interim Assistant Chief Executive Officer developed a general understanding of the proposal, a number of questions were formulated and transmitted to OCFA for the purpose of clarifying proposal information and obtaining more specific data to aid in the analysis of service options.

Utilizing the information contained in the proposal, the responses to the questions, and the financial and personnel information provided by the City of Costa Mesa, the Interim Assistant Chief Executive Officer completed the analysis of the various options, which is presented herein for review by the Costa Mesa City Council and City Staff.

EXECUTIVE SUMMARY

The Costa Mesa Fire Department and the Orange County Fire Authority are both prepared to provide all-risk fire protection, emergency medical, and fire prevention services to the City of Costa Mesa. Each agency's staff is fully qualified and trained to provide the proposed services.

While each of the options submitted differs, each staffing and equipment option is able to meet the necessary response times to deal with any emergency that may occur in any area of Costa Mesa. OCFA has a greater depth of directly controlled resources within five miles of the city limits that offer additional operational capabilities than are provided to the Costa Mesa Fire Department in its current configuration.

OCFA has estimated that annual contract cost increases will average 2.29% for the next five years and has provided estimated increases for each individual year. However, the contractual cap on annual increases would be 4.5%. As a result, cost projections over a 5-year period are provided for both scenarios.

One-time start-up costs ranging from \$729,844 to \$816,106 for OCFA to provide services would need to be absorbed by Costa Mesa. However, these costs may be amortized over five years at no interest which lessens the financial impact of transition. These costs can be paid from the savings that would be achieved with contracting with most options, or from the sale of surplus vehicles, equipment, or fire station properties to OCFA or others.

Beyond the start-up costs, there will be staff transition costs consisting of paying off remaining leave banks for employees transitioning to OCFA, as well as paying off leave banks for those employees who will not be absorbed by the new fire agency. The estimate for these transition costs is \$750,000. These costs have been included in the first year estimates for each of the OCFA options. While these costs are significant, they are one-time and can quickly be recovered from future savings in annual contract costs in years 2 and beyond for most options. The President of the Costa Mesa Fire Association has indicated that the Association is willing to negotiate a solution that will reduce the fiscal impact from these transition costs, should the City elect to contract with OCFA for fire services.

There are savings to Costa Mesa by contracting with OCFA for all of the options with the average 2.29% scenario, and for options 2 and 3 with the 4.5% scenario.

A comparison of costs of the current Costa Mesa Fire Department structure with the OCFA over a 5-year period with average 2.29% and 4.5% annual growth scenarios is presented below:

OCFA Option 1 (Average 2.29% Growth)	2011-12	2012-13	2013-14	2014-15	2015-16
OCFA #1 Net Costs	20,439,087	20,317,471	20,950,700	21,313,655	21,475,494
Costa Mesa Fire Costs	19,731,475	20,663,187	21,570,480	22,056,376	22,487,163
Annual Savings	(707,612)	345,716	619,780	742,721	1,011,669

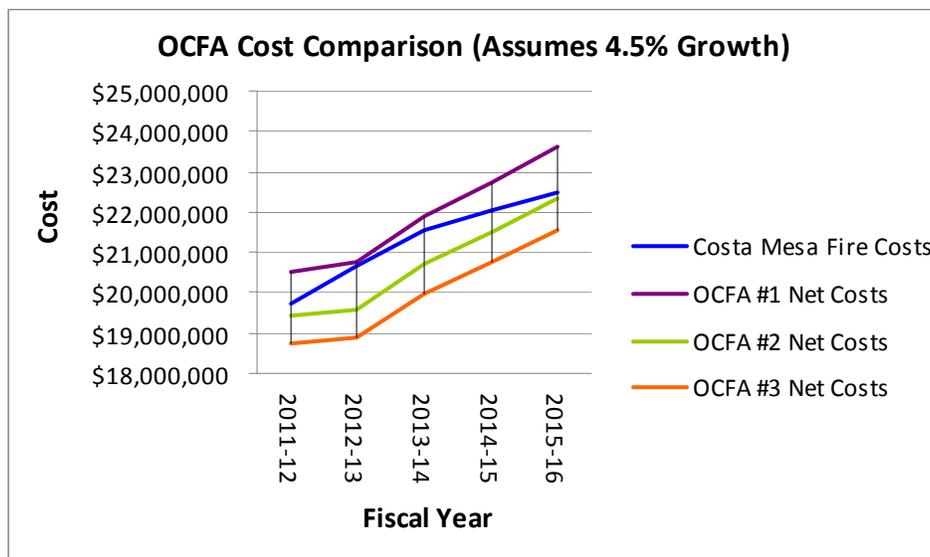
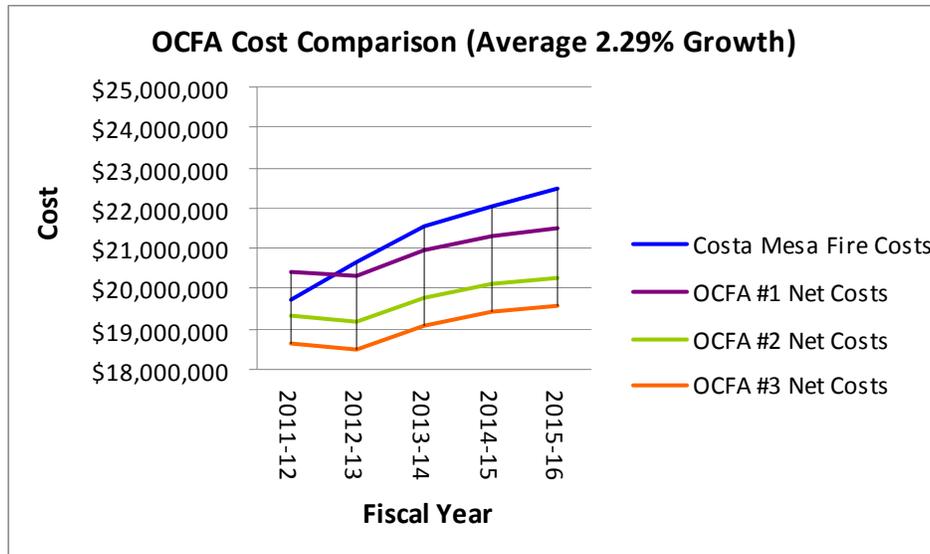
OCFA Option 1 (Assumes 4.5% Growth)	2011-12	2012-13	2013-14	2014-15	2015-16
OCFA #1 Net Costs	20,536,789	20,761,326	21,913,872	22,750,076	23,623,909
Costa Mesa Fire Costs	19,731,475	20,663,187	21,570,480	22,056,376	22,487,163
Annual Savings	(805,314)	(98,139)	(343,392)	(693,700)	(1,136,746)

