



ORANGE COUNTY FIRE AUTHORITY

AGENDA

Pursuant to the Brown Act, this meeting also constitutes a meeting of the Board of Directors.

**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**

Unless legally privileged, all supporting documentation and any writings or documents provided to a majority of the Executive Committee after the posting of this agenda, which relate to any item on this agenda will be made available for public review in the office of the Clerk of the Authority located on the 2nd floor of the OCFA Regional Fire Operations & Training Center, 1 Fire Authority Road, Irvine, CA 92602, during regular business hours, 8:00 a.m. - 5:00 p.m., Monday through Thursday, and every other Friday, (714) 573-6040. In addition, unless legally privileged, all supporting documentation and any such writings or documents will be available online at <http://www.ocfa.org>.

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, supporting documents, including staff reports, 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 Friday from 8 A.M. to 5 P.M.

If you wish to speak before the Fire Authority Executive Committee, 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 Committee. 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

PRESENTATIONS

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

Recommended Action:

Invite Paul Herman, 2013 CAPPO President and Purchasing Manager for the City of Burbank, to the podium to present the CAPPO Presidential Award.

PUBLIC COMMENTS

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 Committee on items within the Committee'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 Committee as a whole, and do not engage in dialogue with individual Committee 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 Executive Committee meeting.

REPORT FROM THE BUDGET AND FINANCE COMMITTEE CHAIR

MINUTES

2. **Minutes from the February 27, 2014, Regular Executive Committee Meeting**

Submitted by: Sherry Wentz, Clerk of the Authority

Recommended Action:

Approve as submitted.

CONSENT CALENDAR

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

3. **Monthly Investment Reports**

Submitted by: Patricia Jakubiak, Treasurer

Recommended Action:

Receive and file the reports.

4. Request for Proposal No. MD1902 - Bond, Tax and Disclosure Counsel
Submitted by: Lori Zeller, Assistant Chief/Business Services Department

Recommended Action:

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.

5. Request for Proposal No. MD1913 – HVAC Maintenance & Repair Services
Submitted by: Brian Stephens, Assistant Chief/Support Services Department

Recommended Action:

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.

6. Management Physicals
Submitted by: Janet Wells, Interim Human Resources Director

Recommended Action:

Receive and file the report.

7. Blanket Order Contract Increases and Extensions
Submitted by: Dave Thomas, Assistant Chief/Operations Department

Recommended Actions:

1. Approve and authorize the Purchasing Manager to increase the following annual blanket orders for plan review consultants:

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

2. 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.

END OF CONSENT CALENDAR

DISCUSSION CALENDAR**8. Orange County Employees' Retirement System – Direct Lending**

Submitted by: Lori Zeller, Assistant Chief/Business Services Department

Recommended Action:

Review the agenda item and 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.

9. FY 2013/14 Mid-year Budget Adjustments

Submitted by: Lori Zeller, Assistant Chief/Business Services Department

Recommended Action:

Review the proposed FY 2013/14 Mid-year Budget Adjustments and recommend that the Board of Directors approve the adjustments.

10. Implementation of Audit Recommendations - Purchasing

Submitted by: Lori Zeller, Assistant Chief/Business Services Department

Recommended Action:

Review the proposed changes to the attached Roles/Responsibilities/Authorities matrix and recommend that the Board of Directors approve the revised matrix effective July 1, 2014.

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

Submitted by: Lori Zeller, Assistant Chief/Business Services Department

Recommended Actions:

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)

Submitted by: Keith Richer, Fire Chief

Recommended Action:

Authorize the Fire Chief to execute a Professional Services Agreement with the successful Public Relations firm, as determined by the RFP process.

REPORTS

No items.

COMMITTEE MEMBER COMMENTS

CLOSED SESSION

No items.

ADJOURNMENT – The next regular meeting of the Executive Committee is scheduled for Thursday, April 24, 2014, at 5:30 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 and front gate public display case of the Orange County Fire Authority, Regional Fire Operations and Training Center, 1 Fire Authority Road, Irvine, CA, not less than 72 hours prior to the meeting. Dated this 20th day of March 2014.

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

UPCOMING MEETINGS:

Budget and Finance Committee Meeting	Wednesday, April 9, 2014, 12 noon
Board of Directors Special Meeting	Thursday, April 17, 2014, 6:00 p.m.
Claims Settlement Committee Meeting	Thursday, April 24, 2014, 5:00 p.m.
Executive Committee Meeting	Thursday, April 24, 2014, 5:30 p.m.
Board of Directors Meeting	Thursday, April 24, 2014, 6:30 p.m.

AGENDA ITEM NO. 1

There are no supportive materials
for Presentation Item No. 1

MINUTES ORANGE COUNTY FIRE AUTHORITY

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

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

CALL TO ORDER

A regular meeting of the Orange County Fire Authority Executive Committee was called to order on February 27, 2014, at 5:34 p.m. by Chair Steven Weinberg.

INVOCATION

Chaplain Bob George offered the invocation.

PLEDGE OF ALLEGIANCE

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

ROLL CALL

Present: Randal Bressette, Laguna Hills
Gene Hernandez, Yorba Linda
Trish Kelley, Mission Viejo
Al Murray, Tustin
David Shawver, Stanton
Todd Spitzer, County of Orange
Beth Swift, Buena Park
Steven Weinberg, Dana Point

Absent: Jeffrey Lalloway, Irvine

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

No items.

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 voted unanimously to send the Monthly Investment Reports, Second Quarter Financial Newsletter – *July to September 2013*, and the Request for Proposal No. DC1857-Third Party Workers' Compensation Administration & Managed Care Services to the Board of Directors with the recommendation that the Board approve the items. She also reported the Committee received its monthly status update on the Orange County Employees' Retirement System, and provided staff the proposed scope of work for year two of the Comprehensive Review of OCFA's Financial Internal Controls.

MINUTES

1. Minutes from the January 23, 2014, Regular Executive Committee Meeting (F: 12.02A2)

On motion of Vice Chair Murray and second by Director Bressette, the Executive Committee voted to approve the minutes from the January 23, 2014, Executive Committee Regular Meeting, as submitted. Director Spitzer abstained.

CONSENT CALENDAR

Director Spitzer pulled Agenda Item No. 5 for separate consideration.

2. Monthly Investment Reports (F: 11.10D2)

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

3. Second Quarter Financial Newsletter – *July to December 2013* (F: 15.07)

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

4. Quarterly Report of Claims (F: 18.10D)

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

Minutes

OCFA Executive Committee Regular Meeting

February 27, 2014 Page - 2

5. Request for Contract Extension for Occupational Medical Services Pending Completion of RFP (F: 17.17A)

Director Spitzer pulled this agenda item to note his concern regarding the OCFA funding comprehensive annual fitness exams for administrative management personnel, which appears to be a duplication of a benefit that would normally be covered by private health insurance.

Chief Zeller responded that this is a benefit provided within the current Personnel and Salary Resolution (PSR) and to remove it from the PSR will require approval by the Board of Directors. She agreed that staff would prepare an analysis of the utilization of this benefit.

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

1. Approve and authorize the Fire Chief to sign the Seventh Amendment to the Letter of Agreement to extend the contract term for an additional four months.
2. Approve and authorize the Purchasing Manager to extend the blanket order for a not to exceed amount of \$160,000, pending completion of RFP process.

END OF CONSENT CALENDAR

DISCUSSION CALENDAR

No items.

REPORTS

No items.

COMMITTEE MEMBER COMMENTS (F: 12.02A4)

The Committee had no comments.

CLOSED SESSION (F: 12.02A5)

No items.

ADJOURNMENT – Chair Weinberg adjourned the meeting at 5:48 p.m. The next regular meeting of the Executive Committee is scheduled for Thursday, March 27, 2014, at 5:30 p.m.

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

CONSENT CALENDAR - AGENDA ITEM NO. 3
EXECUTIVE COMMITTEE MEETING
March 27, 2014

TO: Executive Committee, Orange County Fire Authority

FROM: Patricia Jakubiak, Treasurer

SUBJECT: **Monthly Investment Reports**

Summary:

This agenda item is submitted to the Committee in compliance with the investment policy of the Orange County Fire Authority and with Government Code Section 53646.

Committee Action:

At its March 12, 2014, meeting, the Budget and Finance Committee reviewed and unanimously recommended approval of this item.

Recommended Action:

Receive and file the reports.

Background:

Attached is the final monthly investment report for the month ended January 31, 2014. A preliminary investment report as of February 21, 2014, is also provided as the most complete report that was available at the time this agenda item was prepared.

Impact to Cities/County:

Not Applicable.

Fiscal Impact:

Not Applicable.

Staff Contact for Further Information:

Patricia Jakubiak, Treasurer

Triciajakubiak@ocfa.org

(714) 573-6301

Attachment:

Final Investment Report – January 2014 / Preliminary Report – February 2014

Orange County Fire Authority Monthly Investment Report



Final Report – January 2014

Preliminary Report – February 2014



Monthly Investment Report Table of Contents

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Orange County Fire Authority

Final Investment Report

January 31, 2014



EXECUTIVE SUMMARY

Portfolio Activity & Earnings

During the month of January 2014, the size of the portfolio reversed and decreased significantly to \$135.5 million from \$180.1 million. Significant receipts for the month included various apportionments of property taxes and pass-through taxes, a cash contract payment, and intergovernmental contract and grant payments totaling \$15.6 million. Significant disbursements for the month included three biweekly payrolls (instead of the typical two per month) and a payment of \$29.2 million to OCERS for the prepayment of half of the retirement cost for the next fiscal year 2014/15. The portfolio's balance is expected to decrease further in the following month as there are no major receipts scheduled for February.

In January, the portfolio's yield to maturity (365-day equivalent) increased by 5 basis points to 0.29%. The effective rate of return, on the other hand, decreased slightly by 2 basis points to 0.27% for the month, and also edged down by 2 basis points to 0.32% for the fiscal year to date. The average maturity of the portfolio lengthened by 36 days to 223 days to maturity. Due to the persistently low interest rate environment, interest earnings have come in less than budgeted for the year. Thus, a reduction in interest earnings is being submitted for a mid-year budget adjustment.

Economic News

In January 2014, the U.S. economic activity stayed weak and mixed overall. Following a dismal December employment report, the January employment report showed a slight improvement; however, the overall employment conditions remained weak. There were a total of 113,000 new jobs added in January, a much weaker number than expected. Unemployment conditions, on the other hand, continued improving and declining by notch to 6.6%. Manufacturing activity decreased slightly while the non-manufacturing sector increased. Retail sales unexpectedly declined while consumer confidence measures were mixed for the month. Industrial production dropped in January. Housing activity stayed slow in January. On January 29, 2014, at the second day of the Federal Open Market Committee's scheduled meeting, the Committee voted to keep the federal funds rate unchanged at a target range of 0 – 0.25%. The Committee also decided to further "taper" its asset purchases beginning in February to \$65 billion per month from \$75 billion previously.



BENCHMARK COMPARISON AS OF JANUARY 31, 2014

<i>3 Month T-Bill:</i> 0.04%	<i>1 Year T-Bill:</i> 0.12%
<i>6 Month T-Bill:</i> 0.07%	<i>LAIF:</i> 0.24%
<i>OCFA Portfolio:</i> 0.27%	

PORTFOLIO SIZE, YIELD, & DURATION

	<u><i>Current Month</i></u>	<u><i>Prior Month</i></u>	<u><i>Prior Year</i></u>
<i>Book Value-</i>	\$135,503,250	\$180,095,611	\$133,223,691
<i>Yield to Maturity (365 day)</i>	0.29%	0.24%	0.28%
<i>Effective Rate of Return</i>	0.27%	0.29%	0.25%
<i>Days to Maturity</i>	223	187	306



ORANGE COUNTY FIRE AUTHORITY
Portfolio Management
Portfolio Summary
January 31, 2014

Orange County Fire Authority
 1 Fire Authority Road
 Irvine, CA 92602
 (714)573-6301

(See Note 1 on page 9) *(See Note 2 on page 9)*

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM/C 360 Equiv.	YTM/C 365 Equiv.
Money Mkt Mutual Funds/Cash	5,237,327.98	5,237,327.98	5,237,327.98	3.82	1	1	0.001	0.001
Federal Agency Coupon Securities	45,000,000.00	44,849,490.00	45,004,739.17	32.79	1,292	641	0.586	0.594
Federal Agency Disc. -Amortizing	43,000,000.00	42,998,760.00	42,996,756.89	31.33	84	40	0.061	0.061
Local Agency Investment Funds	44,000,000.00	44,012,655.28	44,000,000.00	32.06	1	1	0.241	0.244
Investments	137,237,327.98	137,098,233.26	137,238,824.04	100.00%	450	223	0.288	0.292

Cash								
Passbook/Checking (not included in yield calculations)	<i>(See Note 4 on page 9)</i> -1,254,874.82	-1,254,874.82	-1,254,874.82		0	0	0.000	0.000
Total Cash and Investments	135,982,453.16	135,843,358.44	135,983,949.22		450	223	0.288	0.292

Total Earnings	January 31 Month Ending	Fiscal Year To Date
Current Year	35,786.39	252,433.85
Average Daily Balance	158,383,468.44	132,234,139.60
Effective Rate of Return	0.27%	0.32%

"I certify that this investment report accurately reflects all pooled investments and is in compliance with the investment policy adopted by the Board of Directors to be effective on January 1, 2014. A copy of this policy is available from the Clerk of the Authority. Sufficient investment liquidity and anticipated revenues are available to meet budgeted expenditure requirements for the next thirty days and the next six months."

Patricia Jakubak
 Patricia Jakubak, Treasurer 2/7/14

Cash and Investments with GASB 31 Adjustment:

Book Value of Cash & Investments before GASB 31 (Above)	\$ 135,983,949.22
GASB 31 Adjustment to Books (See Note 3 on page 9)	\$ (480,699.41)
Total	\$ 135,503,249.81

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ORANGE COUNTY FIRE AUTHORITY
Portfolio Management
Portfolio Details - Investments
January 31, 2014

(See Note 1 on page 9)

(See Note 2 on page 9)

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM/C 365	Days to Maturity	Maturity Date
Money Mkt Mutual Funds/Cash											
SYS528	528	High Mark 100% US Treasury MMF		(See Note 4 on page 9)	5,237,327.98	5,237,327.98	5,237,327.98	0.001	0.001	1	
Subtotal and Average			8,414,306.77		5,237,327.98	5,237,327.98	5,237,327.98		0.001	1	
Commercial Paper Disc. -Amortizing											
Subtotal and Average			1,677,396.99								
Federal Agency Coupon Securities											
3133ECBT0	799	Federal Farm Credit Bank (Callable anytime)		12/26/2012	9,000,000.00	9,000,090.00	9,000,000.00	0.375	0.375	510	06/26/2015
3133ECM76	809	Federal Farm Credit Bank (Callable anytime)		04/25/2013	9,000,000.00	8,973,810.00	8,995,314.48	0.400	0.424	811	04/22/2016
3133804V6	787	Fed Home Loan Bank (Callable anytime)		08/09/2012	6,000,000.00	5,982,360.00	6,000,000.00	1.000	0.981	1,285	08/09/2017
3133813R4	800	Fed Home Loan Bank (Callable 2-9-14)		12/20/2012	9,000,000.00	8,893,710.00	9,011,117.23	1.000	0.883	8	11/09/2017
313382DC4	803	Fed Home Loan Bank (Callable anytime)		03/15/2013	12,000,000.00	11,999,520.00	11,998,307.46	0.470	0.477	765	03/07/2016
Subtotal and Average			45,004,740.55		45,000,000.00	44,849,490.00	45,004,739.17		0.594	641	
Federal Agency Disc. -Amortizing											
313385TB2	813	Fed Home Loan Bank		12/19/2013	7,000,000.00	6,999,930.00	6,999,949.39	0.020	0.021	13	02/14/2014
313385TG1	814	Fed Home Loan Bank		12/19/2013	9,000,000.00	8,999,910.00	8,999,730.00	0.060	0.062	18	02/19/2014
313385UF1	815	Fed Home Loan Bank		12/19/2013	9,000,000.00	8,999,820.00	8,999,385.00	0.060	0.062	41	03/14/2014
313385UV6	816	Fed Home Loan Bank		12/19/2013	9,000,000.00	8,999,730.00	8,998,900.00	0.080	0.082	55	03/28/2014
313385VK9	817	Fed Home Loan Bank		12/19/2013	9,000,000.00	8,999,370.00	8,998,792.50	0.070	0.072	69	04/11/2014
Subtotal and Average			53,479,539.49		43,000,000.00	42,998,760.00	42,998,766.89		0.061	40	
Local Agency Investment Funds											
SYS336	336	Local Agency Invstmnt Fund			44,000,000.00	44,012,655.28	44,000,000.00	0.244	0.244	1	
Subtotal and Average			49,807,484.64		44,000,000.00	44,012,655.28	44,000,000.00		0.244	1	
Total and Average			158,383,468.44		137,237,327.98	137,098,233.26	137,238,824.04		0.292	223	

ORANGE COUNTY FIRE AUTHORITY
Portfolio Management
Portfolio Details - Cash
January 31, 2014

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM/C 365	Days to Maturity
Money Mkt Mutual Funds/Cash										
SYS10104	10104	American Benefit Plan Admin		07/01/2013	15,000.00	15,000.00	15,000.00		0.000	1
SYS10033	10033	Revolving Fund		07/01/2013	20,000.00	20,000.00	20,000.00		0.000	1
SYS4	4	Union Bank of California		07/01/2013	-1,539,874.82	-1,539,874.82	-1,539,874.82	(See Note 4 on page 9)	0.000	1
SYS361	361	YORK		07/01/2013	250,000.00	250,000.00	250,000.00		0.000	1
		Average Balance	0.00							0
Total Cash and Investments			158,383,468.44		135,982,453.16	135,843,358.44	135,983,949.22		0.292	223

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**ORANGE COUNTY FIRE AUTHORITY
Aging Report
By Maturity Date
As of February 1, 2014**

Orange County Fire Authority
1 Fire Authority Road
Irvine, CA 92602
(714)573-6301

				Maturity Par Value	Percent of Portfolio	Current Book Value	Current Market Value	
Aging Interval:	0 days	(02/01/2014 - 02/01/2014)	6 Maturities	0 Payments	47,982,453.16	35.29%	47,982,453.16	47,995,108.44
Aging Interval:	1 - 30 days	(02/02/2014 - 03/03/2014)	2 Maturities	0 Payments	16,000,000.00	11.77%	15,999,679.39	15,999,840.00
Aging Interval:	31 - 60 days	(03/04/2014 - 04/02/2014)	2 Maturities	0 Payments	18,000,000.00	13.24%	17,998,285.00	17,999,550.00
Aging Interval:	61 - 91 days	(04/03/2014 - 05/03/2014)	1 Maturities	0 Payments	9,000,000.00	6.62%	8,998,792.50	8,999,370.00
Aging Interval:	92 - 121 days	(05/04/2014 - 06/02/2014)	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	122 - 152 days	(06/03/2014 - 07/03/2014)	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	153 - 183 days	(07/04/2014 - 08/03/2014)	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	184 - 274 days	(08/04/2014 - 11/02/2014)	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	275 - 365 days	(11/03/2014 - 02/01/2015)	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	366 - 1095 days	(02/02/2015 - 01/31/2017)	3 Maturities	0 Payments	30,000,000.00	22.06%	29,993,621.94	29,973,420.00
Aging Interval:	1096 - 1825 days	(02/01/2017 - 01/31/2019)	2 Maturities	0 Payments	15,000,000.00	11.04%	15,011,117.23	14,876,070.00
Aging Interval:	1826 days and after	(02/01/2019 -)	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Total for			16 Investments	0 Payments		100.00	135,983,949.22	135,843,358.44



NOTES TO PORTFOLIO MANAGEMENT REPORT

- Note 1: Market value of the LAIF investment is calculated using a fair value factor provided by LAIF. The Union Bank Trust Department provides market values of the remaining investments.
- Note 2: Book value reflects the cost or amortized cost before the GASB 31 accounting adjustment.
- Note 3: GASB 31 requires governmental entities to report investments at fair value in the financial statements and to reflect the corresponding unrealized gains/ (losses) as a component of investment income. The GASB 31 adjustment is recorded only at fiscal year end. The adjustment for June 30, 2013 includes an increase of \$13,660 to the LAIF investment and a decrease of \$(494,359) to the remaining investments.
- Note 4: The Highmark money market mutual fund functions as the Authority's sweep account. Funds are transferred to and from the sweep account to/from OCFA's checking account in order to maintain a target balance of \$1,000,000 in checking. Since this transfer occurs at the beginning of each banking day, the checking account sometimes reflects a negative balance at the close of the banking day. The negative closing balance is not considered an overdraft since funds are available in the money market mutual fund. The purpose of the sweep arrangement is to provide sufficient liquidity to cover outstanding checks, yet allow that liquidity to be invested while payment of the outstanding checks is pending.



