

# **MINUTES**

## **ORANGE COUNTY FIRE AUTHORITY**

**Executive Committee Regular Meeting**  
**Thursday, March 27, 2014**  
**5:30 P.M.**

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

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### **CALL TO ORDER**

A regular meeting of the Orange County Fire Authority Executive Committee was called to order on March 27, 2014, at 5:31 p.m. by Chair Steven Weinberg.

### **INVOCATION**

Chaplain Duncan McColl offered the invocation.

### **PLEDGE OF ALLEGIANCE**

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

### **ROLL CALL**

**Present:** Randal Bressette, Laguna Hills  
Noel Hatch, Alternate, Laguna Woods  
Trish Kelley, Mission Viejo  
Jeffrey Lalloway, Irvine  
Al Murray, Tustin  
David Shawver, Stanton  
Todd Spitzer, County of Orange  
Beth Swift, Buena Park  
Steven Weinberg, Dana Point

**Absent:** Gene Hernandez, Yorba Linda

### **Also present were:**

|                                     |                                |
|-------------------------------------|--------------------------------|
| Fire Chief Keith Richter            | General Counsel David Kendig   |
| Deputy Chief Craig Kinoshita        | Assistant Chief Brian Stephens |
| Assistant Chief Dave Thomas         | Assistant Chief Lori Zeller    |
| Clerk of the Authority Sherry Wentz | Assistant Clerk Lydia Slivkoff |

## **PRESENTATIONS (X: 11.09)**

### **1. Presentation of the California Association of Public Procurement Officials (CAPPO) Presidential Award to OCFA Purchasing Staff (F:17.10I)**

On motion of Director Bressette and second by Director Spitzer, the Executive Committee voted unanimously to approve the presentation of the California Association of Public Procurement Officials (CAPPO) Presidential Award to OCFA Purchasing staff. Vice Chair Murray was absent.

Chair Weinberg introduced Paul Herman, 2013 CAPPO President and Purchasing Manager for the City of Burbank, who presented a CAPPO Presidential Award of Merit to Purchasing & Materials Manager Debbie Casper for her outstanding achievement and dedicated commitment to the CAPPO organization, and serving as a member of its Board of Directors.

## **PUBLIC COMMENTS (F: 12.02A3)**

Chair Weinberg opened the Public Comments portion of the meeting. Chair Weinberg closed the Public Comments portion of the meeting without any comments.

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

Budget and Finance Committee Chair Beth Swift reported at the February 5, 2014, meeting of the Budget and Finance Committee, the Committee discussed and unanimously recommended approval of the Monthly Investment Report and the proposed contract award for Bond, Tax and Disclosure Counsel. She reported the Committee held a lengthy discussion on OCERS' Direct Lending Policy and recommended that the Fire Chief send a letter to OCERS outlining its concerns surrounding the Policy. However, she noted in making this recommendation, the Committee voted to forward the matter to both the Executive Committee and Board for concurrence, prior to the Chief sending the letter, and indicated a yellow draft of the letter was available at the dais for review. Budget and Finance Committee Chair Beth Swift reported the Committee also recommended approval of both the Implementation of Audit Recommendations for Purchasing, and the FY 2013/14 Mid-year Budget Adjustments; however, in making this recommendation, they directed staff to submit the items to both the Executive Committee and Board of Directors concurrently for review and approval. She also reported at the February 5, 2014, Budget and Finance Committee meeting, the Committee held a lengthy discussion regarding the Award of TPA Contract for Workers' Compensation and unanimously recommended that the Executive Committee approve the contract with CorVel, as the number one ranked firm in the RFP process. Budget and Finance Committee Chair Beth Swift also reported the Committee provided direction to staff for approval of a contract with a firm for administration of the Traveler's Claims.

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### **2. Minutes from the February 27, 2014, Regular Executive Committee Meeting (F: 12.02A2)**

On motion of Director Bressette and second by Director Swift, the Executive Committee voted to approve the minutes from the February 27, 2014, Executive Committee Regular Meeting, as submitted. Director Lalloway noted an abstention and Vice Chair Murray was absent.

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## CONSENT CALENDAR

Agenda Items Nos. 4 and 7 were pulled from the Consent Calendar for separate consideration.

**3. Monthly Investment Reports (F: 11.10D2)**

On motion of Director Bressette and second by Director Kelley, the Executive Committee voted unanimously to receive and file the reports. Vice Chair Murray was absent.