OCFA Option 2 (Average 2.29% Growth)	2011-12	2012-13	2013-14	2014-15	2015-16
OCFA #2 Net Costs	19,318,903	19,175,020	19,793,344	20,137,036	20,290,287
Costa Mesa Fire Costs	19,731,475	20,663,187	21,570,480	22,056,376	22,487,163
Annual Savings	412,572	1,488,167	1,777,136	1,919,340	2,196,876

OCFA Option 2 (Assumes 4.5% Growth)	2011-12	2012-13	2013-14	2014-15	2015-16
OCFA #2 Net Costs	19,411,420	19,595,320	20,705,400	21,497,228	22,324,689
Costa Mesa Fire Costs	19,731,475	20,663,187	21,570,480	22,056,376	22,487,163
Annual Savings	320,055	1,067,867	865,080	559,148	162,474

OCFA Option 3 (Average 2.29% Growth)	2011-12	2012-13	2013-14	2014-15	2015-16
OCFA #3 Net Costs	18,659,160	18,498,915	19,106,286	19,435,825	19,582,765
Costa Mesa Fire Costs	19,731,475	20,663,187	21,570,480	22,056,376	22,487,163
Annual Savings	1,072,315	2,164,272	2,464,194	2,620,551	2,904,398

OCFA Option 3 (Assumes 4.5% Growth)	2011-12	2012-13	2013-14	2014-15	2015-16
OCFA #3 Net Costs	18,747,867	18,901,907	19,980,784	20,740,004	21,533,389
Costa Mesa Fire Costs	19,731,475	20,663,187	21,570,480	22,056,376	22,487,163
Annual Savings	983,608	1,761,280	1,589,696	1,316,372	953,774



In addition to the annual savings identified above, Costa Mesa may avoid large financial outlays for certain capital costs if it chooses to contract with OCFA. One example is the purchase of fire apparatus, which would normally be purchased from the Vehicle Replacement Fund. While OCFA does include a contribution toward vehicle replacement in their annual contract costs, no large purchase would be required. This would free up the fund balance contained in the City’s Vehicle Replacement Fund for other uses. Another example is the 800 MHz Countywide Communication System which is nearing the end of its useful life and will need to be replaced in the near future.

Costa Mesa's share will likely be several million dollars, with the fire component representing a large portion of that share. While a financing plan is being developed at the County level, Costa Mesa will need to plan for a large cost for this important project. OCFA will spread its costs over all of its contract cities which may result in a reduced annual cost to its member agencies.

Additionally, the City administers a post employment benefits plan which provides medical insurance benefits to eligible retirees and their spouses in accordance with various labor agreements. A number of current fire employees are eligible for this benefit upon retirement from Costa Mesa. Should the City elect to contract for fire services with OCFA, it would be relieved of the future financial obligation to provide this retiree medical benefit to those eligible fire employees who would transfer to OCFA.

A summary of resources proposed to be deployed within the city limits is presented below:

Option	Station 1	Station 2	Station 3	Station 4	Station 5	Station 6	Total Positions
Costa Mesa Fire	Medic Engine (4)	Medic Engine (4)	Medic Engine (4)	USAR Unit (4)	Medic Engine (4)	Quint Truck (4)	29 Full-Time
			Truck (4)		Battalion Chief (1)		10 Paramedics
OCFA Option 1	PAU Engine (3)	PAU Engine (3)	PAU Engine (3)	PAU Quint Truck (4)	PAU Engine (3)	Medic Quint Truck (4)	25 Full-Time
	Medic Van (2)		Medic Van (2)		Battalion Chief (1)		11 Paramedics
OCFA Option 2	PAU Engine (3)	PAU Engine (3)	Medic Engine (4)	PAU Quint Truck (4)	PAU Engine (3)	Closed	24 Full-Time
	Medic Van (2)	Medic Van (2)			Medic Van (2)	Battalion Chief (1)	12 Paramedics

	Station 1	Station 2	Station 3	Station 4	Station 5	Station 6	Total Positions
OCFA Option 3	PAU Engine (3)	Closed	Medic Engine (4)	PAU Quint Truck (4)	PAU Engine (3)	Medic Engine (4)	23 Full-Time
	Medic Van (2)				Medic Van (2)	Battalion Chief (1)	11 Paramedics

OCFA will absorb all the sworn fire personnel that meet basic requirements, but will only transfer the employees in rank that they require to serve Costa Mesa. All others will be offered positions as Firefighters. However, OCFA does not Y-Rate, meaning that fire personnel will not transfer in at their existing Costa Mesa salaries, unless the City wants to pay for that benefit, and will bring in transferring employees at the step in the position salary range that most closely matches their current salary. OCFA will absorb two (2) non-sworn Fire Prevention personnel, and will consider absorbing a third Fire Prevention staff member subject to their staffing needs at the time of contract.

If the City chooses to contract for fire services, the Costa Mesa City Council will have to give up some of the direct control of policy and budget. OCFA offers some policy and budget role for the City since it is organized as a Joint Powers Authority (JPA), meaning that each member agency has a seat on the JPA Board of Directors and has an equal vote in policy matters. However, OCFA proposes a long-term contract with cost containment provisions that should mitigate some of the issues associated with a reduced governance role.

Finally, OCFA does provide an organizational structure that assures regular communication on operational and budget matters, and strives to resolve any issues that may arise with their contract cities.

FIRE AGENCY DESCRIPTION

Costa Mesa Fire Department

The Costa Mesa Fire Department is a department within the City of Costa Mesa structure, which is a municipal corporation, operating under the Council-Manager form of government. The Fire Chief is appointed and supervised by the Chief Executive Officer. The Costa Mesa City Council is the governing body and exercises policy and budget control for the City as a whole including the Costa Mesa Fire Department. The Costa Mesa Fire Department serves approximately 116,500 residents within its geographical boundaries of 16.8 square miles. The Fire Department consists of 93 full time positions that provide administrative services as well as staffing for the six fire stations. The Department has 88 sworn career firefighters. Of the 88 suppression positions, 30 are licensed paramedic positions.

Orange County Fire Authority

The Orange County Fire Authority is a Joint Powers Authority, formed in 1995, for the purpose of providing regional fire protection services to its 23 member agencies, consisting of 22 Orange County cities, and the County of Orange. The Governing Board consists of one representative appointed by every member city, along with two members of the Orange County Board of Supervisors, each of which has an equal vote on the Governing Board. The Board appoints the Fire Chief, and exercises policy and budget control. The Fire Authority's authorized staffing level is 1,182 full-time positions. A total of 990 authorized positions of personnel provide front-line services, including emergency response, dispatch and fire prevention. The remaining 192 authorized positions are for technical and administrative support. The OCFA's staffing level also includes 495 authorized reserve firefighter positions who currently serve 1.4 million residents in an area of 550 square miles.