Local Agency Investment Fund (LAIF)

As of January 31, 2014, OCFA has \$44,000,000 invested in LAIF. The fair value of OCFA's LAIF investment is calculated using a participant fair value factor provided by LAIF on a quarterly basis. The fair value factor as of December 31, 2013 is 1.00028762. When applied to OCFA's LAIF investment, the fair value is \$44,012,655 or \$12,655 above cost. Although the fair value of the LAIF investment is higher than cost, OCFA can withdraw the actual amount invested at any time.

LAIF is included in the State Treasurer's Pooled Money Investment Account (PMIA) for investment purposes. The PMIA market valuation at January 31, 2014 is included on the following page.



Orange County Fire Authority
Preliminary Investment Report
February 21, 2014



ORANGE COUNTY FIRE AUTHORITY
Portfolio Management
Portfolio Summary
February 21, 2014

Orange County Fire Authority
 1 Fire Authority Road
 Irvine, CA 92602
 (714)573-6301

(See Note 1 on page 18) (See Note 2 on page 18)

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM/C 360 Equiv.	YTM/C 365 Equiv.
Money Mkt Mutual Funds/Cash	14,103,364.05	14,103,364.05	14,103,364.05	11.10	1	1	0.001	0.001
Federal Agency Coupon Securities	45,000,000.00	44,878,560.00	45,004,737.12	35.41	1,292	626	0.586	0.594
Federal Agency Disc. -Amortizing	27,000,000.00	26,999,280.00	26,998,180.00	21.24	99	34	0.071	0.072
Local Agency Investment Funds	41,000,000.00	41,011,792.42	41,000,000.00	32.26	1	1	0.241	0.244
Investments	127,103,364.05	126,992,996.47	127,106,281.17	100.00%	479	229	0.300	0.305
Cash								
Passbook/Checking (not included in yield calculations)	1,417,197.73	1,417,197.73	1,417,197.73		1	1	0.000	0.000
Total Cash and Investments	128,520,561.78	128,410,194.20	128,523,478.90		479	229	0.300	0.305

Total Earnings	February 21 Month Ending	Fiscal Year To Date
Current Year	23,549.16	275,983.01
Average Daily Balance	133,364,108.39	132,334,687.67
Effective Rate of Return	0.31%	0.32%

"I certify that this investment report accurately reflects all pooled investments and is in compliance with the investment policy adopted by the Board of Directors to be effective on January 1, 2014. A copy of this policy is available from the Clerk of the Authority. Sufficient investment liquidity and anticipated revenues are available to meet budgeted expenditure requirements for the next thirty days and the next six months."

Patricia Jakubiak *2/28/14*
 Patricia Jakubiak, Treasurer

Cash and Investments with GASB 31 Adjustment:

Book Value of Cash & Investments before GASB 31 (Above)	\$ 128,523,478.90
GASB 31 Adjustment to Books (See Note 3 on page 18)	\$ (480,699.41)
Total	\$ 128,042,779.49

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ORANGE COUNTY FIRE AUTHORITY
Portfolio Management
Portfolio Details - Investments
February 21, 2014

(See Note 1 on page 18) (See Note 2 on page 18)

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM/C 365	Days to Maturity	Maturity Date
Money Mkt Mutual Funds/Cash											
SYS528	528	High Mark 100% US Treasury MMF			14,103,364.05	14,103,364.05	14,103,364.05	0.001	0.001	1	
Subtotal and Average			6,457,077.14		14,103,364.05	14,103,364.05	14,103,364.05		0.001	1	
Federal Agency Coupon Securities											
3133ECBT0	799	Federal Farm Credit Bank (Callable anytime)		12/26/2012	9,000,000.00	9,000,090.00	9,000,000.00	0.375	0.375	489	06/26/2015
3133ECM76	809	Federal Farm Credit Bank (Callable anytime)		04/25/2013	9,000,000.00	8,983,710.00	8,995,437.33	0.400	0.424	790	04/22/2016
3133804V6	787	Fed Home Loan Bank (Callable anytime)		08/09/2012	6,000,000.00	5,990,100.00	6,000,000.00	1.000	0.981	1,264	08/09/2017
3133813R4	800	Fed Home Loan Bank (Callable 3-9-14)		12/20/2012	9,000,000.00	8,904,420.00	9,010,945.31	1.000	0.883	15	11/09/2017
313382DC4	803	Fed Home Loan Bank (Callable anytime)		03/15/2013	12,000,000.00	12,000,240.00	11,998,354.48	0.470	0.477	744	03/07/2016
Subtotal and Average			45,004,738.09		45,000,000.00	44,878,560.00	45,004,737.12		0.594	626	
Federal Agency Disc. -Amortizing											
313385UF1	815	Fed Home Loan Bank		12/19/2013	9,000,000.00	8,999,910.00	8,999,700.00	0.080	0.082	20	03/14/2014
313385UV6	816	Fed Home Loan Bank		12/19/2013	9,000,000.00	8,999,820.00	8,999,320.00	0.080	0.082	34	03/28/2014
313385VK9	817	Fed Home Loan Bank		12/19/2013	9,000,000.00	8,999,550.00	8,999,160.00	0.070	0.072	48	04/11/2014
Subtotal and Average			39,045,150.30		27,000,000.00	26,999,280.00	26,998,180.00		0.072	34	
Local Agency Investment Funds											
SYS336	336	Local Agency Invstmt Fund			41,000,000.00	41,011,792.42	41,000,000.00	0.244	0.244	1	
Subtotal and Average			42,857,142.86		41,000,000.00	41,011,792.42	41,000,000.00		0.244	1	
Total and Average			133,364,108.39		127,103,364.05	126,992,996.47	127,106,281.17		0.305	229	

ORANGE COUNTY FIRE AUTHORITY
Portfolio Management
Portfolio Details - Cash
February 21, 2014

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM/C 365	Days to Maturity
Money Mkt Mutual Funds/Cash										
SYS10104	10104	American Benefit Plan Admin		07/01/2013	15,000.00	15,000.00	15,000.00		0.000	1
SYS10033	10033	Revolving Fund		07/01/2013	20,000.00	20,000.00	20,000.00		0.000	1
SYS4	4	Union Bank of California		07/01/2013	1,132,197.73	1,132,197.73	1,132,197.73		0.000	1
SYS361	361	YORK		07/01/2013	250,000.00	250,000.00	250,000.00		0.000	1
		Average Balance	0.00							1
Total Cash and Investments			133,364,108.39		128,520,561.78	128,410,194.20	128,523,478.90		0.305	229

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**ORANGE COUNTY FIRE AUTHORITY
Aging Report
By Maturity Date
As of February 22, 2014**

Orange County Fire Authority
1 Fire Authority Road
Irvine, CA 92602
(714)573-6301

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				Maturity Par Value	Percent of Portfolio	Current Book Value	Current Market Value	
Aging Interval:	0 days	(02/22/2014 - 02/22/2014)	6 Maturities	0 Payments	56,520,561.78	43.98%	56,520,561.78	56,532,354.20
Aging Interval:	1 - 30 days	(02/23/2014 - 03/24/2014)	1 Maturities	0 Payments	9,000,000.00	7.00%	8,999,700.00	8,999,910.00
Aging Interval:	31 - 60 days	(03/25/2014 - 04/23/2014)	2 Maturities	0 Payments	18,000,000.00	14.00%	17,998,480.00	17,999,370.00
Aging Interval:	61 - 91 days	(04/24/2014 - 05/24/2014)	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	92 - 121 days	(05/25/2014 - 06/23/2014)	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	122 - 152 days	(06/24/2014 - 07/24/2014)	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	153 - 183 days	(07/25/2014 - 08/24/2014)	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	184 - 274 days	(08/25/2014 - 11/23/2014)	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	275 - 365 days	(11/24/2014 - 02/22/2015)	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	366 - 1095 days	(02/23/2015 - 02/21/2017)	3 Maturities	0 Payments	30,000,000.00	23.34%	29,993,791.81	29,984,040.00
Aging Interval:	1096 - 1825 days	(02/22/2017 - 02/21/2019)	2 Maturities	0 Payments	15,000,000.00	11.68%	15,010,945.31	14,894,520.00
Aging Interval:	1826 days and after	(02/22/2019 -)	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Total for			14 Investments	0 Payments		100.00	128,523,478.90	128,410,194.20



NOTES TO PORTFOLIO MANAGEMENT REPORT

- Note 1: Market value of the LAIF investment is calculated using a fair value factor provided by LAIF. The Union Bank Trust Department provides market values of the remaining investments.
- Note 2: Book value reflects the cost or amortized cost before the GASB 31 accounting adjustment.
- Note 3: GASB 31 requires governmental entities to report investments at fair value in the financial statements and to reflect the corresponding unrealized gains/ (losses) as a component of investment income. The GASB 31 adjustment is recorded only at fiscal year end. The adjustment for June 30, 2013 includes an increase of \$13,660 to the LAIF investment and a decrease of \$(494,359) to the remaining investments.
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CONSENT CALENDAR - AGENDA ITEM NO. 4
EXECUTIVE COMMITTEE MEETING
March 27, 2014

TO: Executive Committee, Orange County Fire Authority

FROM: Lori Zeller, Assistant Chief
Business Services Department

SUBJECT: **Request for Proposal No. MD1902 - Bond, Tax and Disclosure Counsel**

Summary:

This agenda item is submitted for approval of a contract for bond, tax and disclosure counsel services with Hawkins Delafield & Wood LLP.

Committee Action:

At its March 12, 2014, meeting, the Budget and Finance Committee reviewed and unanimously recommended approval of this item.

Recommended Action:

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.

Background:

The Authority's Amended Joint Powers Agreement allows issuance of short-term tax and revenue anticipation notes with a one-year term (or shorter) upon a majority vote of the Board of Directors. The TRAN issuance is also in compliance with the Authority's Short Term Debt Policy adopted by the Board of Directors on March 22, 2007.

The purpose of TRANs is to provide cash liquidity in anticipation of property tax revenue to be received later in the year. The TRANs cover temporary cash flow deficits in the General Fund that result from timing differences between the receipt of revenues and disbursements. Property taxes represent 64% of General Fund revenue and are received primarily in April and December; however, disbursements occur relatively evenly throughout the year.

The financing team for the Orange County Fire Authority's (OCFA) 2014 TRAN issue includes legal counsel as discussed above and a financial advisor.

Project Description

The Treasury and Financial Planning Section utilize bond, tax and disclosure counsel services to assist with issuing a Tax and Revenue Anticipation Note (TRAN) for OCFA. The services required include the following:

Bond Counsel

- Advising the Authority on various legal issues pertaining to structuring the transaction;
- Preparation/review of the authorizing resolution of the Authority, as applicable, and any other documents required for the issuance of the TRAN;
- Delivery of the opinion(s) of bond counsel, as required, including enforceability of the TRAN;
- Preparation and submission of forms and notices required by CDIAC and the IRS;
- Preparation of closing documents; and
- Coordination of pre-closing and closing, including preparation of transcripts in both hard copy and CD-ROM form for the Authority.

Tax Counsel

- Advising the Authority on various tax issues pertaining to structuring the TRAN transaction;
- Delivery of the opinion(s) of tax counsel, as required, including exclusion of interest from gross income of bondholders for federal and California income tax purposes, if applicable;
- Preparation of the tax and non-arbitrage certificates.

Disclosure Counsel

- Preparation of relevant disclosure documents required for the issuance of the TRAN, including the Preliminary Official Statement, final Official Statement, and Continuing Disclosure Certificate; and
- Delivery of the disclosure opinion, the 10(b)5 opinion

RFP Facts & Figures

Department: Treasury & Financial Planning
Date RFP Issued: January 10, 2014
Proposal Due Date: January 29, 2014

Vendors notified: 267
Number of Proposals received: 5

Proposal Evaluations

A committee was formed to evaluate the proposals based upon the grading/selection criteria set forth in the RFP. The committee was comprised of the following members, and signed Committee Member Statements were received from all.

Treasurer, Treasury & Financial Planning, OCFA
Assistant Treasurer, Treasury & Financial Planning, OCFA
Budget Manager, Treasury & Financial Planning, OCFA

On January 29, 2014, proposals were received from the following vendors:

Fulbright & Jaworski LLP, a member of Norton Rose Fulbright
Hawkins Delafield & Wood LLP
Nixon Peabody LLP
Orrick, Herrington & Sutcliffe LLP
Polsinelli LLP

The criteria and weighting used in evaluating the proposals were as follows:

- Method of approach (10 points)
- Qualification and experience (30 points)
- Firm resources (20 points)
- Pricing (40 points)

The evaluation committee conducted their individual scoring of the proposals based on the criteria established in the RFP. The evaluation results are provided in Attachment 1. The scores demonstrated a clear separation between Hawkins Delafield & Wood LLP and the remaining four firms. The committee determined that an interview was not necessary based on the ranking. The committee recommended entering into exclusive negotiations with intent to recommend contract award to Hawkins Delafield & Wood LLP, the top ranked firm.

Negotiations & Results

Through exclusive negotiations, pricing terms and conditions were finalized for recommendation to the OCFA Budget and Finance Committee, as reflected in the proposed agreement (Attachment 2) and summarized in staff’s recommended action. The resulting bond, tax and disclosure counsel contract reflects a cost savings of \$5,050 from the initial offer.

The Purchasing and Materials Manager attests that the proposal and evaluation process was conducted in accordance with the OCFA’s Purchasing Ordinance and all applicable rules and regulations. Based upon the evaluation committee’s recommendation, it is recommended that the bond, tax and disclosure counsel services contract be awarded to Hawkins Delafield & Wood LLP.

Impact to Cities/County:

Not Applicable.

Fiscal Impact:

The cost for bond, tax and disclosure counsel services is for an amount not to exceed \$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.

Staff Contacts for Further Information:

Debbie Casper, Purchasing Manager
debbiecasper@ocfa.org
(714) 573-6641

Tricia Jakubiak, Treasurer
triciajakubiak@ocfa.org
(714) 573-6301

Attachments:

1. Results of Evaluation
2. Professional Services Agreement

ORANGE COUNTY FIRE AUTHORITY
MD1902 - Bond, Tax & Disclosure Counsel

	Fulbright			Hawkins			Nixon Peabody			Orrick			Polsinelli		
Cost Proposal	\$53,600.00			\$48,000.00			\$60,000.00			\$65,500.00			\$92,500.00		
Evaluators	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3
A. Method of Approach (10)	8	9	6	9	9	9	10	9	8	9	9	8	5	2	4
B. Qualifications & Experience (30)	22	30	22	25	30	25	20	15	20	30	30	30	15	5	18
C. Communication/Resources (20)	18	20	20	19	20	20	10	15	17	20	20	20	19	5	20
D. Proposed Costs (40)	36	36	36	40	40	40	32	32	32	29.2	29.2	29.2	20.8	20.8	20.8
Sum of Proposal Scores	84.0	95.0	84.0	93.0	99.0	94.0	72.0	71.0	77.0	88.2	88.2	87.2	59.8	32.8	62.8
Individual Ranking	3	2	3	1	1	1	4	4	4	2	3	2	5	5	5
Sum of Written Ranking	8			3			12			7			15		

**ORANGE COUNTY FIRE AUTHORITY
PROFESSIONAL SERVICES AGREEMENT**

THIS AGREEMENT FOR PROFESSIONAL SERVICES ("Agreement") is made and entered into this 27th day of March, 2014, by and between the Orange County Fire Authority, a public agency, hereinafter referred to as "OCFA", and Hawkins Delafield & Wood, a Limited Liability Partnership, hereinafter referred to as "Firm".