**4. Request for Proposal No. MD1902 - Bond, Tax and Disclosure Counsel (F: 15.10E)**

Director Lalloway pulled this agenda item for clarification on the approval of Tax and Revenue Anticipation Notes.

Assistant Chief Zeller provided clarification and indicated the Tax and Revenue Anticipation Notes would be submitted to the full Board of Directors for its consideration at a future meeting.

On motion of Director Lalloway and second by Director Kelley, the Executive Committee voted unanimously to approve and authorize the Fire Chief to sign the Professional Services Agreement for bond, tax and disclosure counsel with Hawkins Delafield & Wood LLP for an initial term of one (1) year for a not-to-exceed amount of \$42,950 plus costs for publications necessary for public sale of Tax and Revenue Anticipation Notes (TRANS) and any reports necessary for the Official Statement (e.g., Overlapping Debt Report) with the option of two (2) additional one-year extensions subject to increases based on Consumer Price Index (CPI) with a not-to-exceed amount of 3% per year. Vice Chair Murray was absent.

**5. Request for Proposal No. MD1913 – HVAC Maintenance & Repair Services (F: 19.07)**

On motion of Director Bressette and second by Director Kelley, the Executive Committee voted unanimously to approve and authorize the Purchasing Manager to issue a one (1) year Blanket Order (BO) contract to Harbor Pointe for a not-to-exceed amount of \$240,000 with the option of four (4) one year extensions based on the pricing adjustments provided in the Best and Final Offer. This amount includes \$65,000 for preventive maintenance services and \$175,000 for repairs and replacement parts. Vice Chair Murray was absent.

**6. Management Physicals (F: 17.02) (F: 17.04A)**

On motion of Director Bressette and second by Director Kelley, the Executive Committee voted unanimously to receive and file the report. Vice Chair Murray was absent.

**7. Blanket Order Contract Increases and Extension (F: 17.10E1) (X: 15.09F)**

Director Spitzer requested the Committee bifurcate the action, as he had a conflict of interest with Ware Disposal. He also requested that legal counsel consult with OCFA’s Purchasing Section to ensure vendors disclose potential conflicts of interests with members of the Board.

On motion of Director Swift and second by Director Bressette, the Executive Committee voted unanimously to approve and authorize the Purchasing Manager to increase the following annual blanket orders for plan review consultants:

| <b>Vendors &amp; Blanket Orders</b>                | <b>Contract End Dates for Annual Renewal Options</b> | <b>Original Annual BO Amount</b> | <b>Proposed Annual Increase</b> | <b>New Annual Total</b> |
|----------------------------------------------------|------------------------------------------------------|----------------------------------|---------------------------------|-------------------------|
| <b>CSG Consultants<br/>BO1451</b>                  | Year 1 2/28/14<br>Year 2 2/28/15<br>Year 3 2/28/16   | \$11,000                         | \$25,000                        | \$ 36,000               |
| <b>Bureau Veritas North<br/>America<br/>BO1449</b> | Same as Above                                        | \$11,000                         | \$15,000                        | \$ 26,000               |
| <b>Hayer Consultants, Inc.<br/>BO1450</b>          | Same as Above                                        | \$11,000                         | \$57,000                        | \$ 68,000               |

Vice Chair Murray was absent.

On motion of Director Kelley and second by Director Bressette, the Executive Committee voted to approve and authorize the Purchasing Manager to increase Ware Disposal’s blanket order (BO1484) by \$8,000, for a new not-to-exceed amount of \$23,000. Director Spitzer recused himself and Vice Chair Murray was absent.

**END OF CONSENT CALENDAR**

**DISCUSSION CALENDAR**

Vice Chair Murray arrived at this point (6:07 p.m.).

**8. Orange County Employees’ Retirement System – Direct Lending (F: 17.06D)**

Treasurer Tricia Jakubiak provided a presentation on the Orange County Employees’ Retirement System–Direct Lending.

A lengthy discussion ensued regarding concerns with OCERS investments.

On motion of Director Swift and second by Director Bressette, the Executive Committee voted to recommend that the Board of Directors support the Budget and Finance Committee’s recommendation to send a letter to OCERS expressing concern with the Direct Lending Program. Director Lalloway voted in opposition.

**9. FY 2013/14 Mid-year Budget Adjustments (F: 15.04)**

Assistant Chief Zeller provided an overview of the FY 2013/14 Mid-year Budget Adjustments.

On motion of Director Spitzer and second by Director Lalloway, the Executive Committee voted unanimously to recommend that the Board of Directors approve the FY 2013/14 Mid-year Budget adjustments.