COSTA MESA FIRE DEPARTMENT STAFFING AND COSTS

The Costa Mesa Fire Department provides fire prevention, inspection, plan check, emergency preparedness, and education using non-sworn staff that operates from Costa Mesa City Hall, and operates 6 fire stations with sworn staffing and equipment as follows:

Summary of Costa Mesa Fire Station Staffing

Station 1	Station 2	Station 3	Station 4	Station 5	Station 6	Total Positions
Medic Engine(4)	Medic Engine(4)	Medic Engine(4)	USAR Unit (4)	Medic Engine (4)	Quint Truck (4)	29 Full-Time
		Truck (4)		Battalion Chief (1)		10 Paramedics

Costa Mesa Fire Cost Methodology

In order to give the City Council the best possible estimate of the cost of maintaining the Costa Mesa Fire Department, it is important to calculate the net cost of providing the services. The Fire Department budget is only one cost component. Other departments also incur on-going costs in support of an in-house fire department, and there are certain major capital costs that will be incurred to maintain an in-house fire function which are not contained in the Fire Department budget. These include replacement of major apparatus that will be lease-purchased, as well as the replacement of other fixed assets. Similarly, the Costa Mesa Fire Department generates revenue from their plan-check and inspection services, First Responder Fees, ALS Fees, and other fees and reimbursements, directly related to fire activities. The generation of these revenues offset a portion of the cost of providing the services and therefore is credited to the Fire Department.

The Costa Mesa Finance Department projected the growth of the fire-related component for the 5-year period commencing with the 2011-12 fiscal year. The projected costs for maintaining the Costa Mesa Fire Department in its current configuration are depicted in the table below:

Costa Mesa Fire Department 5-Year Cost Projection

	2011-12	2012-13	2013-14	2014-15	2015-16
Fire Budget	19,875,475	20,807,187	21,714,480	22,200,376	22,631,163
City Costs ¹	551,000	551,000	551,000	551,000	551,000
Fire Revenue ²	(695,000)	(695,000)	(695,000)	(695,000)	(695,000)
NET COSTS	19,731,475	20,663,187	21,570,480	22,056,376	22,487,163

ORANGE COUNTY FIRE AUTHORITY STAFFING AND COSTS

The Orange County Fire Authority provided three (3) different options for serving the City of Costa Mesa. Assuming that the Council elects to contract for fire services, there are certain costs that the City will continue to incur for services currently provided to the Costa Mesa Fire Department by other city departments. Additionally, some of the revenues that are currently generated by the Costa Mesa Fire Department will no longer be available to help offset fire services costs. Those that will continue to be available have been credited towards the cost of the OCFA contract options. The proposed station staffing and equipment configuration and the estimated costs for each of the three options are summarized below:

¹ See Exhibit A

² See Exhibit B

Summary of OCFA Fire Station Staffing

	Station 1	Station 2	Station 3	Station 4	Station 5	Station 6	Total Positions
Option 1	PAU Engine (3)	PAU Engine (3)	PAU Engine (3)	PAU Quint Truck (4)	PAU Engine (3)	Medic Quint Truck (4)	25 Full-Time
	Medic Van (2)		Medic Van (2)		Battalion Chief (1)		11 Paramedics
Option 2	PAU Engine (3)	PAU Engine (3)	Medic Engine (4)	PAU Quint Truck (4)	PAU Engine (3)	Closed	24 Full-time
	Medic Van (2)	Medic Van (2)			Medic Van (2)		12 Paramedics
					Battalion Chief (1)		
Option 3	PAU Engine (3)	Closed	Medic Engine (4)	PAU Quint Truck (4)	PAU Engine (3)	Medic Engine (4)	23 Full-Time
	Medic Van (2)				Medic Van (2)		11 Paramedics
					Battalion Chief (1)		

OCFA Option 1

The option allows for:

- An Advanced Life Support (ALS) capable unit to arrive on scene to all areas currently covered by Costa Mesa Fire Department
- 2 trucks
- 3 full Paramedic units
- Paramedic vans to cover multiple areas without removing the Engine from their first due coverage area
- ALS coverage when the Paramedic unit is out of area, at hospital, or at training

OCFA Option 2

The option allows for:

- Closure of Station 6, allowing City to actualize savings of personnel, and maintenance costs of station
- 1 Truck
- Low workload of Station 6 can be assumed by other units
- ALS coverage at all remaining stations
- 4 full Paramedic units
- 3 Paramedic vans to cover multiple areas without removing the engine from their first due coverage area
- Fire Station 2 can cover Fire Station 6's area within 5 minute response time

OCFA Option 3

The option allows for:

- Closure of Station 2, allowing City to actualize savings by closing an older station which will require replacement in the near future and capital improvements over the next few years
- City will actualize savings of personnel and maintenance costs of station
- 4 full Paramedic units
- 1 Truck
- ALS coverage at all remaining stations
- 2 Paramedic vans to cover multiple areas without removing the engine from their first due coverage area for high workload engines
- Paramedic units placed on either side of closed station to increase ALS response time
- Minimal coverage change - area near airport exceeds 5 minute coverage standard by approximately 35 seconds. A total of 30-35 calls per year will be affected

OCFA 5-Year Cost Projection

OCFA Option 1 (Average 2.29% Growth)	2011-12	2012-13	2013-14	2014-15	2015-16
OCFA Contract Cost	16,918,680	17,338,263	17,619,143	17,982,098	18,143,937
City Retained Costs ³	207,186	207,186	207,186	207,186	207,186
PERS UAAL Payment ⁴	2,610,000	2,818,800	3,171,150	3,171,150	3,171,150
Truck Lease Payment	220,000	220,000	220,000	220,000	220,000
Startup Costs	163,221	163,221	163,221	163,221	163,221
Staff Separation Cost	750,000				
Fire Revenue	(430,000)	(430,000)	(430,000)	(430,000)	(430,000)
Net Costs	20,439,087	20,317,471	20,950,700	21,313,655	21,475,494

OCFA Option 1 (Assumes 4.5% Growth)	2011-12	2012-13	2013-14	2014-15	2015-16
OCFA Contract Cost	17,016,382	17,782,119	18,582,314	19,418,519	20,292,352
City Retained Costs	207,186	207,186	207,186	207,186	207,186
PERS UAAL Payment	2,610,000	2,818,800	3,171,150	3,171,150	3,171,150
Truck Lease Payment	220,000	220,000	220,000	220,000	220,000
Startup Costs	163,221	163,221	163,221	163,221	163,221
Staff Separation Cost	750,000				
Fire Revenue	(430,000)	(430,000)	(430,000)	(430,000)	(430,000)
Net Costs	20,536,789	20,761,326	21,913,872	22,750,076	23,623,909