RECITALS

WHEREAS, OCFA requires the services of a firm for Bond, Tax and Disclosure Counsel services, hereinafter referred to as "Project"; and

WHEREAS, Firm has submitted to OCFA a proposal in response to RFP No. MD1902 dated January 29, 2014, a copy of which is attached hereto as Exhibit "A" and is incorporated herein by this reference; and

WHEREAS, based on its experience and reputation, Firm is qualified to provide the necessary services for the Project and desires to provide such services; and

WHEREAS, OCFA desires to retain the services of Firm for the Project.

NOW, THEREFORE, in consideration of the promises and mutual agreements contained herein, OCFA agrees to employ and does hereby employ Firm and Firm agrees to provide professional services as follows:

AGREEMENT

1. PROFESSIONAL SERVICES

1.1 Scope of Services.

In compliance with all terms and conditions of this Agreement, Firm shall provide those services specified in the "Proposal" attached hereto as Exhibit "A." Firm warrants that all services shall be performed in a competent, professional and satisfactory manner in accordance with all standards prevalent in the industry. In the event of any inconsistency between the terms contained in Exhibit "A" and the terms set forth in the main body of this Agreement, the terms set forth in the main body of this Agreement shall govern.

1.2 Compliance with Law.

All services rendered hereunder shall be provided in accordance with all laws, ordinances, resolutions, statutes, rules, and regulations of OCFA and any federal, state or local governmental agency of competent jurisdiction.

1.3 Licenses and Permits.

Firm shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement.

1.4 Familiarity with Work.

By executing this Agreement, Firm warrants that Firm (a) has thoroughly investigated and considered the work to be performed, (b) has investigated the site of the work and become fully acquainted with the conditions there existing, (c) has carefully considered how the work should be performed, and (d) fully understands the facilities, difficulties and restrictions attending performance of the work under this Agreement. Should the Firm discover any latent or unknown conditions materially differing from those inherent in the work or as represented by OCFA, Firm shall immediately inform OCFA of such fact and shall not proceed with any work except at Firm's risk until written instructions are received from the Contract Officer.

1.5 Care of Work.

Firm shall adopt and follow reasonable procedures and methods during the term of the Agreement to prevent loss or damage to materials, papers or other components of the work, and shall be responsible for all such damage until acceptance of the work by OCFA, except such loss or damages as may be caused by OCFA's own negligence.

1.6 Additional Services.

Firm shall perform services in addition to those specified in the Proposal when directed to do so in writing by the Contract Officer, provided that Firm shall not be required to perform any additional services without compensation. Any additional compensation not exceeding ten percent (10%) of the original Agreement sum must be approved in writing by the Contract Officer. Any greater increase must be approved in writing by Purchasing Manager.

2. TIME FOR COMPLETION

The time for completion of the services to be performed by Firm is an essential condition of this Agreement. Firm shall prosecute regularly and diligently the work of this Agreement according to the schedules set forth in Firm's proposal. Firm shall not be accountable for delays in the progress of its work caused by any condition beyond its control and without the fault or negligence of Firm. Delays shall not entitle Firm to any additional compensation regardless of the party responsible for the delay.

3. COMPENSATION OF FIRM

3.1 Compensation of Firm.

For the services rendered pursuant to this Agreement, Firm shall be compensated and reimbursed, in accordance with the terms set forth in Exhibit "A," in an amount not to exceed \$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). Any price adjustment will be effective upon the effective date of the contract extension and can't be increased more than the Consumer Price Index (CPI) with a not-to-exceed amount of 3% per year.

3.2 Method of Payment.

In any month in which Firm wishes to receive payment, Firm shall no later than the first working day of such month, submit to OCFA in the form approved by OCFA's Director of Finance, an invoice for services rendered prior to the date of the invoice. OCFA shall pay Firm for all expenses stated thereon which are approved by OCFA consistent with this Agreement, within thirty (30) days of receipt of Firm's invoice.

3.3 Changes.

In the event any change or changes in the work is requested by OCFA, the parties hereto shall execute an addendum to this Agreement, setting forth with particularity all terms of such addendum, including, but not limited to, any additional fees. Addenda may be entered into:

A. To provide for revisions or modifications to documents or other work product or work when documents or other work product or work is required by the enactment or revision of law subsequent to the preparation of any documents, other work product or work;

B. To provide for additional services not included in this Agreement or not customarily furnished in accordance with generally accepted practice in Firm's profession.

3.4 Appropriations.

This Agreement is subject to and contingent upon funds being appropriated therefore by the OCFA Board of Directors for each fiscal year covered by the Agreement. If such appropriations are not made, this Agreement shall automatically terminate without penalty to OCFA.

4. PERFORMANCE SCHEDULE

4.1 Time of Essence.

Time is of the essence in the performance of this Agreement.

4.2 Schedule of Performance.

All services rendered pursuant to this Agreement shall be performed within the time periods prescribed in Firm's proposal, attached hereto as Exhibit "A". The extension of any time period specified in Exhibit "A" must be approved in writing by the Contract Officer.

4.3 Force Majeure.

The time for performance of services to be rendered pursuant to this Agreement may be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Firm, including, but not restricted to, acts of God or of a public enemy, acts of the government, fires, earthquakes, floods, epidemic, quarantine restrictions, riots, strikes, freight embargoes, and unusually severe weather if the Firm shall within ten (10) days of the commencement of such condition notify the Contract Officer who shall thereupon ascertain the facts and the extent of any necessary delay, and extend the time for performing the services for the period of the enforced delay when and if in the Contract Officer's judgment such delay is justified, and the Contract Officer's determination shall be final and conclusive upon the parties to this Agreement.

4.4 Term.

Unless earlier terminated in accordance with Section 8.5 of this Agreement, this Agreement shall continue in full force and effect until satisfactory completion of the services but not exceeding March 31, 2015 from the date hereof, unless extended by mutual written agreement of the parties. This contract has the option of two (2) additional one-year extensions.

5. COORDINATION OF WORK

5.1 Representative of Firm.

The following principal of the Firm is hereby designated as being the principal and representative of Firm authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith: Arto C. Becker.

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principal is a substantial inducement for OCFA to enter into this Agreement. Therefore, the foregoing principal shall be responsible during the term of this Agreement for directing all activities of Firm and devoting sufficient time to personally supervise the services hereunder. The foregoing principal may not be changed by Firm without the express written approval of OCFA.

5.2 Contract Officer.

The Contract Officer shall be Tricia Jakubiak, unless otherwise designated in writing by OCFA. It shall be the Firm's responsibility to keep the Contract Officer fully informed of the progress of the performance of the services and Firm shall refer any decisions that must be made by OCFA to the Contract Officer. Unless otherwise specified herein, any approval of OCFA required hereunder shall mean the approval of the Contract Officer.

5.3 Prohibition Against Subcontracting or Assignment.

The experience, knowledge, capability and reputation of Firm, its principals and employees, were a substantial inducement for OCFA to enter into this Agreement. Therefore, Firm shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of OCFA. In addition, neither this Agreement nor any interest herein may be assigned or transferred, voluntarily or by operation of law, without the prior written approval of OCFA.

5.4 Independent Contractor.

Neither OCFA nor any of its employees shall have any control over the manner, mode or means by which Firm, its agents or employees, perform the services required herein, except as otherwise set forth herein. Firm shall perform all services required herein as an independent Firm of OCFA and shall remain at all times as to OCFA a wholly independent contractor with only such obligations as are consistent with that role. Firm shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of OCFA.

6. INSURANCE, INDEMNIFICATION AND BONDS

6.1 Insurance.

Firm shall procure and maintain, at its cost, and submit concurrently with its execution of this Agreement, public liability and property damage insurance against all claims for injuries against persons or damages to property resulting from Firm's performance under this Agreement. Firm shall also carry workers' compensation insurance in accordance with California worker's compensation laws. Such insurance shall be kept in effect during the term of this Agreement and shall not be cancelable without thirty (30) days written notice to OCFA of any proposed cancellation. OCFA's certificate evidencing the foregoing and designating OCFA as an additional named insured shall be delivered to and approved by OCFA prior to commencement of the services hereunder. The procuring of such insurance and the delivery of policies or certificates evidencing the same shall not be construed as a limitation of Firm's obligation to indemnify OCFA, its Firms, officers and employees. The amount of insurance required hereunder shall include comprehensive general liability, personal

injury and automobile liability with limits of at least one million (\$1,000,000) combined single limit coverage per occurrence and professional liability coverage with limits of at least one million (\$1,000,000). Coverage shall be provided by admitted insurers with an A.M. Best's Key Rating of at least A-VII. If Firm provides claims made professional liability insurance, Firm shall also agree in writing either (1) to purchase tail insurance in the amount required by this Agreement to cover claims made within three years of the completion of Firm's services under this Agreement, or (2) to maintain professional liability insurance coverage with the same carrier in the amount required by this Agreement for at least three years after completion of Firm's services under this Agreement. The Firm shall also be required to provide evidence to OCFA of the purchase of the required tail insurance or continuation of the professional liability policy.

6.2 Indemnification.

The Firm shall defend, indemnify and hold harmless OCFA, its officers and employees, from and against any and all actions, suits, proceedings, claims, demands, losses, costs, and expenses, including legal costs and attorneys' fees, for injury to or death of person or persons, for damage to property, including property owned by OCFA, and for errors and omissions committed by Firm, its officers, employees and agents, arising out of or related to Firm's professionally negligent performance under this Agreement, except for such loss as may be caused by OCFA's own professional negligence or that of its officers or employees.

7. RECORDS AND REPORTS

7.1 Reports.

Firm shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement as the Contract Officer shall require.

7.2 Records.

Firm shall keep such books and records as shall be necessary to properly perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. The Contract Officer shall have full and free access to such books and records at all reasonable times, including the right to inspect, copy, audit and make records and transcripts from such records.

7.3 Ownership of Documents.

All drawings, specifications, reports, records, documents and other materials prepared by Firm in the performance of this Agreement shall be the property of OCFA and shall be delivered to OCFA upon request of the Contract Officer or upon the termination of this Agreement, and Firm shall have no claim for further employment or additional compensation as a result of the exercise by OCFA of its full rights or

ownership of the documents and materials hereunder. Firm may retain copies of such documents for its own use. Firm shall have an unrestricted right to use the concepts embodied therein.

7.4 Release of Documents.

All drawings, specifications, reports, records, documents and other materials prepared by Firm in the performance of services under this Agreement shall not be released publicly without the prior written approval of the Contract Officer.

8. ENFORCEMENT OF AGREEMENT

8.1 California Law.

This Agreement shall be construed and interpreted both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Orange, State of California, or any other appropriate court in such county, and Firm covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

8.2 Waiver.

No delay or omission in the exercise of any right or remedy of a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. No consent or approval of OCFA shall be deemed to waiver or render unnecessary OCFA's consent to or approval of any subsequent act of Firm. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

8.3 Rights and Remedies are Cumulative.

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

8.4 (Reserved).

8.5 Termination Prior to Expiration of Term.

OCFA reserves the right to terminate this Agreement at any time, with or without cause, upon thirty (30) days written notice to Firm, except that where termination is due to the fault of the Firm and constitutes an immediate danger to health, safety and general welfare, the period of notice shall be such shorter time as may be appropriate. Upon receipt of the notice of termination, Firm shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. Firm shall be entitled to compensation for all services rendered prior to receipt of the notice of termination and for any services authorized by the Contract Officer thereafter.

Firm may terminate this Agreement, with or without cause, upon thirty (30) days written notice to OCFA.

8.6 Termination for Default of Firm.

If termination is due to the failure of the Firm to fulfill its obligations under this Agreement, OCFA may take over the work and prosecute the same to completion by contract or otherwise, and the Firm shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated, provided that OCFA shall use reasonable efforts to mitigate damages, and OCFA may withhold any payments to the Firm for the purpose of set-off or partial payment of the amounts owed to OCFA.

8.7 At torne ys ' Fee s .

If either party commences an action against the other party arising out of or in connection with this Agreement or its subject matter, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs of suit from the losing party.

9. OCFA OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

9.1 Non-Liability of OCFA Officers and Employees.

No officer or employee of OCFA shall be personally liable to the Firm, or any successor-in-interest, in the event of any default or breach by OCFA or for any amount which may become due to the Firm or its successor, or for breach of any obligation of the terms of this Agreement.

9.2 Covenant Against Discrimination.

Firm covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination or segregation in the performance of or in connection with this Agreement regarding any person or group of persons on account of race, color, creed, religion, sex, marital status,

national origin, or ancestry. Firm shall take affirmative action to insure that applicants and employees are treated without regard to their race, color, creed, religion, sex, marital status, national origin, or ancestry.

10. MISCELLANEOUS PROVISIONS

10.1 Confidentiality.

Information obtained by Firm in the performance of this Agreement shall be treated as strictly confidential and shall not be used by Firm for any purpose other than the performance of this Agreement without the written consent of OCFA.

10.2 Notice.

Any notice, demand, request, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by pre-paid, first-class mail to the address set forth below. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated forty-eight (48) hours from the time of mailing if mailed as provided in this Section.

Orange County Fire Authority
Attention: Monica Dorfmeier
1 Fire Authority Road
Irvine, CA 92602

WITH COPY TO:
David E. Kendig, General Counsel
Woodruff, Spradlin & Smart
555 Anton Blvd. Suite 1200
Costa Mesa, CA 92626

To Firm:

Hawkins Delafield & Wood LLP
Attention: Arto C. Becker, Partner
333 South Grand Avenue, Suite 3650
Los Angeles, CA 90071

10.2 Integrated Agreement.

This Agreement contains all of the agreements of the parties and cannot be amended or modified except by written agreement.

10.3 Amendment.

This Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing.

10.4 Severability.

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement, which shall be interpreted to carry out the intent of the parties hereunder.

10.5 Corporate Authority.

The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by so executing this Agreement the parties hereto are formally bound to the provisions of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates stated below.

“OCFA”

ORANGE COUNTY FIRE AUTHORITY

Date: _____

By: _____

Keith Richter, Fire Chief

APPROVED AS TO FORM.

ATTEST:

By: 
DAVID E. KENDIG
GENERAL COUNSEL

Sherry A.F. Wentz
Clerk of the Board

Date: 3/12/14

“FIRM”

HAWKINS DELAFIELD & WOOD LLP

Date: February 28, 2014

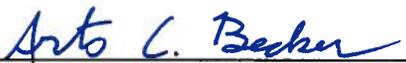
By: 

EXHIBIT "A"

(PROPOSAL HAWKINS DELAFIELD & WOOD LLP)

BEST AND FINAL PRICING PAGE

Please revise your pricing to reflect the changes in the Best and Final for further consideration.

	Bond Counsel	Tax Counsel	Bond and Tax Counsel	Disclosure Counsel	Bond, Tax and Disclosure Counsel
TRANS Fee	\$20,000	\$15,000	\$27,000	\$25,000	\$42,000
TRANS Expenses	\$750*	\$0	\$750*	\$200	\$950*

Attending/Presenting at Committee and/or Board Meeting (if applicable) \$ 0 Per Hour

Provide details of what is included in the total cost listed above. Direct expenses for reimbursements, travel, printing cost, mailing, and other expenses should be included in the total cost. Please list the rates and items for reimbursements. If there is a maximum on out of pocket expenses, please list this cost breakdown.

Costs include travel and preparation of transcripts and other copy costs. All costs to be approved by the Authority.

Additional comments:

*Plus the costs of publications necessary for a public sale of the TRANS and any reports necessary for the Official Statement (e.g., Overlapping Debt Report).

TO THE ORANGE COUNTY FIRE AUTHORITY:

The Undersigned hereby offers and shall provide bond, tax and disclosure counsel in compliance with all terms, scope of work, conditions, specifications, and amendments in the Request for Proposal which is incorporated by reference as if fully set forth herein. The representations herein are made under penalty of perjury.

Hawkins Delafield & Wood LLP

Name of Company
333 South Grand Avenue, Suite 3650

Address
Los Angeles CA 90071

City State Zip

Arto C. Becker

February 25, 2014

Signature of Person Authorized to Sign
Arto C. Becker

Date
Partner

Printed Name

Title

Response to
REQUEST FOR PROPOSAL MD1902
TO PROVIDE BOND, TAX AND DISCLOSURE COUNSEL SERVICES

respectfully submitted to

ORANGE COUNTY FIRE AUTHORITY

January 28, 2014

by

Hawkins
DELAFIELD & WOOD LLP

Contact: Arto C. Becker, Partner
213-236-9050

333 South Grand Avenue
Los Angeles, CA 90071

One Chase Manhattan Plaza
New York, NY 10005

One Embarcadero Center
San Francisco, CA 94111

Meridian Plaza - 1415 L Street
Sacramento, CA 95814

621 South West Morrison Street
Portland, OR 97204

601 Thirteenth Street, N.W.
Washington, D.C. 20005

City Place - 185 Asylum Street
Hartford, CT 06103

One Gateway Center
Newark, NJ 07102



PHONE: (213) 236-9050
FAX: (213) 236-9060

333 SOUTH GRAND AVENUE
SUITE 3650
LOS ANGELES, CA 90071
WWW.HAWKINS.COM

NEW YORK
WASHINGTON
NEWARK
HARTFORD
LOS ANGELES
SACRAMENTO
SAN FRANCISCO
PORTLAND

January 28, 2014

Ms. Monica Dorfmeier
Purchasing Agent
Orange County Fire Authority
Attn: Purchasing Department
1 Fire Authority Road
Building C
Irvine, CA 92602

Re: Request for Proposal MD1902 for Bond, Tax and Disclosure Counsel Services

Dear Ms. Dorfmeier:

Hawkins Delafield & Wood LLP (“Hawkins” and the “Firm”) appreciates the opportunity to present this Proposal (the “Proposal”) to the Orange County Fire Authority (the “Authority”) in response to the Authority’s Request for Proposal Number MD1902 for Bond, Tax and Disclosure Counsel Services (the “RFP”).

For more than 150 years, Hawkins has maintained a reputation for excellence, timeliness, discretion and ethical service in the highly visible representation of many of the nation’s governmental bodies and agencies and the world’s leading financial institutions. **Hawkins is the only national law firm in the United States whose practice is devoted primarily to public finance and public projects.** We offer a proven, historic commitment to public finance, and a determination to remain a major force within the public finance industry by continuing to provide superior service to our clients. **We believe that our California experience, coupled with our national practice, provides us with a depth and breadth of experience in the area of public finance unmatched by other firms.**

Hawkins’ standard Bond, Tax and Disclosure Counsel Services includes the tasks summarized under Section II (Scope of Work) in the RFP. We are prepared to dedicate the time and resources to meet the Authority’s needs for counsel. As part of our representation of clients, we routinely make ourselves readily available and provide the high level of service outlined in the Authority’s RFP. We have done so for other clients and look forward to the opportunity to deliver a similar level of service to the Authority.

