



**CITY OF COSTA MESA
FIRE DEPARTMENT
INTEROFFICE MEMORANDUM**

TO: THOMAS R. HATCH, CHIEF EXECUTIVE OFFICER
FROM: TOM ARNOLD, INTERIM FIRE CHIEF
DATE: NOVEMBER 10, 2011
SUBJECT: EVALUATION OF ALTERNATIVES PROPOSED BY THE FIRE SERVICES CONTRACTING COMMITTEE

The Fire Department has reviewed the four alternatives for contracting Fire Protection, Emergency Medical and Fire Prevention services as outlined in the November 4, 2011 memorandum from the Fire Services Contracting Committee. There is an additional alternative that was not included in the committee's memorandum that will be referred to as alternative 5 in this evaluation.

Alternative 1: Retain existing service level at existing cost.

Pros: The City maintains the current level of service and control of resources. The institutional knowledge that contributes to the effective and efficient operations of City services is retained.

Cons: The City cannot immediately realize cost savings or develop efficiencies that may be possible with other alternatives.

Alternative 2: Contract with Orange County Fire Authority (OCFA).

Pros: The City can realize immediate cost savings while receiving a similar level of service. Some institutional knowledge will be retained for the first year of the contract. The breadth and depth of resources will increase significantly. Staff support and resources will improve.

Cons: There will be some loss of local control and ability to control long term costs. There will be some reduction of long term institutional knowledge.

Alternative 3: Contract with another public entity.

Pros: There is a potential for cost savings, improved efficiencies, and more local control than alternatives 2 and 4. It is likely that a similar level of service could be achieved. There is a potential for retaining current institutional knowledge.

Cons: Without specific proposals to evaluate, it is unclear how this would impact service and cost. Therefore the outcome of this approach is more uncertain than alternatives 1 and 2. There is a potential for more loss of local control and the ability to control long term costs than alternatives 1 and 5.

Alternative 4: Contract with a private entity.

Pros: There is a potential for cost savings and increased efficiency.

Cons: Without specific proposals to evaluate, it is unclear how this would impact service and cost. Therefore the outcome of this approach is more uncertain than alternatives 1 and 2. Since there are no local examples of this alternative, it is unclear how this would affect our ability to operate with surrounding agencies.

Alternative 5: Reorganize the existing department.

Pros: The City will realize immediate and long term cost savings and efficiencies. The City can maintain a similar level of service, full control of resources, and institutional knowledge will be retained. The City can continue to develop efficiencies and improve productivity to assist other city services.

Cons: Until the reorganization is defined, the outcome is more uncertain than alternatives 1 and 2.

This is a brief evaluation of the information provided by the Fire Services Contracting Committee. Further study will be required when more information is available.


Tom Arnold
Interim Fire Chief