OCFA Option 2 (Average 2.29% Growth)	2011-12	2012-13	2013-14	2014-15	2015-16
OCFA Contract Cost	16,020,828	16,418,145	16,684,119	17,027,812	17,181,062
City Retained Costs	222,186	222,186	222,186	222,186	222,186
PERS UAAL Payment	2,610,000	2,818,800	3,171,150	3,171,150	3,171,150
Startup Costs	145,889	145,889	145,889	145,889	145,889
Staff Separation Cost	750,000				
Fire Revenue	(430,000)	(430,000)	(430,000)	(430,000)	(430,000)
Net Costs	19,318,903	19,175,020	19,793,344	20,137,036	20,290,287

³ See Exhibit C

⁴ PERS Estimate of annual Unfunded Liability for 20 year period for departing Costa Mesa Fire Employees

OCFA Option 2 (Assumes 4.5% Growth)	2011-12	2012-13	2013-14	2014-15	2015-16
OCFA Contract Cost	16,113,345	16,838,446	17,596,176	18,388,004	19,215,464
City Retained Costs	222,186	222,186	222,186	222,186	222,186
PERS UAAL Payment	2,610,000	2,818,800	3,171,150	3,171,150	3,171,150
Startup Costs	145,889	145,889	145,889	145,889	145,889
Staff Separation Cost	750,000				
Fire Revenue	(430,000)	(430,000)	(430,000)	(430,000)	(430,000)
Net Costs	19,411,420	19,595,320	20,705,400	21,497,228	22,324,689

OCFA Option 3 (Average 2.29% Growth)	2011-12	2012-13	2013-14	2014-15	2015-16
OCFA Contract Cost	15,361,085	15,742,040	15,997,061	16,326,601	16,473,540
City Retained Costs	222,186	222,186	222,186	222,186	222,186
PERS UAAL Payment	2,610,000	2,818,800	3,171,150	3,171,150	3,171,150
Startup Costs	145,889	145,889	145,889	145,889	145,889
Staff Separation Cost	750,000				
Fire Revenue	(430,000)	(430,000)	(430,000)	(430,000)	(430,000)
Net Costs	18,659,160	18,498,915	19,106,286	19,435,825	19,582,765

OCFA Option 3 (Assumes 4.5% Growth)	2011-12	2012-13	2013-14	2014-15	2015-16
OCFA Contract Cost	15,449,792	16,145,033	16,871,559	17,630,779	18,424,164
City Retained Costs	222,186	222,186	222,186	222,186	222,186
PERS UAAL Payment	2,610,000	2,818,800	3,171,150	3,171,150	3,171,150
Startup Costs	145,889	145,889	145,889	145,889	145,889
Staff Separation Cost	750,000				
Fire Revenue	(430,000)	(430,000)	(430,000)	(430,000)	(430,000)
Net Costs	18,747,867	18,901,907	19,980,784	20,740,004	21,533,389

SERVICE LEVEL COMPARISON

Emergency Medical Response

Costa Mesa and OCFA use the same Emergency Medical Dispatch system. The major difference between the two emergency medical systems is the use of four-person Paramedic Engines by the Costa Mesa Fire Department vs. the use of two-person Paramedic Vans coupled with three-person Paramedic Assessment Engines utilized by OCFA. Both systems have inherent advantages and disadvantages, but each provides excellent response to emergency medical calls for service.

A Costa Mesa Paramedic Engine is staffed with 4 fire personnel, 2 of which are Paramedics. The advantage of Costa Mesa's system is that only one piece of fire apparatus is necessary to deliver the required staff to handle an Advanced Life Support (ALS) call. However, when an ALS call requires at least one of the Paramedics to ride in the ambulance with the patient to the receiving hospital, the entire Engine Company must follow the ambulance to retrieve the staff member. When this occurs, the unit is out of its response area and essentially out of service until it returns from the hospital.

OCFA's Paramedic Van is staffed with two Paramedics, and the PAU Engine is staffed with three fire personnel, one of which is a Paramedic. When an emergency medical call is received, the Paramedic Van and the PAU Engine are typically dispatched to the call. The advantage to this system is that when a Paramedic is required to ride with the patient to the receiving hospital, the remaining staff member on the Paramedic Van will follow the ambulance to retrieve the Paramedic, allowing the PAU Engine to remain in service and capable of providing paramedic level care in its first due response area. The disadvantage to this system is that two pieces of fire apparatus are required to respond to an emergency medical incident. It should be noted that OCFA does propose the use of some Paramedic Engines as part of their deployment plan in options 2 and 3.

The Costa Mesa Fire Department staffs 4 Paramedic Units, while OCFA proposes to staff 3 or 4 Paramedic Units, depending upon the option. However, OCFA will provide at least one (1) Paramedic on all of the apparatus proposed to be deployed in Costa Mesa, which increases the number of Paramedics staffed on each shift.

Station Staffing

The Costa Mesa Fire Department staffs six (6) fire stations with 29 fire personnel per shift. Of these, 10 are licensed Paramedic positions.

OCFA proposes options that provide for daily staffing of five (5) or six (6) fire stations ranging from 23 to 25 personnel, of which, 11 or 12 are licensed paramedics.

OCFA advises that it is able to close a fire station in options 2 and 3 due to their current Standard of Cover guidelines and the system in which they deploy resources. In both options, the surrounding stations are capable of meeting the response standards. Additionally, OCFA's depth of resources and move up and cover procedure provide a mechanism to ensure coverage in the City. Response time would be met by all options and by the current Costa Mesa model.

Truck Coverage

The major operational difference between the Costa Mesa Fire Department and OCFA is Costa Mesa's use of a USAR Unit and a Ladder Truck Company as part of their truck coverage which do not have the ability of pumping water. Costa Mesa Fire deploys a four-person Quint Truck and a four-person Tiller Aerial Ladder Truck to provide their Truck coverage, with the USAR Unit serving as a third truck for certain types of calls.

OCFA proposes the use of either one (1) or two (2) four-person Quint Trucks which have the ability to pump water. Depending upon the option, the Quint Trucks are either full Paramedic (2 Paramedics) or Paramedic Assessment Units (1 Paramedic). No USAR Unit is proposed to be

located in the city limits, although there is a USAR Rescue Unit located at OC Fire Station 06 in Irvine, which is 3.6 miles from the Costa Mesa city limits and would be available to respond to an incident in the City, if needed. While in Options 2 and 3 OCFA proposes truck coverage utilizing one (1) Quint, their deployment models and analysis indicates that they can meet the necessary response time goals. OCFA's regional approach allows for the movement of other truck companies into the city should the need arise.