Hawkins is uniquely qualified to perform Bond, Tax and Disclosure Counsel Services in connection with the Authority’s contemplated tax and revenue anticipation note financing for the following reasons:

- Hawkins is among the most experienced public finance law firms in the nation and the State of California, and we consistently maintain top tier national and State rankings. **In 2013, we were ranked nationally as the number one public finance firm in the country with more financings as Bond Counsel and Underwriter’s Counsel than any other firm in the country. In 2013,**

Hawkins was the number two Bond Counsel firm and the number one Underwriter's Counsel firm in the nation. In addition, our growth in California over the last 25 years has made us one of the top public finance practices in the State and we are committed to expanding our practice and services to address our clients' public finance needs.

- We have significant experience advising various California public agencies as Bond Counsel, Tax Counsel and Disclosure Counsel in connection with Tax and Revenue Anticipation Notes. California issuers for whom we have participated in short-term financings include the Counties of Los Angeles, San Diego, Sacramento, Kern, Mendocino, Fresno, Stanislaus, Solano, Sonoma, Plumas and Humboldt, the Cities of Los Angeles, San Diego and Oakland, the Los Angeles Unified School District, the Los Angeles County Office of Education, the Orange County Board of Education, the California Statewide Communities Development Authority and the California Community College Financing Authority.
- Hawkins has preeminent experience with federal tax laws. **Hawkins has one of the municipal industry's largest and most experienced tax departments devoted primarily to public finance.**
- **Hawkins has preeminent experience with the federal securities laws and their application to municipal finance founded on our national experience in all areas of public finance.** The Securities and Exchange Commission's attention to disclosure by public agencies has increased significantly over the last few years. We have considerable experience as Disclosure Counsel to public issuers and are uniquely qualified to advise clients regarding primary disclosure and compliance with the continuing disclosure requirements of Rule 15c2-12 of the Securities and Exchange Commission. In the event the Authority chooses a different law firm to act as Disclosure Counsel, our expertise in federal securities laws will be valuable to the Authority in our role as Bond Counsel.

Hawkins has built its reputation on providing seasoned advice and critical perspective to municipal clients in part by remaining focused on all aspects of our clients' financings. We return telephone calls promptly, review, comment to and distribute documents in a timely manner and adjust our schedules to make partners of the Firm available for meetings and conference calls. Further, we work closely with our clients' staff, advisors and consultants in a professional and collegial manner to ensure a seamless, concerted approach to achieving our clients' goals. We have a proven track record of outstanding client service.

The Firm respectfully proposes that Bond, Tax and Disclosure Counsel Services be under the supervision of Arto C. Becker. Mr. Becker would also work with partner Diane K. Quan and associate Nnanna F. Ogbu. Russell A. Miller is proposed as the responsible tax partner.

The Firm certifies that it meets the qualifications and the eligibility requirements set forth in the RFP. This proposal is valid for a period of not less than 120 days from the date of submittal.

Thank you for the opportunity to submit this Proposal. Please call me should you wish to discuss any matters that are not covered in this Proposal or to obtain clarification on any particular point. We very much hope to work with the Authority.

Very truly yours,

HAWKINS DELAFIELD & WOOD LLP

By: Arto C. Becker
Arto C. Becker, Partner

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Exhibit A — Hawkins California Financings 2009-2013

Exhibit B — Hawkins California Tax and Revenue Anticipation Note Financings 2011-2013

Appendix A - Offeror’s Information

Appendix B - References

Appendix C - Pricing Page

Appendix D - Certification of Proposal

Please note: Exhibits and Appendices are
on file in the Clerk's Office.

I. Firm's Detailed Information

Hawkins is a limited liability partnership that was founded in 1854, and has been a nationally-recognized Bond Counsel firm for more than 150 years. Hawkins has the largest public finance practice in the country, with more attorneys engaged in the full-time practice of public finance and projects than any other law firm in the country. The Firm is presently comprised of 38 equity partners, 10 other partners and 30 associates, all of whom practice exclusively public finance law. The Firm presently has eight offices which are identified on the cover page of this Proposal. Hawkins is consistently ranked among the top public finance firms nationally and in the State of California (the "State"). **In 2013, we were ranked nationally as the number one public finance firm in the country with more financings as Bond Counsel and Underwriter's Counsel than any other firm in the country. In 2013, Hawkins was ranked the number two Bond Counsel firm and the number one Underwriters' Counsel firm in the nation.** Representation of state and local governments and public agencies is the core of our practice. This concentration of expertise constitutes an unparalleled resource for our clients.

The Firm has served as Bond Counsel, Disclosure Counsel and Underwriter's Counsel in connection with all types of complex tax-exempt and taxable financings for all types of public agencies throughout the country. Typical transactions in which the Firm has participated and continues to participate include general obligation bond financings, tax and revenue note financings, certificates of participation and lease revenue financings for a full range of equipment and real estate projects, education financings, revenue financings for water, sewer and public power, tax assessment financings, housing financings, redevelopment and industrial development bond financings, transportation financings, nonprofit healthcare financings, conduit financings of all types, student loan financings, and many other types of projects financed by public agencies. **The Firm's involvement with a broad range of public finance clients enables the Firm to utilize innovative ideas and concepts developed in one area of public finance and apply them in other areas.**

See Appendix A - Offeror's Information attached hereto.

II. Descriptive Narrative

Hawkins is proposing for each of Bond Counsel, Tax Counsel and Disclosure Counsel. Hawkins' standard Bond, Tax and Disclosure Counsel Services includes the tasks summarized under Section II (Scope of Work) in the RFP.

Bond Counsel and Tax Counsel. The Firm's standard practice includes the full services of public finance counsel. As Bond Counsel and Tax Counsel, this includes: (i) assisting the Authority and its financial advisor, as appropriate, in reviewing and analyzing legal issues relating to the structure of the note issue, implementing the goals of the financing, explaining the details of the financings and guiding the Authority through these requirements; (ii) drafting the authorizing resolutions and all legal documents necessary in connection with the issuance of the notes, including all necessary tax due diligence in order to initiate our tax analysis; (iii) assisting in the preparation and review of the official statement; (iv) assistance in the review of documents typically prepared by Underwriter's Counsel, such as the note purchase agreement; (v) rendering our usual Bond Counsel opinions relating to the validity of the notes, the tax-exempt status of the notes, and the portions of the preliminary official statement and official statement describing the notes and the security for the notes; (vi) preparation of a closing memorandum and coordination for execution and delivery of all legal documents in connection with the closing of the note transaction, including the note documents and other necessary certificates and opinions and items requested by the underwriter, the rating agencies and the credit facility providers, as appropriate; and (v) providing advice on typical post-closing matters.

Disclosure Counsel. As Disclosure Counsel responsible for preparing the official statement, we review all publicly available information to ensure continuity in an issuer's disclosure materials and actively diligence information relayed to us to ensure an accurate and complete disclosure document. We work to ensure that the scope of disclosure comports with SEC standards. Further, the breadth and depth of our experience permits us to review the Authority's offering document relative to those of similarly situated entities in the market and advise on topics and issues that may be of concern from a disclosure perspective.

In this regard, we endeavor to prepare initial drafts of documents (including the Preliminary Official Statement) that include the various topics and questions that we expect to be of interest and/or concern to the Authority and to potential noteholders. Our experience is that comprehensive initial drafts can help to shorten financing schedules and inform the group as to the universe of concerns to be considered. We would then expect to review the documents with financing team and distribute revised documents in a timely manner to accommodate multiple review sessions prior to release of the draft documents to rating agencies. We would continue to update the documents for posting and simultaneously prepare closing documents and related materials so that minimal turn-around time is required upon pricing. After pricing, we would distribute revised documents for review and sign-off, at which point we would coordinate execution.

For diligence purposes, we will review the Authority's existing disclosure materials with a view to bring it current with existing disclosure requirements and market standards, which may in certain circumstances warrant consideration of additional sections (e.g., a management's analysis and discussion) and the expansion of certain disclosure (e.g., regulatory requirements, pension and post-employment benefits). Certain of such information may be obtained from existing reports (e.g., actuarial reports and existing audits) and certain other information will require the attention of specific officials with knowledge of and/or access to the relevant material (e.g., revenue and expenditure projections and their expected effects on the general fund balance).

We are prepared to dedicate the time and resources to meet the Authority's needs for counsel. As part of our representation of clients, we routinely make ourselves readily available and provide the high level of service outlined in the Authority's RFP. We have done so for other clients and look forward to the opportunity to deliver a similar level of service to the Authority. **In particular, we anticipate fulfilling the Authority's unique needs in a timely and effective manner by assembling a team of lawyers who have substantial expertise in all facets of cash flow financings such that the Authority will have full legal coverage at all times.**

III. Relevant Experience

1. California Practice

Hawkins is among the most experienced public finance law firms in the California and is consistently ranked among the top public finance firms in the State. Our public finance experience in the State includes representation of many issuers for a variety of public projects. We have participated in transactions as Bond Counsel, Disclosure Counsel and Underwriter's Counsel for issuers such as the State and its various agencies and departments, the California Infrastructure and Economic Development Bank, the California Housing Finance Agency and the California Educational Facilities Authority. We have also served as Bond Counsel, Disclosure Counsel and Underwriter's Counsel for such issuers as the California Statewide Communities Development Authority, the California Municipal Finance Authority and other joint powers agencies and legal entities which issue bonds on behalf of for-profit and non-profit entities. The Firm has worked as Bond Counsel, Disclosure Counsel and Underwriter's Counsel for many counties in the State for a variety of transactions, including tax and revenue anticipation notes and lease revenue

bonds and certificates of participation financings. These counties include Fresno, Humboldt, Los Angeles, Mendocino, Riverside, Merced, San Bernardino, San Diego, Santa Cruz, Shasta, Stanislaus, Santa Clara, Solano and Tulare. We have also participated in transactions as Bond Counsel, Disclosure Counsel and Underwriter's Counsel for the Cities of Los Angeles, Manhattan Beach, Riverside, San Diego, San Francisco, San Jose and Tulare, and such special districts as The Metropolitan Water Authority of Southern California, the Los Angeles County Metropolitan Transportation Authority, the San Francisco Airport Commission and the Rancho California Water Authority.

The types of financings for these public agencies range the entire spectrum of public finance. They include general obligation bond financings, short-term cash flow financings, assessment and special tax financings, certificates of participation and lease revenue financings for a full range of equipment and real estate projects for various governmental purposes, such as highways, schools and governmental buildings, revenue financings for water, solid waste disposal and resource recovery and public power, refundings, housing financings, redevelopment and industrial development bond financings, transportation financings, education financings, nonprofit healthcare financings, conduit financings, student loans financings, financings for commercial development, and many other types of financings for projects financed by public agencies. Our California experience, coupled with our national practice, provides us with a depth and breadth of experience in the area of public finance unmatched by other firms. Attached as Exhibit A is a list of the Firm's California financing since 2009.

2. Tax Expertise

Hawkins has one of the municipal industry's largest and most experienced tax departments devoted primarily to public finance, consisting of eight partners and several tax associates and financial analysts. Hawkins' active tax practice deals with specialized and technical federal, state and local tax issues arising in connection with the Firm's public finance and project finance practices. In addition to reviewing financing transactions for compliance with tax laws and advisory notices, our tax department actively participates in the development of new financing structures and programs. Some of the issues arising in our tax practice include disclosure questions relating to the offering of specialized debt instruments, the qualification of programs for tax-exempt financing, the investment and expenditure of bond proceeds, permitted uses of bond-financed projects, post-closing disposition of bond-financed property and compliance with the arbitrage rebate requirements. **Because we have done and continue to do so many transactions throughout the State and the country, we have been exposed to a wide variety of tax issues.**

Further, our tax department closely monitors and actively participates in the federal tax legislative and regulatory process. We participate proactively in the tax regulatory public comment process and often provide extensive written comments on proposed regulations. The Firm has obtained numerous private letter rulings on federal tax issues on behalf of our clients. Our financial services department, consisting of analysts and computer programmers, works in collaboration with the Firm's tax department to provide our clients with an in-house financial analysis capability that is rarely matched by other firms.

3. Federal Securities Laws Expertise

Hawkins has an excellent reputation for its experience in securities law and disclosure matters relating to public finance. Our national public finance practice, which covers the entire breadth of the diverse practice area of municipal finance, affords us a unique perspective on disclosure matters under the federal securities laws. We have prepared Official Statements and other disclosure documents in each of our various roles in public finance transactions. The Firm has been engaged by various governmental entities, including Los Angeles Unified School Authority and Los Angeles Community College Authority, the Counties of Los Angeles, Fresno and Shasta, and the City of San Diego, to provide training to their staff, officials and other representatives in connection with their disclosure obligations under

federal and state securities laws. The Firm is also qualified to advise clients regarding compliance with the continuing disclosure requirements of the Rule 15c2-12 of the U.S. Securities Exchange Commission.

IV. Proposal Questionnaire

1. Cash Flow Financings

Hawkins has extensive experience with many types of short-term financing structures in use today, including tax, revenue, grant and bond anticipation notes and commercial paper, and has been involved in virtually every aspect of short-term cash flow financings for many types of public entities within the State, including such school districts and agencies as the Los Angeles Unified School District, the Los Angeles County Office of Education, the Orange County Board of Education, the California Statewide Communities Development Authority and the California Community College Financing Authority, the Counties of Los Angeles, San Diego, Sacramento, Kern, Mendocino, Fresno, Shasta, Stanislaus, Solano, Sonoma, Plumas, Tulare, and Humboldt, and the Cities of Los Angeles, San Diego and Oakland. In addition, the Firm has participated in numerous unique short-term financings for issuers in special circumstances, including special fund financing programs and multibank credit lines.

Attached as Exhibit B is a list of Hawkins' California tax and revenue anticipation note financing experience since 2011. The following are brief summaries of some of our recent representations in connection with such financings.

- ***Los Angeles Unified School District.*** The Firm has worked as Bond Counsel and Disclosure Counsel to the Los Angeles Unified School District for many years. In 2012, we served as Bond Counsel and Disclosure Counsel to the Los Angeles Unified School District for its \$550,000,000 2012-13 Tax and Revenue Anticipation Notes, Series A. We also served as Bond Counsel and Disclosure Counsel to the District for its \$780,000,000 2012-2013 Tax and Revenue Anticipation Notes, Series B, which was issued as a private placement note.
- ***County of Los Angeles.*** For almost 15 years, the Firm has served as Bond Counsel and Underwriter's Counsel for the Tax and Revenue Anticipation Notes issued by the County of Los Angeles. The Firm served as Underwriter's Counsel in connection with the County's \$1,000,000,000 2013-14 Tax and Revenue Anticipation Notes in July 2013.
- ***Los Angeles County Office of Education.*** We have served as Bond Counsel to the Los Angeles County Office of Education on its pooled tax and revenue anticipation note participation certificates for almost 20 years. These financings have involved more than 40 school districts and community college districts in Los Angeles County, including, among others, the Long Beach Unified School District's \$75,000,000 principal amount 2011-12 Tax and Revenue Anticipation Note, Series B-1. In Fiscal Year 2012-13, as Bond Counsel, we completed the Los Angeles County Office of Education's TRANs program in which seventeen school and community college districts participated. In addition, we completed three series of cross fiscal-year TRANs programs in which a total of 44 school districts and community college districts participated. We served as Bond Counsel to the Los Angeles County Office of Education for its \$73,220,000 aggregate principal amount of 2013-14 TRANs which included thirteen school districts.

- ***Orange County Board of Education (South Coast Local Educational Agencies).*** Hawkins served as Disclosure Counsel to the Orange County Board of Education for many years on its Tax and Revenue Anticipation Note Pooled Program Note Participations. We served as Disclosure Counsel on the Board's \$99,835,000 Tax and Revenue Anticipation Note Pooled Program Note Participations (South Coast Local Education Agencies) Series 2010A. In 2009, we served as Disclosure Counsel on the Board's \$69,085,000 Tax and Revenue Anticipation Note Pooled Program Note Participations (South Coast Local Education Agencies) Series 2009A.
- ***County of San Diego.*** Since 1996 Hawkins has worked as Underwriter's Counsel in connection with the County of San Diego's tax and revenue anticipation note financings, which are completed on behalf of the County and various school districts within the County. As Underwriters Counsel, we are responsible for the preparation of the Official Statement and other disclosures prepared by the County of San Diego for this program. This year, we served as Underwriter's Counsel in connection with the \$115,210,000 County of San Diego and San Diego County School Districts Tax and Revenue Anticipation Note Program Note Participations, Series 2013.
- ***County of Fresno.*** The Firm has served as Bond Counsel and Disclosure Counsel since 1995 to the County of Fresno in connection with many of its financings, including its tax and revenue anticipation notes. In July 2013, we served as Bond Counsel and Disclosure Counsel in connection with the County's \$63,000,000 2013-14 Tax and Revenue Anticipation Notes.

2. Firm Qualifications and Experience

Hawkins has served in various capacities as bond, tax, disclosure and underwriter's counsel and maintains an active federal practice in the tax-exempt finance area. Through this work, the Firm has gained a thorough understanding of the many financing structures in use today, from traditional tax supported and revenue based structures to the many credit enhanced and other market oriented structuring techniques. The Firm's involvement with a broad range of public finance clients enables the firm to utilize ideas and concepts developed in one area of public finance and apply them in other areas. Typical transactions in which the Firm has participated, and continues to participate, include short-term cash flow financings, tax assessment financings, revenue financings for transportation, airport, water, wastewater, housing, commercial and industrial development, dock and wharf facilities, redevelopment, power, solid waste disposal and resource recovery, public power, education, student loans, hospital, convention centers and other exempt facilities and certificates of participation financings for a full range of equipment and real estate projects, cash flow financings, and general obligation financings for various governmental purposes, such as highways, schools and governmental buildings. The Firm's ability to continue as an industry leader has been the result of its continuing record of innovation.

See Section IV.1. herein for a description of Hawkins' cash flow financing experience and brief summaries of some of our recent representations. Attached as Exhibit A is a list of the Firm's California financing since 2009.