**10. Implementation of Audit Recommendations – Purchasing (F: 15.02A1) (X:11.03A)**

Assistant Chief Zeller introduced Purchasing & Materials Manager Debbie Casper who provided an overview of the Implementation of Audit Recommendations – Purchasing.

Director Spitzer provided handouts regarding contract approvals from other like agencies, and requested all non-emergency sole source contracts exceeding \$25,000 be submitted to the Executive Committee for approval.

Board discussion ensued concerning contract approval thresholds.

On motion of Director Spitzer and second by Vice Chair Murray, the Executive Committee voted unanimously to recommend that the Board of Directors approve the revised Roles/Responsibilities/Authorities matrix effective July 1, 2014, along with the following amendments:

1. The Executive Committee shall approve all non-emergency Sole Source contracts over \$25,000.
2. Service contracts approved by Authority management shall be limited to \$100,000 for the life of the contract, instead of an annual aggregate.

**11. Award of Third Party Workers' Compensation Administration & Managed Care Services Contracts (Request for Proposal No. DC1857 and Request for Proposal No. DC1898) (F: 18.10A2)**

Assistant Chief Zeller provided an overview on the Award of Third Party Workers' Compensation Administration & Managed Care Services Contracts.

On motion of Director Spitzer and second by Director Kelley, the Executive Committee voted unanimously to:

1. Approve and authorize the Fire Chief to sign the proposed Professional Services Agreement for TPA and MC Services with CorVel Corporation, effective June 1, 2014, for the initial term of five years and three additional one-year contract extensions.
  - a. The TPA pricing will be a fixed cost with annual adjustments for eight years as outlined in the updated pricing index (pricing reflects reduction of costs to exclude handling the 32 open indemnity claims).

- b. The MC Services will be based on the agreed cost listed in the pricing index; the overall cost of these services is based on actual claims activity and bill volume (bill review, utilization review and nurse case management) for each category of service.
  - c. Allocated Expenses (attorney fees, copy service fees, interpreter fees) are not included in the claims administration fees and will be charged per the contracted rates.
2. Direct staff to return to the Budget and Finance Committee and the Executive Committee after one year of service to provide a status report and after two years of service (i.e., July 2016), to evaluate performance and the resulting contract costs under the new contract with CorVel Corporation.
  3. Approve and authorize the Fire Chief to sign the proposed Professional Services Agreement for administration of the Traveler's Insurance Claims with CCMSI, effective June 1, 2014 (This recommendation is submitted for Executive Committee approval as directed by the Budget and Finance Committee).

## **12. Award of Contract – Public Relations Firm (RFP No. DC1921) (F: 17.10C1)**

Fire Chief Richter provided an overview of the Award of Contract – Public Relations Firm.

On motion of Director Bressette and second by Vice Chair Murray, the Executive Committee voted unanimously to: 1.) Approve and authorize the Fire Chief to sign the Professional Services Agreement for Public Relations Consulting Services with Communications LAB for an initial term of one year for a not-to-exceed amount of \$100,000, to be billed as specified per the Pricing Schedule referenced in the attached Agreement. 2.) Approve and authorize the contract to be renewed, with the concurrence of the firm, for up to two additional one-year periods not-to-exceed a total contract term of three years.

## **REPORTS**

No items.

## **COMMITTEE MEMBER COMMENTS (F: 12.02A4)**

Director Bressette noted his opposition to providing the Executive Committee and Board of Directors the same agenda items on both agendas.

Director Swift reported she attended the Active Shooter Drill exercise at Buena Park High School, and indicated the Buena Park Police Department and OCFA did a job well done.

Vice Chair Murray thanked Fire Chief Richter, Directors Spitzer and McCloskey, Division Chief Conception, Fire Station 37 staff, and the City of Tustin for coordinating the ribbon cutting ceremony for the new Fire Station 37 (Tustin). He indicated it was a great event.

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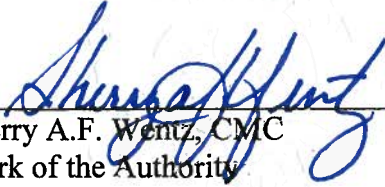
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**CLOSED SESSION (F: 12.02A5)**

No items.

**ADJOURNMENT** – Chair Weinberg adjourned the meeting at 6:50 p.m. The next regular meeting of the Executive Committee is scheduled for Thursday, April 24, 2014, at 5:30 p.m.



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