Response Times

OCFA and Costa Mesa both measure response performance using time as the basis for performance. The terminology, definition and means of reporting the performance is different and difficult to make an "apples to apples" comparison. OCFA incorporates the call processing time of their dispatch center and reports the time for the "first unit" to arrive (any unit for any call type). Additionally they report the time for an "effective response force" (representing a full structure fire alarm of 15 personnel). Costa Mesa reports the time for the first unit to arrive on fires of any type.

Since the Costa Mesa Fire Department does not operate the Dispatch function, they do not set goals for call processing times. As a result, the most comparable response time goals relate to turnout time and travel time.

The Costa Mesa Fire Department's response time goals are as follows:

- Respond to Code 3 Emergency Medical Emergencies within **5 Minutes** total 90% of the time (1 minute turnout time, and 4 minutes travel time)

A review of actual response time data for emergency medical calls indicates that performance 90% of the time is closer to **6 minutes and 15 seconds**.

- Respond to Code 3 Fire emergencies within **5 minutes and 20 Seconds** 90% of the time (1:20 minute turnout time, and 4 minutes travel time).

A review of actual response time data for fire calls indicates that performance 90% of the time is closer to **7 minutes and 09 seconds**.

OCFA has adopted “Standards of Cover” (SOC). This SOC takes into account OCFA’s wide geographic diversity associated with both urban and rural response areas, and accommodates the varying city’s street design and associated complexities. In order to achieve an “apples to apples” comparison between the Costa Mesa Fire Department and OCFA response time goals, only turnout time and travel time goals are identified:

- First Unit—from receipt of call to on scene of all emergency incidents, the first unit will respond within 6 minutes 20 seconds 80% of the time (1 minute 20 seconds turnout time, and 5 minutes travel time). This standard includes all call types including medical aides, traffic accidents, and fires.

Because OCFA has such a wide range of response areas, a review of the actual response time data for the OCFA cash contract cities of Buena Park and Westminster was used and indicates that the 80% First Unit actual arrival time is approximately **6 minutes and 38 seconds**.

- First Medic- From receipt of call to on scene of EMS emergency incidents, the first paramedic unit will respond within **9 minutes** 80% of the time with 4 personnel, 2 of them being paramedics (1 minute 20 seconds turnout time, and 7 minutes 40 seconds travel time). This time is separate from the “first unit” and the delivery of ALS care by the paramedic assessment unit (PAU).

Because OCFA has such a wide range of response areas, a review of the actual response time data for the OCFA cash contract cities of Buena Park and Westminster was used and indicates that the 80% First Medic Unit actual arrival time is approximately **7 minutes and 3 seconds**.

- Effective Response Force Structure Fire- From receipt of call to on scene of Structure Fire emergency incidents, the full assignment (3 engines/1 truck/1 medic/1 Battalion Chief) with 15 personnel will respond within **11 minutes** 80% of the time (1 minute 20 seconds turnout time, and 9 minutes 40 seconds travel time)

Response performance is not a true “apples to apples” comparison, and while it appears that the Costa Mesa Fire Department’s response time goals and actual performance for emergency medical are somewhat lower than those of OCFA’s, this is primarily based upon the diverse geography and topography that exists within the cities served by OCFA. In the event that OCFA was selected to provide fire services to Costa Mesa, it would be expected that they would be able to achieve the same response time performance as the Costa Mesa Fire Department.

Both agencies have excellent emergency response times which assure that emergency medical calls and other emergency incidents that assure that patients and property are treated properly and well-protected.

START –UP/CONVERSION COSTS

In the event that the Costa Mesa City Council elects to contract for fire services with OCFA, there will be certain one-time costs outside of the annual contract costs that will need to be funded by the City in order for the contract agency to provide services. In preparing their proposal, OCFA inspected the current equipment, facilities, and vehicles of the Costa Mesa Fire Department. As a result of these inspections, they itemized the additional equipment that needs to be purchased and improvements that need to be made to City Fire stations. Additionally, OCFA identified the existing Costa Mesa fire vehicles that they would accept as part of the contract.

Costa Mesa would be required to lease to OCFA, at no cost, those vehicles and apparatus that would be necessary to maintain service to the City. These vehicles would transition to OCFA, and would be placed into their vehicle rotation program.

OCFA also identified vehicles that would not be directly needed to serve the City, but would be considered for purchase as a credit toward the contract costs. The value of these vehicles would need to be negotiated. The remaining Costa Mesa fleet could be sold and utilized to pay a portion of the transition costs.

Start-up costs would include purchases and modifications related to Communications Services/Information Technology, Personnel and Safety Equipment, Facilities and Equipment. These costs are estimated as follows:

Total with 5 Stations = \$ 729,844

Total with 6 Stations = \$ 816,106

The above cost estimates include improvements and purchases that would be necessary in advance of OCFA assuming operations in Costa Mesa. OCFA also identified several issues in the proposal that, while not in immediate need for correction, are future needs that will require funding and would be discussed and agreed upon between Costa Mesa and OCFA. These issues are long-term in nature and many of them could be paid for out the existing OCFA contract allocation of \$15,000 per station designated for maintenance. Additionally, Costa Mesa has a Capital Improvement Program budget which should be adequate to cover the costs for these improvements. The annual CIP costs have been included in the calculation of net costs for the OCFA contract options.

STAFF TRANSITION POLICIES AND COSTS

The City of Costa Mesa Fire Department provides its services with a complement of sworn safety and non-sworn employees. The sworn personnel provide Fire Suppression, Paramedic Services, and annual inspection services, while the non-sworn employees provide Fire Prevention, Emergency Medical Services coordination, Public Education as well as general administrative duties. Should the City Council choose to contract for fire services, it will impact the existing employees. OCFA has established policies which govern who and how transitioning employees are absorbed into the new organization. It should be noted that while OCFA will absorb all safety personnel that meet basic criteria, there is no commitment to offer positions, except two (2) for the non-sworn Costa Mesa personnel. This means that unless the City of Costa Mesa is prepared to offer these employees positions in other parts of the City organization, which may be difficult given the current budget constraints, layoffs of the non-transitioning employees will be necessary.

If the City contracts with OCFA, it will be responsible for the cost of accrued benefits that have been earned by Costa Mesa employees who are leaving the organization. For those employees being absorbed by OCFA, the City would be responsible for the cost of paying off any remaining balance of vacation and compensated time. Any employee being laid off would also be entitled to a payoff of any of these leave balances. The Costa Mesa Finance Department provided an estimate of these transition costs which is included in this section. These costs would be in addition to the start-up costs identified in the previous section.

OCFA's policy for absorbing transitioning personnel is described below:

OCFA will retain all sworn current Costa Mesa Fire Department employees based upon their rank held on November 8, 2010, subject to certain conditions. Proposed current employees for hiring include 81 safety personnel, and 2 non-safety prevention personnel. This includes 1 Interim Fire

Chief, 2 Battalion Chiefs, 19 Fire Captains, 22 Engineers, 37 Firefighters (including those working as paramedics) and 2 Fire Prevention positions (non-sworn). An additional fire prevention position is subject to discussion and consideration and will be based upon OCFA's personnel and workload at the time of contract negotiations.