3. Key Personnel Resumes

Work on the Authority's engagement would be under the supervision of partner Arto C. Becker of the Firm's Los Angeles office. Mr. Becker would be the primary contact and the person directly responsible for legal services for the Authority, including the drafting and review of legal and disclosure documents and attention to technical bond matters. Russell A. Miller would be the tax partner responsible

for this engagement. Los Angeles partner Diane K. Quan who has significant experience with cash flow financings, would actively participate in the proposed engagement. Nnanna F. Ogbu would be the lead associate to assist the partners. Other partners, associates and paralegals will be available and assigned as needed, under the supervision of the partners named herein, to ensure that the full breadth of the Firm's resources is available to the Authority.

Set forth below are descriptions of the education, employment history and qualifications of each of the attorneys proposed to be principally involved in the Authority's financings.

Arto C. Becker, Partner – Preparatory Education – Columbia College, Columbia University (A.B. 1977); Legal Education – Fordham Law School (J.D. 1980). Mr. Becker joined the Firm in 1980 as an associate attorney and became a partner of the Firm in 1988. He has extensive experience in the areas of short-term financings, including tax and revenue anticipation notes, general obligation bonds, lease revenue bond and certificate of participation financings for a full range of equipment and real estate projects in a variety of contexts, including general governmental projects, revenue bonds, including those for water and wastewater projects, pension obligation bonds, assessment and special tax financings, multifamily and single-family housing financings, financings for public and private educational institutions, tax allocation bonds, industrial development bonds, and many other types of taxable and tax-exempt bonds. Mr. Becker has served as Bond Counsel and Disclosure Counsel to a variety of public issuers in the State of California, including the State, the Counties of Fresno, Humboldt, Los Angeles, Mendocino, Merced, San Bernardino, San Diego, Shasta and Tulare, the Cities of Los Angeles and San Diego, the California Statewide Communities Development Authority, the Los Angeles County Office of Education, the State Water Resources Control Board, Los Angeles Unified School District, the Los Angeles County Metropolitan Transportation Authority, Rancho California Water District, The Metropolitan Water District of Southern California and The Community Redevelopment Agency of the City of Los Angeles, and has served as Underwriter's Counsel to various major investment banking firms in connection with a variety of financings in the State. Mr. Becker is a member of the Bars of the States of California and New York and his professional affiliations include the American Bar Association and the National Association of Bond Lawyers.

Russell A. Miller, Partner – Preparatory Education – University of Southern California (B.S. 1981); Legal Education – University of Santa Clara (J.D. 1984) and New York University (LL.M. in Taxation, 1987). Mr. Miller joined the Firm in 2000 as a partner after working at other firms since 1984. Mr. Miller specializes in federal tax law applicable to municipal financings, including tax-exempt bonds such as general obligation bonds, revenue, health care, private activity, working capital and special tax bonds, certificates of participation, and pooled financings and the financing of economic development and redevelopment projects and projects through the issuance of special obligation revenue bonds, water and wastewater utilities, traditional municipal projects, solid waste and transportation infrastructure. Mr. Miller has served as Bond Counsel on financings for the Counties of San Bernardino and Fresno, the Cities of San Diego and Los Angeles, the Los Angeles Unified School District and many other school districts in the State. Mr. Miller is a member of the Bars of the States of California and New York and his professional affiliations include the American Bar Association and the National Association of Bond Lawyers.

Diane K. Quan, Partner – Preparatory Education – Yale College, Yale University (B.A. 1995); Legal Education – UCLA School of Law (J.D. 2000). Ms. Quan has over a decade of securities and governance experience. She joined the Firm in 2002 as an associate attorney and became a partner of the Firm in 2007. Ms. Quan has participated in transactions including revenue bond, lease revenue bond and certificate of participation financings, cash flow financings, general obligation bond financings, pension obligation bonds, pooled financings, multifamily housing financings, tax allocation bonds, tobacco settlement securitization financings, water and wastewater financings, state revolving fund financings,

financings for school districts and education agencies, commercial paper financings and conduit financings for 501(c)(3) borrowers. Ms. Quan has participated as Bond Counsel and Disclosure Counsel for a variety of issuers, including the Counties of San Bernardino, Los Angeles and San Diego, the Cities of Los Angeles, Manhattan Beach, San Diego, Newport Beach and Azusa, The Metropolitan Water District of Southern California, the Walnut Valley Water District, the California Municipal Finance Authority, The Community Redevelopment Agency of the City of Los Angeles and the Los Angeles Unified School District. Ms. Quan has also served or participated as Underwriter's Counsel to various major investment banking firms in connection with a variety of financings in the State. Ms. Quan is a member of the California State Bar and her professional affiliations include the American Bar Association and the National Association of Bond Lawyers.

Nnanna F. Ogbu, Associate – Preparatory Education – Stanford University (B.A. 2001); Legal Education – University of Southern California – Gould School of Law (J.D. 2006). Mr. Ogbu joined the Firm as an associate attorney in 2007. He has participated in a variety of financings including tax and revenue anticipation notes, general obligation bonds, certificates of participation, lease revenue bonds, water and wastewater financings, education financings, pooled financings and conduit financings for 501(c)(3) borrowers. Mr. Ogbu has participated as Bond Counsel and Disclosure Counsel on transactions for issuers including the Los Angeles Unified School District, the Los Angeles County Office of Education, the Los Angeles County Metropolitan Transportation Authority, the Counties of Fresno, Los Angeles, Mendocino and Shasta and San Bernardino and the City of San Diego. Mr. Ogbu has also participated as Underwriter's Counsel to various major investment banking firms in connection with a variety of financings in the State. Mr. Ogbu is a member of the State Bar of California and his professional affiliations include the American Bar Association and the National Association of Bond Lawyers.

4. Changes in Members of Team

Changes in members of the Hawkins financing team will be made only with the advance approval of the Authority.

V. Resumes of Projects

Attached as Exhibit A is a list of the Firm's California financing since 2009. Attached as Exhibit B is a list of Hawkins' California tax and revenue anticipation note financing experience since 2011.

VI. Disclosures

A. Hawkins has no professional or personal financial interests which could be a possible conflict of interest in representing the Authority. In addition, neither the Firm nor any individual within the Firm has entered into any arrangement to derive additional compensation (formal or informal) with any other party.

B. There are no public or private reproof or disciplinary actions against the Firm or individuals within the Firm by professional organizations or oversight committees.

C. There are no litigation judgments involving the Firm in the last five years.

D. There has not been nor is there presently any investigation involving the Firm conducted by the Securities and Exchange Commission or any federal or state regulatory body.

VII. References

See Appendix B attached hereto. Included in the compact disc containing the electronic copy of this Proposal are Official Statements we prepared for transactions of the public agencies included in these references.

VIII. Offer/Cost Proposal

See Appendix C attached hereto. We are prepared to dedicate the time and resources necessary to accommodate the Authority's schedule and we are confident of our ability to provide these legal services at competitive rates. We hope that if this Proposal is not fully satisfactory, the Authority will apprise us of its concerns and allow us an opportunity to address those issues.

We are pleased to attend any Committee or Board meeting, the cost of which is included in our fee proposal. In addition, the Firm would seek reimbursements for out-of-pocket costs and expenses approved by the Authority. See Appendix C for caps on reimbursable expenses.

IX. Insurance Requirements

The Firm will comply with the Authority's requirements for insurance. We request your consideration for a change in Section 6.2 of the proposed Services Contract. This is to include the words "professionally negligent" between the words "Firm's performance" on the third to last line of the paragraph. Among other things, this provides coverage consistent with the Firm's malpractice insurance.

X. Certification of Proposal

The Firm certifies:

- A. The submission of the offer did not involve collusion or other anti-competitive practices,
- B. The Firm shall not discriminate against any employee or applicant for employment in violation of Federal or State law,
- C. The Firm has not given, offered to give, nor intends to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, meal or service to a public servant in connection with the submitted offer,
- D. The individual signing the submittal is an authorized agent for the Firm and has the authority to legally bind the Firm to the Contract, and
- E. The Firm is not debarred, suspended or otherwise excluded by the United States Government.

See Appendix D attached hereto.

CONSENT CALENDAR - AGENDA ITEM NO. 5
EXECUTIVE COMMITTEE MEETING
March 27, 2014

TO: Executive Committee, Orange County Fire Authority

FROM: Brian Stephens, Assistant Chief
Support Services Department

SUBJECT: **Request for Proposal No. MD1913 – HVAC Maintenance & Repair Services**

Summary

This agenda item is submitted for approval of a contract for heating, ventilation and air conditioning (HVAC) preventive maintenance and repair to Harbor Pointe Air Conditioning and Control Systems, Inc., the number one ranked firm in the RFP process.

Recommended Action:

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.

Background

The HVAC machinery for 71 fire stations and the RFOTC range from near new to over fifty years old and from simple to large, complex and expensive systems. Equipment and control systems at the RFOTC are more complicated and require services fire stations do not.

Harbor Pointe is the current vendor providing HVAC preventive maintenance and repair to the RFOTC and fire stations. Competitive solicitations for HVAC at these different service locations were issued at different times. The bid for RFOTC was issued in October 2008 and the bid for the stations was issued March 2009. Both contracts were awarded to Harbor Pointe, as a result of the competitive solicitations.

The hourly rates for HVAC services at the RFOTC and the fire stations have historically differed due to the complexity of the HVAC systems at the different locations. The RFOTC equipment is commercial and requires technical skills at a journeyman level whereas the fire station equipment tends to be more residential type equipment.

On January 24, 2013, the Executive Committee approved the combination of the RFOTC and fire station contracts with Harbor Pointe for a not-to-exceed amount of \$325,000. The Executive Committee also approved two additional one-year contract extensions through October 31, 2015. The intent of staff submitting the recommendation to combine these two contracts was done to simplify contract administration, and in an effort to be transparent since the total of the two contracts combined exceeded the \$100,000 threshold requiring Executive Committee approval. Although the Executive Committee approved contract extensions through October 2015, staff concluded that it was appropriate to proceed with a new RFP process to ensure that OCFA is

continuing to receive the most cost-effective service possible, and to address a recommendation made by OCFA’s independent auditor.

OCFA has completed the RFP process for HVAC maintenance and repair for both RFOTC and the fire stations, as recommended by Lance, Soll & Lunghard, LLP (LSL) in the Purchasing audit submitted to the Executive Committee on September 26, 2013. Details of the RFP process and results are described below.

RFP Preparation

On February 13, 2014, a comprehensive RFP was issued to solicit competitive proposals from firms to perform HVAC maintenance and repairs for the RFOTC and all OCFA Fire Stations. The prior solicitations were only based on time and material costs. Staff prepared a more comprehensive specification for this RFP which clearly defined preventative maintenance requirements, system programming, and time and materials costs. A mandatory pre-proposal meeting was held at the RFOTC on February 24, 2014. Six (6) firms attended the mandatory meeting.

RFP Facts & Figures

Department/Section: Property Management	Vendors notified:	83
Date RFP Issued: February 13, 2014	Number of Firms attending pre-bid:	6
Pre-Proposal Date: February 24, 2014	Number of Proposals received:	3
Proposal Due Date: March 3, 2014		

Proposal Evaluations

A committee was formed to evaluate the proposals based upon the grading/selection criteria set forth in the RFP. The committee was comprised of the following members, and signed Committee Member Statements were received from all.

Property Manager, Property Management, OCFA
Facilities Manager, Property Management, OCFA
Information Technology Manager, Information Technology, OCFA

On March 3, 2014, proposals were received from the following vendors:

ACCO Engineering Systems
BP Air Conditioning and Heating Incorporated
Harbor Pointe Air Conditioning and Control Systems, Inc.

The criteria and weighting used in evaluating the proposals was as follows:

- Method of approach (20 points)
- Qualification and experience (30 points)
- Communications and resources (20 points)
- Pricing (30 points)

The results of the evaluation process are provided below:

	ACCO			B-P Air			Harbor Pointe		
Cost Proposal									
Preventive Maintenance	\$134,734			\$105,419			\$65,211		
Evaluators	1	2	3	1	2	3	1	2	3
A. Method of Approach (20)	10	6	13	15	8	15	20	20	17
B. Qual. & Experience (30)	20	15	20	25	18	18	30	30	30
C. Comm. & Resources (20)	10	14	10	15	12	15	20	20	17
D. Proposed Costs (30)	14.4	14.4	14.4	18.6	18.6	18.6	30.0	30.0	30.0
Sum of Proposal Scores	54.4	49.4	57.4	73.6	56.6	66.6	100.0	100.0	94.0
Ranking	3	3	3	2	2	2	1	1	1
Sum Ranking	9			6			3		

The evaluation committee conducted their individual scoring of the proposals based on the criteria established in the RFP. The scores demonstrated a clear difference between Harbor Pointe Air Conditioning and Control Systems Inc. and the remaining two proposals. The committee recommended entering into exclusive negotiations with intent to recommend contract award to Harbor Pointe Air Conditioning and Control Systems Inc., the top ranked firm and lowest cost proposal.

Harbor Point has been the OCFA's vendor for preventive maintenance and repair of HVAC mechanical systems for over 8 years. Harbor Pointe's performance during this period has been exceptionally professional and effective. The firm has developed a detailed knowledge of the RFOTC, all stations, machinery and personnel. Their work plan, schedule for maintenance, and costs are based on long standing knowledge and experience with OCFA systems. Their combination of experience and the lowest cost represent the best value to the OCFA.

Negotiations & Results

Purchasing staff conducted exclusive negotiations with Harbor Pointe following the completion of the evaluation committee review. The initial offer for preventative maintenance total cost was \$65,210.94 for the first year with an annual increase of 3% per year. As a result of the best and final offer (BAFO), Harbor Pointe indicated their desire for a long term partnership with OCFA and adjusted their preventive maintenance pricing as follows:

BAFO		
	<i>Annual Amount</i>	<i>% Increase</i>
Year 1	\$65,210.94	-
Year 2	\$65,863.05	1%
Year 3	\$65,863.05	-
Year 4	\$66,521.68	1%
Year 5	\$67,186.90	1%

Additionally they reduced the trip charge from \$5.00 hour to \$3.15 hour (maximum of \$25.00). This best and final demonstrates a best value contract that has minimized the cost increases for future contract years. The BAFO pricing is reflected in the pricing pages that are included as the last three pages of Attachment 2.

While the above pricing reflects the ongoing needs for “proactive” and preventive maintenance, the OCFA also incurs maintenance needs for “reactive” repairs and replacement parts, when equipment breakdowns occur. To address these needs, Harbor Pointe provided hourly rates for the current year and next three years, as follows (cost increases are based on negotiated labor agreements that Harbor Pointe currently has in place with its mechanics):

LABOR	2014	2015	2016	2017
Standard Rate, Mon – Fri, 7:30 am – 5:30 pm	\$74.00 FS \$94.00 HQ	\$75.35 FS \$95.35 HQ	\$76.70 FS \$96.70 HQ	\$78.05 FS \$98.05 HQ
Overtime Rate, Mon – Fri, 5:30 pm – 7:30 am Sat, Sun, & Holidays	\$107.30 FS \$136.30 HQ	\$109.26 FS \$138.26 HQ	\$111.22 FS \$140.22 HQ	\$113.17 FS \$142.17 HQ
Trip Charge (if charged)	\$3.15/hr. \$25.00 max	\$3.15/hr. \$25.00 max	\$3.15/hr. \$25.00 max	\$3.15/hr. \$25.00 max

Form of Contract

OCFA’s General Counsel has reviewed this RFP and response, and indicated that a Professional Services Agreement is not required for this contract. Instead, a Blanket Order will be issued by the Purchasing Manager, referencing the terms outlined in Harbor Pointe’s response to OCFA’s RFP 1913 (Attachment 2).

The Purchasing and Materials Manager confirms that the proposal and evaluation process was conducted in accordance with the OCFA’s Purchasing Ordinance and all applicable rules and regulations. Based upon the evaluation committee’s recommendation, it is recommended that the contract for HVAC be awarded to Harbor Pointe Air Conditioning and Control Systems Inc.

Impact on Cities/County:

None

Fiscal Impact:

The estimated amount for repairs and replacement parts was anticipated in the General Fund Budget and is based upon three previous year’s repair and replacement history. Sufficient funds have been budgeted to support this expense.

Staff Contacts for Further Information:

Steve Chambers, Property Manager
Support Services Department
stevechambers@ocfa.org
(714) 573-6471

Debbie Casper, Purchasing Manager
Business Services Department
debbiecasper@ocfa.org
(714) 573-6641

Attachments:

1. RFP 1913 for HVAC Maintenance and Repair (On file with the Clerk of the Authority and available upon request.)
2. Harbor Pointe Response to RFP 1913 dated March 3, 2014



ORANGE COUNTY FIRE AUTHORITY

Request for Proposal

HVAC MAINTENANCE & REPAIR

February 13, 2014

RFP Number: MD1913

The Orange County Fire Authority is requesting proposals for HVAC maintenance and repair for fire stations and the Regional Fire Operations Training Center (RFOTC). This solicitation will establish an annual contract with an initial term of a one year period with options to renew for four (4) additional one (1) year periods provided all terms and conditions remain unchanged and in full force and effect.

Proposals will be received until 11:00 A.M., March 3, 2014

Submittal of Proposal for RFP MD1913 may be hand delivered or mailed to Orange County Fire Authority, Purchasing Department, 1 Fire Authority Road, Building C, Irvine, CA 92602 on or before March 3, 2014.

LATE PROPOSALS WILL NOT BE ACCEPTED

A non-mandatory pre-proposal conference is scheduled on Monday, February 24, 2014, 9:00 a.m. at the Orange County Fire Authority Regional Operations and Training Center, Building A, Classroom 1, 1 Fire Authority Road, Irvine, CA 92602.

One (1) original hard copy, one (1) duplicate hard copy, and one (1) electronic copy in PDF or Word (on Digital Media), of the proposal(s) shall be sent to the attention of the **Purchasing Department**, within said time limit, in a sealed envelope identified on the outside with the Offeror's Business Name, Proposal Item Number, **RFP MD1913** and the Due Date. There will be no public opening of proposals.

If you have any questions, please contact Monica Dorfmeier, Purchasing Agent, at (714) 573-6643 or via e-mail at: monicadorfmeier@ocfa.org.

Sincerely,

A handwritten signature in black ink that reads "Monica Dorfmeier".

**Monica Dorfmeier
Purchasing Agent**

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SECTION I: PROPOSAL INFORMATION

INTRODUCTION

The OCFA is soliciting competitive proposals from qualified proposers to provide HVAC maintenance and repair services for various fire stations and the Regional Fire Operations Training Center (RFOTC). To be eligible for consideration, the proposer must have specific experience in the area(s) identified in this RFP and must be capable of meeting all requirements specified in this RFP. OCFA reserves the right to award multiple contracts if it's in the best interest of the Authority.

AGENCY BACKGROUND

The Orange County Fire Authority was formed on March 1, 1995, transitioning from the Orange County Fire Department to a Joint Powers Authority (JPA) as allowed by California State Government Code 6500 et seq. The OCFA is an independent organizational entity similar to a special district. The service area includes twenty-three member cities, the unincorporated areas of Orange County, California, including State and Federal Responsibility areas. A twenty-five member Executive Board of Directors governs the OCFA. This Board includes an elected official appointed to represent each of the twenty-three member cities and two representatives from the County Board of Supervisors. The OCFA is managed by an appointed Fire Chief who reports to the Executive Board of Directors.

The OCFA is the largest regional fire service organization in Orange County and one of the largest in California. Emergency response services are provided to a community of over 1.75 million residents in a 575 square mile area. The OCFA's authorized staffing level is 1,372 full-time positions. These personnel provide front-line services, including prevention, education, dispatch, emergency response and technical and administrative support.

REQUEST BACKGROUND

The HVAC maintenance and repair services will include scheduled bi-monthly, quarterly and annual maintenance of HVAC systems, repairs, inspections, energy procedures, and emergency 24/7 hour on call service request for RFOTC and various fire stations per the attached address and battalion lists.

ESTIMATED RFP SCHEDULE

Proposal Mailing Date (to be sent electronically)	February 13, 2014
Pre-Proposal Conference	February 24, 2014
Due date for Proposals	March 3, 2014
Tentative Interview with Finalists	TBD
Executive Committee Contract Award	March 27, 2014

Proposals submitted will be evaluated by staff based on the criteria listed in the RFP. The recommendation may be referred to Executive Management for approval and award of the contract. It is anticipated the evaluation and negotiations will be completed by March 27, 2014. It is expected that the contract will be executed between both parties.

TERM OF AGREEMENT

The term of the agreement should reflect services and fees for a one (1) year contract commencing upon the date of contract execution, and concluding when the services are complete, subject to the "Time of Performance" and the "Termination" provisions of the OCFA's "Pro Forma" Professional Services Agreement (Appendix I). At the option of the OCFA, the contract may be renewed annually,

with the concurrence of the firm, for up to four (4) additional one-year options. The contract is subject to the satisfactory negotiation of terms, including a price acceptable to both the Authority and the selected firm.

COST ADJUSTMENT

The rate maybe adjusted by the firm as provided herein solely on the basis of the change in the Consumer Price Index for All Urban Consumers (CPI-U) for the Los Angeles, Riverside, Orange County, provided, however that those adjustments in rates based solely on the change in CPI-U will not exceed three (3) percent per annum whichever is lower. The firm assumes all risks associated with increased costs of service not reflected in the rate adjustments. The firm shall use the CPI-U for the most recent twelve month period prior to the contract's anniversary date to determine the percentage change in the rate to take effect. In the event that OCFA exercises such rights, all terms, conditions and provisions of the original Contract shall remain the same and apply during the renewal period with the possible exception of price and minor scope of services additions/deletions.

PRE-PROPOSAL CONFERENCE

A non-mandatory pre-proposal meeting is scheduled on **February 24, 2014, 9:00 a.m.** at the Orange County Fire Authority Regional Operations and Training Center: 1 Fire Authority Road, Classroom 1 (Board Breakout Room) – Bldg. A, Irvine, CA 92602. This informational meeting will be held to allow for questions and clarifications concerning the Authority's RFP process and subsequent contract award. Offerors should be familiar with the proposal prior to attending the pre-proposal conference. Please RSVP through the Planet Bids website if you plan on attending.

DUE DATE

Closing time and date: **Proposals are due by 11:00 a.m. on March 3, 2014.** One hard copy original (marked original), one (1) paper copy, and one (1) electronic copy in PDF or Word (on CD or DVD) of the proposal must be submitted in sealed envelope marked RFP – MD1913 and submitted to the following address:

Delivery Address:

Orange County Fire Authority
Attn: Purchasing Section
1 Fire Authority Road Bldg. C
Irvine, CA 92602

Mailing Address:

Orange County Fire Authority
Attn: Purchasing Section
P.O. Box 57115
Irvine, CA 92619-7115

GENERAL INFORMATION

The successful proposal will be one that demonstrates the requisite technical proficiency. Sealed proposals will be accepted up to the date and time stated herein. Proposals must be prepared in conformance with the instructions provided.

Only those firms with verifiable experience as it relates to the requirement of this solicitation will be considered during the evaluation process.

To be considered responsive, offerors must respond to this solicitation in accordance with the requirements, specifications, commercial terms, and provisions as described and set forth herein. Proposals must embrace a concept that the successful offeror will satisfy all of the objectives and service specifications outlined in this document.

Any offeror who wishes his/her proposal(s) to be considered is responsible for making certain that the proposal is received in the Purchasing Office by the announced time. No oral, telegraphic, facsimile, or telephonic proposals or modifications will be considered unless specified. Proposals received after the scheduled submittal deadline will be returned unopened. Proposals must bear original signatures. Please note that there will be no public opening of proposals. Proposal information shall not be made public until the contract is awarded. At that time the executed contract will become public information. Please direct any questions regarding this proposal to Monica Dorfmeier, Purchasing Agent, via telephone (714) 573-6643 or e-mail: monicadorfmeier@ocfa.org.

The Orange County Fire Authority reserves the right to negotiate with any offeror(s) as necessary to serve the best interest of the Authority and negotiate the final contract(s) with the most responsive, responsible offeror. OCFA reserves the right to waive, at its discretion, any irregularity or informality, which the OCFA deems correctable or otherwise not warranting rejection of the RFP. OCFA reserves the right to reject any and all proposals and to accept any proposal or portion thereof. No obligation, either expressed or implied, exists on the part of the OCFA to make an award or to pay any costs incurred in the preparation or submission of a proposal. All costs associated with the preparation or submission of proposals covered by this RFP, are solely the responsibility of the offerors.

By submitting an offer, the offeror acknowledges understanding of the rules as defined in this RFP. Compliance with all of the terms and conditions of the agreement is mandatory for companies providing services to OCFA.

The intent of the OCFA is to award a contract to the respondent that scores the highest in the RFP evaluation process. Please provide your response to all the information requested in this RFP so that the firm you represent can be assessed to the best advantage.

SECTION II: SCOPE OF WORK

The successful firm will deliver a proposal that outlines a schedule of preventative maintenance of the HVAC for service performed bi-monthly, quarterly and annually for air conditioning, heating, boilers, pumps, chillers, filters, and programming of Johnson control systems 2.0 and 5.0 for both RFOTC and various Fire Stations which vary in range from 1,500 – 20,000 square feet. Fire Station #61 will require a bi-monthly service. This will also include inspection of machinery, troubleshooting, energy procedures, and 24 hour on-call emergency repairs of all systems when required. This service shall exclude Fire Station #33 located at the John Wayne Airport. Please see equipment lists attached for RFOTC (Appendix G) and Fire Stations (Appendix H). OCFA lists are all-inclusive at the time of this solicitation. However, equipment lists are subject to revisions after contract has been awarded.

Continued operation of the HVAC systems is essential for the 24-hour occupancy of OCFA facilities. It is essential that prompt, thorough services are provided at these locations.

The firm shall provide all labor, supervision, materials, tools and equipment required to repair and maintain all HVAC systems. Firm is required to pay prevailing wage rates.

MINIMUM QUALIFICATIONS

- Must have and provide proof of the State of California Contractor's license to include C-4 Boiler, Hot-Water Heating System Fitting, C-20 Heating/Air Conditioning, C-38 Refrigeration and C-43 Sheet Metal
- Must have personnel with technical certifications for HVAC and Johnson Control systems 2.0 and 5.0

- Must have technical personnel with a minimum of 5 years of experience with Johnson Control Metasys V 2.0, 5.0, N-2 legacy, DX9100 controller, UNT controller VMA, Web based NAE and ADS Server, BAC net, and FEC
- Have a minimum of ten (10) years of experience with projects of similar nature with a public entity
- Have an online electronic database capable of producing reports
- Have the sufficient means and/or resources to provide the 24/7 emergency response capable of dispatching service personnel

The Respondent must state specifically in the descriptive narrative how the firm meets the minimum qualifications specified above. The Respondent should provide adequate information and supporting documentation for the evaluation of their ability to successfully provide the services as described in the Scope of Work.

The Respondent shall demonstrate that the firm has the personnel, knowledge, experience, customer service, 24/7 response and resources to service the OCFA facilities.

SPECIFIC REQUIREMENTS - GENERAL RESPONSIBILITIES

A. General

- The firm shall furnish and maintain a 24/7 telephone answering system, capable of contacting and dispatching service personnel.
- The firm shall provide trained and experienced technicians. Each assigned technician shall be knowledgeable and capable of diagnosing, repairing and programming problems with HVAC systems and Johnson Control systems 2.0 and 5.0.
- The firm shall provide all materials required for performance of the work. The firm shall maintain an adequate stock of materials, parts, and equipment to repair and maintain both the electrical and mechanical systems, and shall establish and maintain a supply system to insure that additional materials, parts and equipment are readily available.
- The firm shall perform all work in accordance with generally accepted industry practices for safe and efficient operation.
- The firm shall warranty all labor and materials for a minimum of one (1) year after completion of the repairs.

B. Quarterly and Annual Scheduled Maintenance – RFOTC by Equipment

The scope of preventive maintenance services shall consist of the inspections, and services described herein for the attached list of machinery located within the RFOTC. Preventive Maintenance shall be performed four times each year, except as noted for Fire Station 61. One service each year shall be designated an annual maintenance service, completed as indicated herein. Prior to the conduction of any maintenance, technicians shall:

- Check in with the Property Management Office customer representative upon arrival.
- Check machinery and report any unusual condition, operations, noise or vibration.
- Check general operation and condition of equipment for cleanliness.
- Check for and report any hazard.
- Notify representative of repairs or materials required to correct deficiencies and maintain system in proper operating condition.
- Check out with the Property Management Office, report results prior to leaving premises

The following constitutes procedures, checks, evaluations and services that shall be provide as quarterly and annual preventive maintenance for the types of machinery identified:

Heat Rejection Systems - Reciprocating- Air-cooled

Quarterly Preventative Maintenance

- Check oil level. Oil samples shall be taken and evaluated on all compressors during the Spring service check refrigerant charge
- Check for normal/proper operation.
- Check operation of high and low-pressure controls and safety controls Check for visible signs of refrigerant leaks.
- Check and lube condenser fans and motors.
- Check condenser surface for cleanliness. Chemical clean and high pressure wash at least once per year.

Annual Maintenance

- All quarterly preventive maintenance
- Chemically clean and pressure wash all coils

Air Handlers – Central Station Units Only

Quarterly Preventative Maintenance

- Lubricate all accessible bearings as required and inspect fan wheel.
- Inspect fan unit mountings.
- Inspect fan unit flex connectors.
- Inspect and adjust drive belts.
- Inspect fan drive sheaves for wear.
- Inspect and clean drain pans, insure accessibility.
- Clean, check, and inspect supply fans and variable frequency drives (VFD) at least once per year.

Annual Maintenance

- All quarterly maintenance checks and service.
- Chemically clean and wash coils

Boilers- Hot Water

Quarterly Preventative Maintenance

- Blow down boiler.
- Flush the auto-feeder.
- Check the feeder strainer and clean as necessary.
- Check and clean the gauge glass.
- Check the low water device and clean as required.
- Inspect the pilot operation and safety controls.
- Inspect the main burner condition and operation using electronic Moxier equipment.
- Check boiler clock.
- Check all linkage and lube as required.
- Check the safety relief valve and lube as necessary.

Annual Maintenance

- All quarterly preventive maintenance checks and service.
- Complete annual service and cleaning.
- Provide a written report stipulating the absence of CO

Chillers/Compressors – Reciprocating Water Cooled

Quarterly Preventative Maintenance

- Check oil level.
- Change oil filters at Spring service.
- Check refrigerant charge.
- Check for normal, proper operation.
- Check operation of high and low pressure controls and safety controls.
- Check for visible signs of refrigerant leaks.
- Log pressures, temperature and amperage

Annual Maintenance

- All quarterly preventive maintenance check and services.
- Complete an annual maintenance service as specified in manufacturer’s specifications.

Water Pumps

Quarterly Preventative Maintenance

- Lubricate bearings as required.
- Check reservoir oil level and add oil as required.
- Check for water leaks.
- Inspect pump couplings for wear and alignment.
- Check mounting heater for proper operation.
- Check pump operating pressures as required
- Check for abnormal vibration or noise.
- Check for motor starter and electrical connection adjust/tighten as required

Annual Maintenance

- N/A

Water Treatment

Quarterly Preventative Maintenance

- Check closed-loop for proper nitrite levels

Annual Maintenance

- N/A

Package Units

Quarterly Preventative Maintenance

- Check cooling operation (gas and electric)
- Check heating operation.
- Check condenser surface at least once per year, chemically clean with high pressure washer.
- Check evaporator surface.

- Check supply fan or blower.
- Inspect and adjust drive belts, as needed.
- Check condenser fans.
- Lubricate all accessible bearings.
- Check refrigerant charge.
- Check for proper voltage and electrical connections.
- Check crankcase heater for operation.
- Check controls, contactors and safeties.
- Insure all panels are securely installed.
- Check return and supply air temperature.
- Check filters, clean or replace per contract.
- Visually check system for leaks and piping integrity.
- Check economizer operation if applicable.
- Check pilot or igniter for proper operation.
- Visually check heat exchanger and clean if necessary.
- Check flue and flue cap.
- Check all safety controls.
- Check venter motor.
- Check all duct connections.
- Inspect and clean drain pans.
- Inspect the main burner condition and operation using electronic Moxier equipment

Annual Maintenance

- All quarterly preventive maintenance checks and services
- Chemically clean and power wash coils and condensers.

Exhaust Fans

Quarterly Preventative Maintenance

- Lube bearings.
- Inspect fan wheel(s).
- If accessible, inspect fan unit mountings.
- Inspect fan unit flex connectors.
- Inspect drive belts and adjust as required.
- Inspect fan pulleys for wear.
- Inspect and clean drain pan

Annual Maintenance

- Replace all drive belts

Filters

Quarterly Preventative Maintenance

- Filters shall be changed quarterly using standard 2" or 4" 30/30 pleated filters as specified.

Annual Maintenance

- N/A

Belts

Quarterly Preventative Maintenance

- Belts condition will be inspected during each quarterly service and replaced during one of the services.

Annual Maintenance

- N/A

CoilsQuarterly Preventative Maintenance

- Clean as required

Annual Maintenance

- Chemically clean and power wash

C. Quarterly and Annual Scheduled Maintenance – Fire Stations

Every scheduled preventive maintenance visit to a fire station shall begin by checking in with the station Captain and end by checking out (if possible). The following elements shall be checked and verified with each scheduled service:

- Prior to service, check the temperature and air flow for both heating and cooling in every zone.
- Check the operation and accuracy of all thermostats and time clock.
- Check for proper operation of all contact points and contactors.
- Check and verify tightness of all electrical connection and the serviceability of all insulation.
- Insure cleanliness of equipment, work area and that equipment is free of corrosion.
- Insure all covers, guards, doors, latches and safety systems are in place and secure.
- Ensure that all HVAC machinery is functioning correctly prior to departure.

Each quarter, every fire station shall receive a quarterly preventive maintenance service. One of the quarterly maintenance services shall be considered an annual maintenance service, which shall include the entire quarterly program augmented as indicated herein. Every quarterly preventive maintenance visit to a fire station shall include each of the following:

Quarterly Preventative Maintenance

- Insure proper lock-out procedures of all electrical power and hazardous energy prior to performing any work.
- Check the condition of all diffusers, grates and dampers.
- Check, clean or replace all filters as required (Merv 8, 30-30 pleated filters).
- Check all mounting bolts, hanger rods, and mounting brackets for proper condition and security.
- Inspect all piping for leak integrity.
- Check and adjust (if necessary) all belts for alignment, tension and condition.
- Check sheaves, shafts, and all couplings for tightness and wear.
- Check all bearings, and seals for signs of wear and failure.
- Check all motors and bearings for heat, noise and vibration.
- Clean all fan assemblies.
- Check fan assemblies, blade condition, pitch, bearing, shafts, and mounts. Check for vibration.
- Lubricate all bearing and lubrication points as necessary.
- Check all condensation drain lines and pumps for condition, leaks, and obstructions.
- Check for proper refrigerant charge.
- Check for proper lubricant levels in all compressors.

- Check all coils and condensers. At least one service shall include cleaning.
- Add pan tablets at least once per year to prevent growth in pans/units.
- Check and verify proper operation of all gas valves and pilots.
- Check fire boxes, burners and heat exchanges for proper operation.

Annual Maintenance

- Replace all drive belts.
- Chemically clean and pressure wash all coils and condensers.
- Add pan tablets to condensate pans to prevent any growth in the unit.

The following stations have exceptional energy management system and/or a unique scheduled maintenance requirement:

- Fire Station 17 – Johnson Control System, Metasys 5.0.
- Fire Station 46 – Johnson Control System, Metasys 5.0.
- Fire Station 58 – Carrier VVT control system.
- Fire Station 71 – Carrier VVT control system.
- Fire Station 61 – Johnson Control system, Hot Deck/Cold Deck and pneumatic controls.
- Fire Station 61 HVAC required bi-monthly service that shall be the same as prescribed for quarterly preventive maintenance service. One service each year shall be designated annual service and include those additional elements identified under annual service.

D. Special Repairs

- If repairs are necessary from deficiencies found by OCFA inspections, the OCFA will notify the firm of such deficiencies. The firm shall send the OCFA a written estimate for the repair of the deficiencies as required if repairs cannot be made at the time of quarterly or annual maintenance.