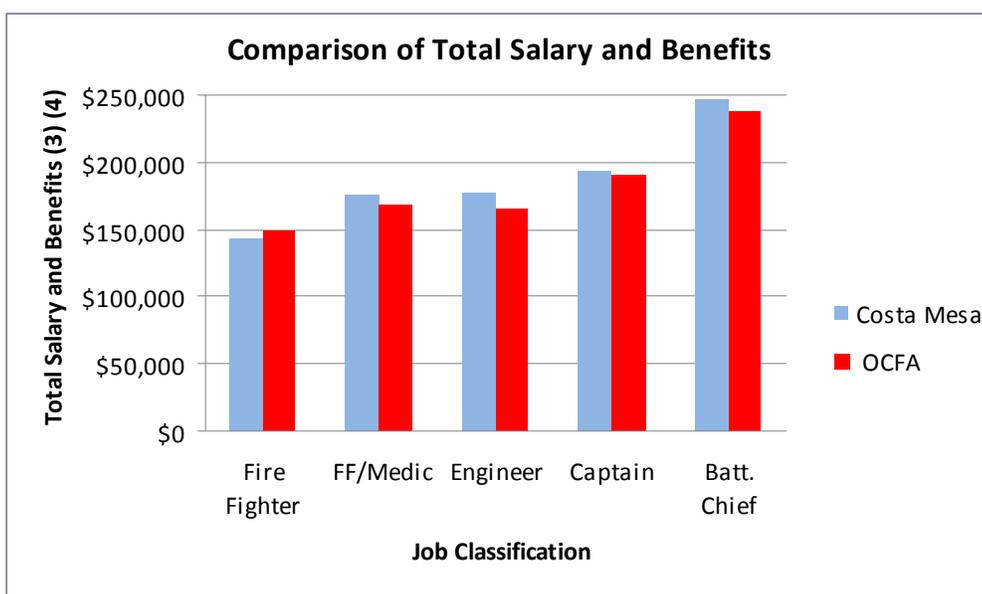
The policy of OCFA is that only the number of positions of rank created by the contract with Costa Mesa would be available to new transitioning personnel. All other individuals in excess of the contract requirements would be transitioned as Firefighters. OCFA will make an exception to this policy and offer the Costa Mesa Interim Fire Chief a Battalion Chief position.

OCFA does not "Y-Rate" transitioning employees. Y-rating means that the employee comes to the new agency making no less than their current salary with their existing agency. Instead, OCFA will place the employee at the salary step in the range for the rank they are transitioning to which most closely matches their current salary.

For the transitioning Costa Mesa Fire safety personnel, even those who have the most seniority, and therefore transition to the same rank, there will be some negative financial impact, since the OCFA salary ranges for comparable Costa Mesa Fire ranks are generally lower as a result there will be a reduction in salary as a result of the transition to OCFA. A comparison of the salary and benefits is presented in the chart on the next page:

	Salaries (1) (2)	Retirement	Health Insurance/H&W	Medicare	Total Salary and Benefits (3) (4)
Costa Mesa Fire Fighter	\$93,753	\$40,990	\$6,672	\$1,359	\$142,774
OCFA Fire Fighter	\$89,722	\$42,456	\$15,348	\$1,301	\$148,827
Costa Mesa FF/Medic	\$115,555	\$50,226	\$6,672	\$1,676	\$174,129
OCFA FF/Medic	\$101,694	\$48,121	\$15,348	\$1,475	\$166,638
Costa Mesa Engineer	\$117,112	\$50,910	\$6,672	\$1,698	\$176,392
OCFA Engineer	\$100,126	\$47,380	\$15,348	\$1,452	\$164,306
Costa Mesa Captain	\$128,191	\$55,943	\$6,672	\$1,859	\$192,665
OCFA Captain	\$116,549	\$55,151	\$15,348	\$1,690	\$188,738
Costa Mesa Batt. Chief	\$156,689	\$68,354	\$17,592	\$2,272	\$244,907
OCFA Batt. Chief	\$148,577	\$69,668	\$15,707	\$2,154	\$236,106

- (1) Salaries include top step base salary for each rank, plus paramedic bonus pay where applicable.
- (2) Salaries include EMT Bonus 5% of top step FF, FLSA & Holiday Pay
- (3) Does not include overtime or other special pay
- (4) Does not include Worker's Compensation costs



Depending upon the option selected, OCFA would need from 15 to 18 Captains, 15 to 18 Engineers, 27 to 33 Firefighter Paramedics, and 6 to 9 Firefighters. As a result, the Interim Fire Chief, and a number of Captains and Engineers, depending upon their seniority will be transitioned at least one rank below their current positions.

OCFA will hire two Fire Prevention staff and will consider as part of negotiations, hiring a third Fire Prevention staff member. The remaining non-sworn full-time and part-time Costa Mesa Fire Department personnel will not be absorbed and will be subject to layoff. This would involve 3 or 4 full-time and 4 part-time employees.

If the City wishes to Y-Rate the transitioning employees, OCFA will calculate the additional cost of that benefit and will add it to the annual service cost.

OCFA suggests that a 120-hour sick leave bank be established for all transitioning employees. This is an option that the City can choose not to exercise. City staff recommends against this option and would prefer to cash out remaining leave banks for transitioning personnel in order to avoid the need to continue to manage the record-keeping of leave banks for former (now current) employees.

COSTA MESA RESPONSIBILITY FOR PHASE-OUT OF PERS RETIREMENT COSTS

If the City Council elects to contract with OCFA for fire services, the transferring Costa Mesa fire employees will become members of the Orange County Employees Retirement System (OCERS). However, the City will continue to have an obligation to CalPERS for the unfunded liability to that retirement system. According to the CalPERS actuary, there are two options for dealing with these costs. Costa Mesa currently has separate PERS plans for the Police and Fire employees. The first option is for the two plans to remain separate and to move the City's Fire plan to inactive status. This results in an approximate annual payment of \$3.7 Million to CalPERS, for 2011-12, \$4.0 Million for 2012-13, and \$4.5 Million for 2013-14 and beyond for a 20 year period.

The second option is to merge the Police and Fire PERS plans, and place the Fire plan on inactive status. This option results in a significant savings over the first option and results in an estimated approximate annual payment of \$2.6 Million for 2011-12, \$2.8 Million for 2012-13, and \$3.2 Million for 2013-14 and beyond for a 20 year period. However, while the overall PERS costs will be reduced as compared to the first option, the PERS Safety rate for the combined plan will rise. The combined plan option estimate has been factored in to the net costs of OCFA contract services presented in this report.