E. Emergency Response Requirement

- If notified prior to 11:00 a.m., the firm shall respond the same day and complete the work within normal working hours.
- If notified after 11:00 a.m., the firm shall respond the same day, (if possible), and complete the work within normal working hours; or the firm shall respond by 8:00 a.m. the next day, and complete the work within normal working hours.
- All work shall be performed during normal working hours (i.e., 7:30 a.m. to 5:30 p.m.).
- If repairs cannot be completed within normal working hours, the Contract Administrator shall be notified immediately. The Contract Administrator will determine the appropriate action to ensure service. Overtime may be authorized in those cases where immediate repair is essential or where it is advantageous to complete work in progress to avoid a return trip. No overtime work shall be performed without the express authorization of the Contract Administrator. Any overtime work performed without the Contract Administrator's express authorization will be paid at regular rates.

F. Service Procedure

- During regular working hours, the facility requesting service will contact the Contract Administrator for service. The request for services will be logged, and the Contract Administrator will contact the firm, and provide the following information:
 - Location (site name and address)
 - Nature of the problem
 - Name of the on-site contract person.
 - Phone number of the on-site contact person.
- After regular working hours, during weekends, and holidays, the facility requesting service will notify the Battalion Chief/Section Manager, and advise him/her of the problem. The Battalion

Chief/Section Manager will determine if the problem requires immediate repairs or can wait until regular working hours for a service call to be placed.

- If the repair requires immediate attention, the Battalion Chief/Section Manager will authorize the station personnel to place a service call to the firm and advise the Contract Administrator that a call was placed as an emergency so that the call can be logged and a log number provided to the firm.
- Station personnel placing the service call to the Contractor shall provide the following information:
 - Location (site name and address)
 - Nature of the problem
 - Name of the on-site contract person.
 - Phone number of the on-site contact person.
- The Contractor, (under any circumstances), should call the site with the problem and obtain any additional information deemed necessary and provide the anticipated technician's arrival time.
 - (Note: A portion of OCFA fire stations are staffed with volunteers and have no permanent personnel on the site, while others are staffed with 24-hour permanent personnel. Therefore, it is essential to coordinate the arrival of the service technician with fire station personnel.)
- Upon arrival at each site, the technician shall:
 - Sign in on the station log (at all fire stations).
 - Check in with the Station Captain, if available.
 - Evaluate the specific materials and labor required to complete the repair.
 - Develop an estimate of the expected costs (if possible).
 - Develop potential alternatives with costs, in the case of repair vs. replacement.
 - Inspect other systems to determine materials and labor required for preventative maintenance/repairs.
 - Advise the Contract Administrator by telephone of the repair cost greater than \$500 (and any other work that should be performed) PRIOR to proceeding with the work.
- The technician shall proceed with the work after authorization is received from the Contract Administrator.
- The technician shall complete all work in accordance with the estimate.
- The technician shall prepare a service call report detailing the work performed; obtain the signature of the Station Captain on the report (if available). This report is to be mailed to the Contract Administrator at OCFA.
- The report shall include the following items: time of arrival; time of departure; brief summary of problem; detailed summary of the work performed; summary of any additional work required or recommended.
- The technician shall advise on-site personnel and the Contract Administrator if any additional work is required and when it will be completed.

G. General Conditions/Payment

- All work shall be subject to inspection and approval by OCFA, prior to acceptance and approval for payment.
- The OCFA reserves the right to use alternative sources for completion of the work, to obtain competitive prices on any repair and to utilize information obtained under the contract relative to necessary materials and repairs as it deems appropriate.
- The technicians shall be well-disposed, to the public and OCFA staff at any facility, but shall only be responsive to the Contract Administrator. All other requests or inquiries shall be directed to the Contract Administrator. Exception: Specific requests involving public/employee health or safety or the security of the specific facility.
- Coordination with the firm shall be maintained by the Contract Administrator: Steve Klein, Facilities Maintenance Manager, Orange County Fire Authority, P. O. Box 57115, Irvine, CA 92619-7115, Phone:(714) 573-6475; email: steveklein@ocfa.org.

- Payment will be based upon satisfactory completion and acceptance of the work for each individual job call. There will be no payment for work completed at an individual location until all work that required repairs has been completed at that location.
- The Contractor shall submit his/her invoices (with a copy of the service report) to Steve Klein, Facilities Maintenance Manager.
- The invoice shall be submitted on standard company forms and include:
 - Invoice Number
 - Invoice Date
 - Location (site name and address).
 - Brief Description of Work Completed
 - Unit Prices and Extended Prices (if appropriate).
 - Total Amount Requested
 - Federal I.D. Number
 - Contract P.O. Number
- Copies of all material invoices shall be made available for inspection and verification upon request of the OCFA. Copies of all material invoices for items costing more than \$100.00 shall be submitted with the invoice.

SECTION III: GENERAL INSTRUCTIONS TO OFFERORS

ACCEPTANCE PERIOD

Unless otherwise specified herein, proposals are firm for a period of one hundred eighty (180) days.

AMENDMENT OF REQUEST FOR PROPOSAL

The Offeror shall acknowledge receipt of a Request for Proposal Amendment by signing and returning the document by the specified due date and time. Amendments (addendums) may be obtained from the OCFA website at: www.ocfa.org. It is the offeror's responsibility to obtain a copy of any amendment relevant to this solicitation. Any interested offerors without internet access may obtain a copy of this solicitation by calling (714) 573-6640, or a copy may be picked up during regular business hours. OCFA takes no responsibility for informing recipients of changes to the original solicitation document. Failure to submit signed amendments with the proposal response may be grounds for deeming submittal non-responsive.

AWARD OF CONTRACT

Notwithstanding any other provision of the Request for Proposal, OCFA reserves the right to:

1. Waive any immaterial defect or informality; or
2. Reject any or all proposals, or portions thereof; or
3. Issue multiple awards, if it is in the best interest of the agency; or
4. Reissue the Request for Proposal.

The OCFA reserves the unilateral right to amend this RFP in writing at any time. The OCFA also reserves the right to cancel or reissue the RFP at its sole discretion. OCFA reserves the right to reject any or all proposals and the right to waive minor irregularities in any proposal. Waiver of one irregularity does not constitute waiver of any other irregularities.

A response to this Request for Proposal is an offer to contract with OCFA based upon the terms, conditions and scope of work contained in OCFA's Request for Proposal. Proposals do not become contracts unless and until they are executed by the OCFA. A contract has its inception in the award, eliminating a formal signing of a separate contract. All of the terms and conditions of the contract are contained in the Request for Proposal, unless any of the terms and conditions are modified by a Request for Proposal amendment, a Contract Amendment, or by mutually agreed upon terms and conditions in the Contract documents. Award will be made to the Offeror(s) submitting the most advantageous proposal(s) after consideration of all Evaluation Criteria set forth in this solicitation. An Evaluation Committee will be established by the OCFA. The Committee will evaluate all proposals received in accordance with the Evaluation Criteria. OCFA reserves the right to establish weight factors that will be applied to the criteria depending upon order of importance. The award will be made in the best interests of OCFA after all factors have been evaluated.

AWARD SELECTION PROCESS

Selection of qualified Offerors will be based on the following: quality and completeness of submitted proposal; understanding of project objectives; project approach; price proposal; support and services; qualifications and experience with similar types of efforts; and references. Additional questions may be asked of Offerors and demonstrations may be conducted. Offerors will be notified of any additional required information or demonstrations after the written proposals have been evaluated. The recommendation may be made to the Executive Board of Directors, once the contract(s) are approved, the Offeror(s) selected will enter into contract with the OCFA.

CANCELLATION OF SOLICITATION

The OCFA may cancel this solicitation at any time.

CERTIFICATION

By signature on the Offer/Price Page, Certification of Submittal page, solicitation Amendment(s), or cover letter accompanying the submittal documents, Offeror certifies:

- A. The submission of the offer did not involve collusion or other anti-competitive practices.
- B. The Offeror shall not discriminate against any employee or applicant for employment in violation of Federal or State law.
- C. The Offeror has not given, offered to give, nor intends to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, meal or service to a public servant in connection with the submitted offer.
- D. The Offeror hereby certifies that the individual signing the submittal is an authorized agent for the Offeror and has the authority to legally bind the Offeror to the Contract.
- E. The Offeror hereby certifies, its principal and their named subcontractors are not debarred, suspended or otherwise excluded by the United States Government.

CONFIDENTIAL INFORMATION

All responses to this RFP become the property of OCFA and will be kept confidential until such time as recommendation for award of a contract has been announced. Thereafter, proposals are subject to public inspection and disclosure under the California Public Records Act. If a respondent believes that any portion of its proposal is exempt from public disclosure, such portion may be marked "confidential." OCFA will use reasonable means to ensure that such confidential information is safeguarded but will not be held liable for inadvertent disclosure of such materials, data and information. Proposals marked "confidential" in their entirety will not be honored and OCFA will not deny public disclosure of all or any portion of proposals so marked. By submitting information with portions marked "confidential", the respondent represents it has a good faith belief that such material is exempt from disclosure under the California Public Records Act and agrees to reimburse OCFA for, and to indemnify, defend and hold harmless OCFA, its officers, fiduciaries, employees and agents from and against: (a) any and all claims, damages, losses, liabilities, suits, judgments, fines, penalties, costs and expenses including, without limitation, attorneys' fees, expenses and court costs of any nature whatsoever (collectively, "Claims") arising from or relating to OCFA's non-disclosure of any such designated portions of a proposal if disclosure is deemed required by law or court order. Additionally, OCFA may request that the bidder/respondent directly defend any action for disclosure of any information marked confidential.

COMPLIANCE WITH LAWS

All proposals shall comply with current federal, state, and other laws relative thereto.

DEBARMENT / SUSPENSION POLICY

In order to prohibit the procurement of any goods or services ultimately funded by Federal awards from debarred, suspended or otherwise excluded parties, each offeror will be screened at the time of RFP response to ensure respondent, its principal and their named subcontractors are not debarred, suspended or otherwise excluded by the United States Government in compliance with the requirements of 7 Code of Federal Regulations (CFR) 3016.35, 28 CFR 66.35, 29 CFR 97.35, 34 CFR 80.35, 45 CFR 92.35 and Executive Order 12549.

OCFA will verify respondent, its principal and their named subcontractors are not on the Federal debarred, suspended or otherwise excluded parties list of vendors located at www.sam.gov.

DELIVERABLES REQUIRED OF SUCCESSFUL FIRM(S)

The successful firm(s) shall submit the following items to the Purchasing Agent or designee ***within ten (10) days of initiation of the contract award***:

- A. Copy of Certificate of Insurance which shows compliance with the attached requirements and naming OCFA as an additional insured (see pages 16-18 for detailed insurance requirements).
- B. Sign and enter into a Professional Services Agreement (PSA) with the Orange County Fire Authority, subject to approval by the Authority's Board of Directors Executive Committee (See *Appendix I – Sample Contract*).

DISCUSSIONS

The OCFA reserves the right to conduct discussions with offerors for the purpose of eliminating minor irregularities, informalities, or apparent clerical mistakes in the proposal in order to clarify an offer and assure full understanding of, and responsiveness to, solicitation requirements.

DISQUALIFICATION OF OFFEROR(S)

If there is reason to believe that collusion exists among the Offerors, OCFA may refuse to consider proposals from participants in such collusion. No person, firm, or corporation under the same or different name, shall make, file, or be interested in more than one proposal for the same work unless alternate proposals are called for. A person, firm, or corporation who has submitted a sub-proposal to an Offeror, or who has quoted prices on materials to an Offeror, is not thereby disqualified from submitting a sub-proposal or quoting prices to other Offerors. Reasonable grounds for believing that any Offeror is interested in more than one Proposal for the same work will cause the rejection of all Proposals for the work in which a Firm is interested. If there is reason to believe that collusion exists among the Firms, OCFA may refuse to consider Proposals from participants in such collusion. Firms shall submit as part of their Proposal documents the completed Non-Collusion Affidavit provided herein.

DISPUTES RELATING TO PROPOSAL PROCESS AND AWARD

In the event a dispute arises concerning the proposal process prior to the award of the contract, the party wishing resolution of the dispute shall submit a request in writing to the Purchasing Agent. Firm may appeal the recommended award or denial of award, provided the following stipulations are met:

1. Appeal must be in writing.
2. Appeal must be submitted within seven (7) calendar days of the date of notification of recommended award or denial of award.
3. An appeal of a denial of award can only be brought on the following grounds:
 - a. Failure of OCFA to follow the selection procedures and adhere to the requirements as specified in the RFP or any addenda or amendments.
 - b. A violation of conflict of interest as provided by California Government Code Section 87100 et seq.
 - c. A violation of State or Federal law.

EXECUTION OF CONTRACT

The RFP, the Offeror's proposal, and the resulting purchase order will become incorporated as the complete contract. The Successful Offeror(s) shall execute the contract, including but not limited to signing all necessary documents and submitting all required evidences of insurance, within ten (10) days

after personal delivery of the notice or within fifteen (15) days after such notice has been deposited in the United States mail. One copy of the contract will be returned to the offeror(s) after the OCFA executes the contract(s). In case of failure of the Offeror(s) to execute and return the contract and all required documents within the time allowed, the OCFA may, at its option, consider that the Offeror(s) has/have abandoned the contract.

EXPERIENCE AND COMPETENCY

The successful offeror(s) shall be skilled and regularly engaged in the general class or type of work called for under the contract. The successful offeror(s) shall also have **no less than ten (10) years' experience in the magnitude and character of the work proposal**. Each Offeror shall provide information about experience with the proposal. To determine the degree of responsibility to be credited to the Offeror, OCFA will weigh any evidence that the Offeror has performed satisfactorily other contracts of like nature, magnitude, and comparable difficulty and comparable rates of progress. In selecting the most responsive and responsible Offeror(s), consideration will be given not only to the financial standing, but also to the general competency of the Offeror for the performance of the work specified in the contract documents.

FAMILIARIZATION OF SCOPE OF WORK

Before submitting a proposal, each offeror shall familiarize themselves with the scope of work, laws, regulations and other factors affecting contract performance. The Offeror shall be responsible for fully understanding the requirements of the subsequent Contract and otherwise satisfy themselves as to the expense and difficulties accompanying the fulfillment of contract requirements. The submission of a proposal will constitute a representation of compliance by the Offeror. There will be no subsequent financial adjustment, other than that provided by the subsequent Contract, for lack of such familiarization.

INDEMNIFICATION

Offeror shall protect and indemnify the OCFA, the Board of Directors, and all of its or their officers, agents and servants against any claim or liability arising from or based on Offeror's violation of any existing or future state, federal, and local laws, ordinances, regulations, orders or decrees pertaining to Offeror's submittal.

Offeror agrees to protect, defend, indemnify, save and hold harmless the OCFA and its officers, officials, employees and volunteers from any and all claims, liabilities, expenses, or damages of any nature, including attorney fees, for injury to or death of any person (offeror's employees included), and for injury to any property, including consequential damages of any nature resulting there from, arising out of or in any way connected with the performance of this contract, except that the indemnity obligation of offeror shall be reduced by an amount proportional to the active negligence of the OCFA, if any.

Offeror shall comply with all of the provisions of the workers' compensation insurance laws and safety in employment laws of the State of California, including the applicable provisions of Divisions 4 and 56 of the California Labor Code and all amendments thereto and regulations promulgated pursuant thereto, and all similar state, federal, or local laws applicable; and contractor shall indemnify and hold harmless the OCFA from and against all claims, liabilities, expenses, damages, suits, actions, proceedings and judgments, or every nature and description, including attorney fees, that may be presented, brought or recovered against the OCFA for or on account of any liability under or failure to comply with any of said laws which may be incurred by reason of any work performed under this contract by offeror or any subcontractor or others performing on behalf of offeror.

The OCFA does not, and shall not, waive any rights against offeror which it may have by reason of the above hold harmless agreements, because of the acceptance by the OCFA or the deposit with the OCFA by contractor of any or all of the required insurance policies.

The hold harmless agreements by offeror shall apply to all liabilities, expenses, claims, and damages of every kind (including but not limited to attorney fees) incurred or alleged to have been incurred, by reason of the operations of offeror or any subcontractor or others performing on behalf of offeror, whether or not such insurance policies are applicable.

Offeror shall require any and all subcontractors to afford the same degree of indemnification to the OCFA and its elected and appointed boards, officers, agents, and employees that is required of offeror(s) and shall incorporate identical indemnity provisions in all contracts between offeror and his/her subcontractors.

In the event that offeror and the OCFA are sued by a third party for damages caused or allegedly caused by negligent or other wrongful conduct of offeror, or by a dangerous condition of the OCFA's property created by offeror or existing while the property was under the control of offeror, offeror shall not be relieved of its indemnity obligation to the OCFA by any settlement with any such third party unless that settlement includes a full release and dismissal of all claims by the third party against the OCFA.

INDEPENDENT CONTRACTOR

Contractor covenants that it presently has no interest, and shall not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of the services hereunder. Contractor further covenants that, in the performance of this contract, no subcontractor or person having such an interest shall be employed. Contractor certifies that to the best of his knowledge, no one who has or will have any financial interest under this contract is an officer or employee of OCFA. It is expressly agreed by Contractor that in the performance of the services required under this contract, Contractor, and any of its subcontractors or employees, shall at times be considered independent Contractors and not agents of OCFA.

INQUIRIES

Any question related to the Request for Proposal shall be directed to the Purchasing Agent. Questions and comments regarding this solicitation must be submitted in writing, either by mail, facsimile or e-mail to the Purchasing Agent, Orange County Fire Authority, 1 Fire Authority Road Bldg. C, Irvine, California, 92602, faxed to (714) 368-8845 or e-mailed to: monicadorfmeyer@ocfa.org, no later than ten (10) days before the Submittal Deadline. The questioner's company name, address, phone and fax number, and contact person must be included with the questions or comments. Any correspondence related to a solicitation should refer to the appropriate Request for Proposal number, page and paragraph number. An envelope containing questions should be identified as such; otherwise it may not be opened until after the official proposal due date and time. Oral interpretations or clarifications will be without legal effect. Only questions answered by a formal written amendment to the Request for Proposal will be binding. Answers will be sent to all known proposal holders.