FIRE PREVENTION SERVICES

In addition to the fire and life safety services provided through the staffing located at the fire stations, OCFA provides a full Fire Prevention department which provides the services currently provided by the City of Costa Mesa Fire Department non-sworn staff at the Costa Mesa City Hall. Although OCFA's main operations are located in Irvine, it will provide convenient local resident and business access to plan check services. The cost for these services is covered by user fees.

OCFA will discuss options with Costa Mesa on how they would like processes to be established and can accommodate plan check pick up and drop off at the City Hall as they do with many other partner agencies. OCFA Fire Prevention operates a full-time front counter operation and has technical staff available to answer questions.

It appears from an initial review of the information submitted by the City and OCFA that goals for turn-around times for plan check services are similar. However, the Costa Mesa Fire Chief has advised that they currently experience difficulty in meeting those goals due to reduced staffing.

Costa Mesa and OCFA both charge fees for plan check and inspection for Fire Prevention activities. A comparison of those fees for some typical examples of service requests:

Type of Permit	Costa Mesa Fire	OCFA
<u>Fire Sprinkler System (T.I.)</u> Fire suppression permit to relocate 22 fire sprinkler heads in conjunction with a 1,960 sq ft tenant improvement.	\$191	\$266
<u>Fire Alarm System (T.I.)</u> Fire alarm. 1 system and 10 devices to include: 4 strobes, 5 speaker/strobes, 1 smoke detector.	\$245	\$362
<u>Commercial Hood Extinguishing System</u> Fire suppression permit for the installation of a ul 300 fire suppression system for hood and duct.	\$325	\$372
<u>Special Extinguishing System</u> Installation of detection and control system for server room for use with fm-200 suppression.	\$555	\$660
<u>Underground Fire Line/Hydrants</u> Permit for the installation of underground from fire hydrant to the multi tenant.	\$485	\$755

Based upon the above information, it appears that while the OCFA fees are slightly higher using the comparative examples, the residents and businesses in Costa Mesa will be provided with at least comparable services to those currently provided by the Costa Mesa Fire Department, and will have easy access to those services, should the City Council elect to contract with OCFA.

DISPATCH AND COMMUNICATIONS

OCFA provides dispatch and communications through their centralized communications facilities in Irvine. If the City contracts with OCFA, the “911” emergency reporting system would remain in effect. A direct computer link and a direct telephone (ring-down) line or “speed dial” system would be maintained between the Costa Mesa Communication/Dispatch Center which is the PSAP (public safety answering point) and OCFA’s dispatch center. If a fire call comes in to Costa Mesa Public Safety Dispatch, a one-button transfer device will be used to send the call to the regional dispatch facility. No impact is anticipated to the current Costa Mesa Public Safety Dispatch operation in terms of staffing. This is due to the fact that the same number of calls will still need to be answered, and for those transferred to OCFA, the Costa Mesa dispatcher will need to stay on the line to determine if any police personnel will need to be dispatched along with the OCFA personnel. If the City Council selects OCFA to provide contract fire services, the City will review the staffing needs in the Dispatch Center further to identify any potential savings. There will be some savings in costs for training of Costa Mesa dispatch staff, since they will no longer be required to be certified as Emergency Medical Dispatchers.

LENGTH OF CONTRACT CONSIDERATIONS

As a condition of entering into a contract for services with the City of Costa Mesa, OCFA requires that a long-term contract be entered into for a specified period. OCFA proposes a JPA Service Agreement with a 20-year term through June 30, 2030, with an option to exit at the 10-year interval. OCFA’s JPA contract asks for a two-year advance notice for withdrawal. Any city may give notice of withdrawal by transmitting written notice of such withdrawal to the Clerk of the Authority prior to July 1 of the second to last year of every ten-year interval of a twenty-year term (e.g., for the first ten-year interval, notice must be given by July 1, 2018 to withdraw by June 30, 2020).

Therefore, the City must give the required notice specified in the JPA Agreement in order to withdraw from OCFA; however, there are no further provisions that would limit the city's ability to return to its own city fire department following an initial term with OCFA.

ANNUAL COST CONTAINMENT PROVISIONS

OCFA will enter into a contract with Costa Mesa that will provide a cap on the maximum increases in the cost for services for each fiscal year of the contract. These provisions should provide some certainty in terms of future budget planning and mitigate, to some degree, the requirement to commit to long-term agreements and the reduced level of policy control.

OCFA limits the annual contract increases to 4.5% for the full term of the agreement. The cap will include recapture provisions, wherein increases above the cap will be banked for future recapture in subsequent years when cost increases are less than the cap. Contributions to vehicle replacement, station maintenance, and amortized shortfalls will be added to cash contract city charges outside of the cap calculation. Administrative reviews will be conducted every five years to review the actual cost increases compared to the cap. Automatic triggers are included to ensure that any future cash contract city payment shortfalls that may develop can be addressed through the administrative reviews every five years.

Although the OCFA annual contract increase cap is 4.5%, the agency believes that the actual increase for the next 5 years will average 2.29%. Projected increases are currently as follows:

11/12	12/13	13/14	14/15	15/16	Five Year Average
3.9%	2.48%	1.62%	2.06%	0.9%	2.29%

REGIONAL FIRE PROTECTION

As the City Council considers their options, it is important to understand the operational characteristics and differences between a municipal fire department whose directly controlled fire assets are located entirely within its jurisdictional boundaries and regional fire service providers like the Orange County Fire Authority. Regional agencies have access to the resources located within the jurisdictional boundaries of the cities they serve, as well as directly controlled resources within their agency that are located within reasonable proximity to the jurisdiction and can respond to an incident within the required response time.

Therefore, while comparisons are provided for staffing and equipment proposed to be located within the City, information is also presented that identifies directly controlled resources within five miles of jurisdictional boundaries.

Mutual aid and Automatic Aid is currently available to the Costa Mesa Fire Department. While not directly comparable to directly controlled resources, there is no specific statistical data to suggest that those resources would be any less responsive than in the past, if Costa Mesa continued to provide its own fire services.

RESOURCES WITHIN FIVE MILES OF COSTA MESA

The deployment models described for OCFA depict the resources proposed to be located at existing Costa Mesa Fire Stations within the city limits. However, in fact, OCFA operates under a regional concept in their approach to providing emergency services to their contract cities. To provide the best response times possible, the closest available resource is dispatched to all incidents regardless of jurisdictional or municipal boundaries. OCFA has significant directly controlled resources located within five miles of Costa Mesa that will be utilized to provide services

to the Community in addition to those within the city limits. These regional resources located within five miles of Costa Mesa are as follows:

Station Location	Personnel/Equipment	Distance from Costa Mesa
OC Fire Station 33 374 Paularino Ave. Costa Mesa John Wayne Airport	7 personnel assigned to Crash Fire Rescue units Available if needed for foam or plane crash incidents	Within City
OC Fire Station 28 17862 Gillette Ave. Irvine	3 personnel PAU Engine	1.4 miles
OC Fire Station 06 3180 Barranca Pkwy. Irvine	8 personnel Medic Engine Truck USAR Rescue Division Chief	3.6 miles
OC Fire Station 37 14901 Red Hill Ave. Tustin	3 personnel PAU Engine	3.6 miles
OC Fire Station 04 2 California Ave. Irvine	10 personnel Engine Medic Van Truck Battalion Chief	3.62 miles

OCFA Fire Station Locations



City Hall
 77 Fair Drive
 Costa Mesa, CA 92628



Station Number	Address	Distance From Costa Mesa
4	OC Fire Station #4 2 California Ave. Irvine	3.62 mi.
6	OC Fire Station #6 3180 Barranca Pkwy. Irvine	3.6 mi.
28	OC Fire Station #28 17862 Gillette Ave. Irvine	1.4 mi.
33	OC Fire Station #33 374 Paulirino Ave. Costa Mesa	within city
37	OC Fire Station #37 14901 Red Hill Ave. Tustin	3.6 mi.

GOVERNANCE

Obviously, maintaining a municipal fire department offers the highest level of policy and budget control, since the City Council is the governing body for the organization. Under the Council-Manager form of government, the Chief Executive Officer (CEO), who is responsible to the City Council, appoints the Fire Chief and administers the affairs of the City, including the supervision of the Fire Chief and the Fire Department. In recent years, this has allowed Costa Mesa to reduce some budgetary expenditures in the Fire Department to respond to the economic downturn. However, maintaining total control may result in higher costs for services and lesser directly controlled fire resources than contract options. The OCFA model still provides an opportunity to participate in policy making and budgeting and to communicate and resolve service and fiscal concerns to the contract fire agency. Additionally, cost controls that can be placed in fire service contracts offer an additional protection measure for the City Council.

If the Costa Mesa City Council elects to enter into a contract for fire protection services with OCFA, it will be necessary to relinquish a certain amount of local control.

The Orange County Fire Authority is a Joint Powers Authority, formed in 1995, for the purpose of providing regional fire protection services to its 23 member agencies, consisting of 22 Orange County cities, and the County of Orange. The Governing Board consists of one representative appointed by every member city, along with two members of the Orange County Board of Supervisors, each of which has an equal vote on the Governing Board. The Board appoints the Fire Chief, and exercises policy and budget control.

If the City of Costa Mesa chooses to contract with OCFA, the City Council will have a seat on the Board of Directors and will have one vote on policy and budget issues providing an equitable share of decision-making authority. Additionally, the Costa Mesa member will be placed in the rotation to serve on the nine-member Executive Committee which conducts all the business of the Authority except policy issues, including labor and budget issues and the Budget and Finance Committee.

OCFA maintains a number of subcommittees which are comprised of member agency City Managers, therefore, the Costa Mesa CEO would have an opportunity to participate on these committees, including the Technical Advisory Committee and the Budget and Finance Committee.

Summary of Governance Control

Total Control	Shared Control
City of Costa Mesa	OCFA

CONCLUSION

The Costa Mesa City Council is faced with a number of difficult policy choices, particularly given the issues that all cities in California and the nation are facing. One of the most critical choices is how to provide fire and emergency services now, and in the long-term. The budget problem creates a unique opportunity to look at the options available to Costa Mesa to assure that fire services are delivered at the highest level achievable with the scarce dollars available.

Fortunately, a number of options are available to the City Council, although each of these options, including maintaining the Costa Mesa Fire Department as it currently exists have fiscal and other impacts that must be weighed, evaluated, and compared to each other in order to make an informed policy choice.

Beyond the options analyzed in this report, the City could undertake further study to determine whether the Costa Mesa Fire Department can be restructured similarly to one or more of the OCFA options to achieve cost savings and still maintain adequate service levels. Additionally, Costa Mesa could explore other service provider options and/or work with neighboring cities to determine if any opportunities for sharing fire resources exist.

Exhibit A

Other City Costs to Serve Costa Mesa Fire Department

Dispatch

Broadband Connection to Fire	\$ 8,158.00
EMD Certification and Pay	\$ 62,800.00
<u>Total Dispatch</u>	<u>\$ 70,958.00</u>

Personnel

Background and Recruitment Costs	\$ 3,000.00
<u>Total Personnel</u>	<u>\$ 3,000.00</u>

Information Technology

Telestaff	\$ 3,270.00
My Fire Rules (Incident Tracking)	\$ 600.00
Rescue Net (Records Management)	\$ 6,700.00
<u>Total Information Technology</u>	<u>\$ 10,570.00</u>

Risk Management

Liability Excess Coverage	\$ 14,395.00
Workers Compensation Excess	\$ 20,963.00
Property Insurance	\$ 26,386.00
<u>Total Risk Management</u>	<u>\$ 61,744.00</u>

Landscape Maintenance

Station Landscape Maintenance	\$ 11,772.00
Water	\$ 13,190.00

Additional Landscape Costs

Turf Maintenance	\$ 1,791.00
Planters	\$ 2,749.00
Irrigation repairs	\$ 1,130.00
Tree Maintenance	\$ 1,864.00

<u>Total Landscape Maintenance</u>	<u>\$ 32,496.00</u>
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Underground Fuel Tanks

<u>Total Underground Fuel Tanks</u>	<u>\$ 17,700.00</u>
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Building Maintenance

HVAC/Building Capital Costs	\$ 210,100.00
Hazmat Disposal	\$ 25,000.00
Generator Maintenance	\$ 13,000.00
Traffic Signal Controls	\$ 5,000.00

<u>Total Building Maintenance</u>	<u>\$ 253,100.00</u>
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Utilities

Water	\$ 26,713.00
Gas	\$ 8,822.00
Electricity	\$ 62,935.00
Refuse Disposal	\$ 2,800.00

<u>Total Utilities</u>	<u>\$ 101,270.00</u>
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TOTAL	\$ 550,838.00
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Exhibit B Fire Revenue

Fire Inspections	\$ 5,000.00
Fire Permits	\$ 100,000.00
Hazmat Disclosure Fee	\$ 100,000.00
EMS First Responder Fee*	\$ 200,000.00
Paramedic Fee – Advanced*	\$ 100,000.00
Medical Supply Reimbursement*	\$ 100,000.00
Fire False Alarms*	\$ 30,000.00
Accident Cost Recovery	\$ 60,000.00
	\$ 695,000.00
*Revenues Available with Contract	\$ 430,000.00