INSURANCE

Offeror shall not commence work under this contract until he/she has obtained all insurance required under this section and the insurance has been approved by the OCFA as to form, amount, and carrier, nor shall offeror allow any subcontractor to commence any work until all similar insurance required of the subcontractor has been obtained and approved. All insurance documents need to be provided 10 days prior to the start of work so there is enough time for review and resolution of any issues to preclude delay of the testing. Neither the failure of offeror to supply specified insurance policies and coverage, nor the failure of the OCFA to approve same shall alter or invalidate the provisions of this contract. The offeror agrees to:

1. Obtain insurance coverage of the type and amount required and keep such insurance coverage in force throughout the life of this contract. All policies will contain an endorsement providing that written notice of termination, cancellation or policy changes will be delivered in accordance with the policy provisions.
2. The comprehensive general liability insurance will include the OCFA as an additional insured with respect to liability arising out of the performance of this contract. Comprehensive automobile liability insurance is also required. The contractor agrees that the insurance hereunder will be primary and that any insurance carried by the OCFA will be excess and not contributing.
3. Provide and maintain minimum insurance limits as applicable.

Offeror will present to the OCFA written evidence (Certificates of Insurance and the Additional Insured Endorsement) of compliance with Items 1, 2 and 3 above. Said evidence shall be to the OCFA's Risk Management satisfaction.

INSURANCE - WORKERS' COMPENSATION INSURANCE

Offeror shall obtain and maintain during the life of this contract workers' compensation insurance and, if any work is sublet, offeror shall require all subcontractors to obtain workers' compensation insurance. Workers' Compensation must have a limit of at least \$1,000,000 each accident/\$1,000,000 each employee for disease. A Waiver of Subrogation is required.

All workers' compensation insurance policies shall provide that the insurance must notify OCFA of cancellation or changes in the policy and notice will be delivered in accordance with the policy provisions. Offeror is aware of the provision of Section 3700 of the Labor Code, which requires every employer to be insured against liability for Workman's Compensation or undertake self-insurance in accordance with the provisions of that Code, and will comply, with such provisions before commencing the performance of the work of this contract.

If your firm doesn't have any employees, a letter attesting to that fact must be provided to OCFA.

INSURANCE - LIABILITY INSURANCE COVERAGE

Offeror shall obtain and maintain during the life of this contract the following insurance coverage:

1. General Liability including operations, products and completed operations with a limit of \$1,000,000 each occurrence for bodily injury, personal injury and property damage/\$2,000,000 aggregate. If commercial general liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the project or the general aggregate limit shall be twice the required occurrence limit. For those businesses that are self-insured, a written declaration by the principal of the business should be provided.
2. Automobile liability, including owned, hired, and non-owned vehicles with a limit of \$1,000,000 each accident; \$1,000,000 uninsured motorist.

Coverage for commercial general liability and automobile liability insurance shall be at least as broad as the following:

- Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG0001)
- Insurance Service Office (ISO) Business Auto Coverage (Form CA 0001) covering any auto.

Coverage shall be provided by admitted insurers with an A.M. Best's Key Rating of at least A-VII.

1. Professional Liability with a limit of \$1,000,000 each occurrence/\$2,000,000 aggregate. If a firm provides claims made professional liability insurance, firm shall also agree in writing to purchase tail coverage in the amount required by the agreement to cover claims made within three years of the completion of firm's services under the agreement, or maintain professional liability insurance with the same carrier in the amount required by the agreement for at least three years after

completion of firm's services under the agreement and evidence of such must be provided to OCFA.

Endorsements to the policies providing the above insurance shall be obtained by offeror, adding the following three provisions:

1. Additional Insureds (for commercial general liability only)

"OCFA, its officers, officials, employees, and volunteers are to be covered as additional insureds with respect to the subject project and agreement."

2. Other Insurance

"Any other insurance maintained by the Orange County Fire Authority shall be excess and not contributing with the insurance provided by this policy."

All insurance carriers utilized by the offeror or any subcontractor under this contract shall be approved by the California Department of Insurance to transact business in the State of California. The types of services provided under this contract may further require offeror's insurance carrier(s) to be admitted insurers in the State of California.

INTERPRETATION OF CONTRACT DOCUMENTS

If any person is in doubt as to the true meaning of any part of the specifications or other contract documents, or finds discrepancies or omissions in the specifications, he/she may submit to the Orange County Fire Authority a written request for an interpretation or correction. Requests for interpretations shall be made in writing and delivered to OCFA Purchasing Section Attn: Monica Dorfmeier, Purchasing Agent, by mail at: 1 Fire Authority Road Bldg. C, Irvine, California, 92602, by e-mail monicadorfmeier@ocfa.org, or by facsimile to (714) 368-8845 at least ten (10) days before the Submittal Deadline. The requesting party is responsible for prompt delivery of any requests. When OCFA considers interpretations necessary, interpretations will be in the form of an addendum to the contract documents, and when issued, will be sent as promptly as is practical to all parties recorded by OCFA as having received contract documents. All such addenda shall become a part of the contract. Oral and other interpretations or clarifications shall be without legal or contractual effect. It is the responsibility of each Contractor to ensure the OCFA has their correct business name and address on file. Any prospective Contractor who obtained a set of contract documents from anyone other than OCFA is responsible for advising OCFA that they have a set of contract documents and wish to receive subsequent Addenda.

KEY PERSONNEL

It is essential that the contractor provide adequate experienced personnel, capable of and devoted to the successful accomplishment of work to be performed under this contract. The Contractor must agree to assign specific individuals to the key positions.

- A. The Contractor agrees that, once assigned to work under this contract, key personnel shall not be removed or replaced without written notice to OCFA.
- B. If key personnel are not available for work under this contract for a continuous period exceeding thirty calendar days, or are expected to devote substantially less effort to the work than initially anticipated, the Contractor shall immediately notify OCFA, and shall, subject to the concurrence of OCFA, replace such personnel with personnel of substantially equal ability and qualifications.

LATE PROPOSALS

Late proposals will be rejected and not opened.

NEGOTIATIONS

Exclusive or concurrent negotiations may be conducted with responsible offeror(s) for the purpose of altering or otherwise changing the conditions, terms and price of the proposed contract unless prohibited. Offerors shall be accorded fair and equal treatment in conducting negotiations and there shall be no disclosure of any information derived from proposals submitted by competing offerors. Exclusive or concurrent negotiations shall not constitute a contract award nor shall it confer any property rights to the successful offeror. In the event the OCFA deems that negotiations are not progressing, OCFA may formally terminate these negotiations and may enter into subsequent concurrent or exclusive negotiations with the next most qualified firm(s).

NOTICE OF INTENT TO AWARD

A notification of Intent to Award will be sent to the Offeror(s) selected.

OBJECTIONS

Any objections as to the structure, content or distribution of this RFP must be submitted in writing to the Purchasing Agent not less than five (5) working days before the RFP due date. Objections must be as specific as possible, and identify the RFP section number and title, as well as a description and rationale for the objection.

OFFER AND ACCEPTANCE PERIOD

In order to allow for an adequate evaluation, OCFA requires an offer in response to this solicitation to be valid and irrevocable for one hundred eighty (180) days after the proposal due date and time.

PRE-PROPOSAL CONFERENCE

If scheduled, the date and time of a Pre-Proposal conference is indicated on the cover page of this document. Written minutes and/or notes will not be available, therefore attendance is encouraged. If an Offeror is unable to attend the Pre-Proposal Conference, questions may be submitted in writing. Offerors are encouraged to submit written questions, via electronic mail or facsimile, at least five days prior to the Request for Proposal due date to the Purchasing Agent. The purpose of this conference will be to clarify the contents of this Request for Proposal in order to prevent any misunderstanding. Any doubt as to the requirements of this Request for Proposal or any apparent omission or discrepancy should be presented to OCFA at this meeting. OCFA will then determine the appropriate action necessary, if any, and may issue a written amendment to the Request for Proposal. Oral statements or instructions will not constitute an amendment to this Request for Proposal.

PREPARATION OF PROPOSAL

- A. All proposals shall incorporate the forms provided in this Request for Proposal package. It is permissible to copy these forms as required. Facsimiles or electronic mail proposals shall not be considered.
- B. The Proposal form and any solicitation amendments must be signed and returned with the proposal. The forms submitted shall be signed by a person authorized to submit an offer. An authorized signature on the Proposal form, Proposal Amendment(s), or cover letter accompanying the proposal documents shall constitute an irrevocable offer to provide services specified herein. Offeror shall submit any additional requested documentation, signifying intent to be bound by the terms of the agreement.
- C. The authorized person signing the proposal shall initial erasure, interlineations or other modifications on the proposal.
- D. Periods of time, stated as a number of days, shall be in calendar days.

- E. It is the responsibility of all offerors to examine the entire Request for Proposal package and seek clarification of any requirement that may not be clear and to check all responses for accuracy before submitting a proposal. Negligence in preparing a proposal confers no right of withdrawal after due date and time.
- F. OCFA shall not reimburse the cost of developing, presenting, submitting or providing any response to this solicitation.
- G. Offeror must list any subcontractors to be utilized in the performance of the services specified herein. For each subcontractor, details on respective qualifications must be included.

PROPOSAL OPENING AND RESULTS

Please note that there will be no public opening of proposals. The list of firms participating in the solicitation will be available when the recommendation for award(s) is made.

PROPOSAL/ SUBMITTAL FORMAT

One (1) original hard copy, one (1) duplicate hard copy, and one (1) electronic copy in PDF or Word (on Digital Media), of each proposal should be submitted as specified in the RFP. The original copy of the proposal should be clearly labeled "Original". The material should be in sequence according to the RFP. The sections of the submittal should be clearly identifiable, including all the items listed in the Proposal Requirements, the completed Offer Form, and all signed Amendments if required. Failure to include the requested information may have a negative impact on the evaluation of the offeror's proposal.

PUBLIC RECORD

All proposals submitted in response to this Request for Proposal shall become the property of OCFA and shall become a matter of public record available for review subsequent to the award notification.

WHERE TO SUBMIT PROPOSALS

In order to be considered, the Offeror must complete and submit its proposal to OCFA Purchasing Office at the location indicated, prior to or at the exact date and time indicated on the Notice of Request for Proposal page. The Offeror's proposal shall be submitted in a sealed envelope. The words "SEALED PROPOSAL" with the REQUEST FOR PROPOSAL TITLE, REQUEST FOR PROPOSAL NUMBER, PROPOSAL DUE DATE AND TIME and OFFEROR'S NAME AND ADDRESS shall be written on the envelope.

WITHDRAWAL OF PROPOSAL

At any time prior to the specified solicitation due date and time, an offeror may formally withdraw the proposal by a written letter, facsimile or electronic mail from the offeror or a designated representative. Telephonic or oral withdrawals shall not be considered.

SECTION IV: GENERAL TERMS AND CONDITIONS

ASSIGNMENT OF RIGHTS OR OBLIGATIONS

Except as noted hereunder, successful offeror may not assign, transfer or sell any rights or obligations resulting from this solicitation without first obtaining the specific written consent from the OCFA.

ATTORNEY FEES

In the event a lawsuit or action is instituted in connection with any controversy arising out of this contract, the prevailing party shall be entitled to receive, in addition to its costs, such sum as the court may adjudge reasonable as to attorney's fees and costs.

AUTHORITY OF ORANGE COUNTY FIRE AUTHORITY

Subject to the power and authority of the OCFA as provided by law in this contract, the OCFA shall in all cases determine the quantity, quality, and acceptability of the work, provided under this contract. The OCFA shall decide the questions that may arise relative to the fulfillment of the contract or the obligations of the Firm hereunder.

CANCELLATION OF THE CONTRACT

Without cause, the OCFA may cancel this contract at any time with thirty (30) days written notice to the supplier/contractor. With cause, the OCFA may cancel this contract at any time with ten (10) days written notice to the Firm. Cancellation for cause shall be at the discretion of the OCFA and shall be, but is not limited to, failure to supply the materials, equipment or service specified within the time allowed or within the terms, conditions or provisions of this contract. The successful offeror may not cancel this contract without prior written consent of the Purchasing Agent.

CHANGES IN WORK

The OCFA may, at any time work is in progress, by written order and without notice to the sureties, make alterations in the terms of work as shown in the specifications, require the performance of extra work, decrease the quantity of work, or make such other changes as the OCFA may find necessary or desirable. The offeror shall not claim forfeiture of contract by reasons of such changes by the OCFA. Changes in work and the amount of compensation to be paid to the offeror for any extra work as so ordered shall be determined in accordance with the unit prices of offeror's proposal.

COMPLIANCE OR DEVIATION TO SCOPE OF WORK/SERVICES

Offeror hereby agrees that the material, equipment or service offered will meet all the requirements of the specifications in this solicitation unless deviations from them are clearly indicated in the offeror's response. Offeror may submit an attachment entitled "Exceptions to Specifications", which must be signed by offeror's authorized representative. An explanation must be made for each item in which an exception is taken, giving in detail the extent of the exception and the reason for which it is taken. Proposals failing to comply with this requirement will be considered non-responsive.

CONTRACT INCORPORATION

This contract embodies the entire contract between the OCFA and the offeror. The parties shall not be bound by or be liable for any statement, representation, promise, inducement or understanding of any kind or nature not set forth herein. No changes, amendments, or modifications of any of the terms or conditions of the contract shall be valid unless reduced to writing and signed by both parties. The

complete contract shall include the entire contents of the RFP solicitation, all addenda, all of offeror's successful submittal, supplemental agreements, change orders, and any and all written agreements which alter, amend or extend the contract. Offeror's signed proposal and the OCFA's written acceptance shall constitute a binding contract.

FORCE MAJEURE

If execution of this contract shall be delayed or suspended and if such failure arises out of causes beyond the control of and without fault or negligence of the offeror, the offeror shall notify the OCFA, in writing, within twenty-four (24) hours, after the delay. Such causes may include but are not limited to acts of God, war, acts of a public enemy, and acts of any governmental entity in its sovereign or contractual capacity, fires, floods, epidemics, strikes and unusually severe weather. Neither party to the agreement shall be held responsible for delay or default for causes shown above which is beyond that party's reasonable control. The OCFA may terminate the agreement upon written notice after determining such delay or default will reasonably prevent successful performance of the agreement.

LACK OF FUNDING

The OCFA may cancel any additional terms of this contract without further obligation in the event that budgetary funding has been discontinued. The offeror(s) shall receive written notification or either condition as soon as practically possible, but no later than thirty (30) days prior to termination.

LAWS - ADHERENCE TO ALL LOCAL, STATE, AND FEDERAL LAWS AND REQUIREMENTS

The offeror shall adhere to all current applicable federal, state, and local laws, codes and ordinances, including, but not limited to, those promulgated by CAL-OSHA, FED-OSHA, EPA, and the California State Department of Health Services.

LAWS GOVERNING CONTRACT

This contract shall be in accordance with the laws of the State of California. The parties stipulate that this contract was entered into in the County of Orange, in the State of California. The parties further stipulate that the County of Orange, California, is the only appropriate forum for any litigation resulting from a breach hereof or any questions risen here from.

SEVERABILITY

If any provisions or portion of any provision, of this contract are held invalid, illegal or unenforceable, they shall be severed from the contract and the remaining provisions shall be valid and enforceable.

SPECIFICATIONS, CHANGES TO

The parties shall not be bound by or be liable for any statement, representation, promise, inducement or understanding of any kind or nature not set forth herein or by written amendment. No changes, amendments, or modifications of any of the terms or conditions of the specification shall be valid unless reduced to writing and signed by both parties.

SUBCONTRACTING

If any offeror(s) submits a proposal with subcontracting portions of the engagement, that fact must be clearly identified in the proposal and the name, address, type of service of the proposed subcontracting firm and the approximate percentage of the total contract must be provided. Following the award of the HVAC maintenance and repair services contract, no additional subcontracting will be allowed without the express prior written consent of the OCFA.

TERMINATION OF CONTRACT

This Contract may be terminated at any time by mutual written consent, or by the OCFA, with or without cause, upon giving thirty (30) days written notice. The OCFA, at its convenience, by written notice, may terminate this Contract, in whole or in part. If this Contract is terminated, the OCFA shall be liable only for payment under the payment provisions of this Contract for services rendered and accepted material received by the OCFA before the effective date of termination.

The OCFA reserves the right to terminate the whole or any part of this Contract due to the failure of the Firm to carry out any term or condition of the Contract. The OCFA will issue a written ten (10) day notice of default to the Firm for acting or failing to act as specified in any of the following:

In the opinion of the OCFA, the Firm provides personnel that do not meet the requirements of the Contract;

In the opinion of the OCFA, the Firm fails to perform adequately the stipulations, conditions or services/specifications required in this Contract;

In the opinion of the OCFA, the Firm attempts to impose personnel, materials, products or workmanship of an unacceptable quality;

The Firm fails to furnish the required service and/or product within the time stipulated in the Contract;

In the opinion of the OCFA, the Firm fails to make progress in the performance of the requirements of the Contract;

The Firm gives the OCFA a positive indication that the Firm will not or cannot perform to the requirements of the Contract.

Each payment obligation of the OCFA created by this Contract is conditioned upon the availability of funds that are appropriated or allocated for the payment of such an obligation. If funds are not allocated by the OCFA and available for the continued purchase of the services and/or materials provided under this Contract, this Contract may be terminated by the OCFA at the end of the period for which funds are available.

The OCFA will endeavor to notify the Firm in the event that continued service will or may be affected by non-appropriation. No penalty shall accrue to the OCFA in the event this provision is exercised, and the OCFA shall not be obligated or liable for any future payments due or for any damages as a result of termination under this paragraph.

UNFORESEEN DIFFICULTIES

All loss or damage arising out of the nature of the work to be done under the contract, or from any unforeseen obstructions or difficulties which may be encountered during the progress of the work and in the prosecution of the same, or from encumbrances on the line of work, shall be sustained by the offeror, except as may be otherwise specifically provided by the contract documents.

SECTION V: PROPOSAL REQUIREMENTS

To achieve a uniform review process and obtain the maximum degree of comparability, it is required that the proposals be organized in the manner specified. Proposals will only be accepted from Offerors with an established reputation and proven track record of HVAC Maintenance services. All offerors are expected to provide detailed answers to the following points. The answers provided will be relevant in the evaluation process of the proposal. Additional information, if provided, should be separately identified in the proposal.

Proposals (submittals) shall include, at a minimum, the following:

- 1) **Transmittal letter:** Letter should be on the firm's letterhead. The letter should be signed by the Prime Contractor or in the case of a joint venture or other joint-prime relationship; an officer of each venture partner shall sign on behalf of the proposing firm. The letter should illustrate the Offeror's understanding of the objectives of this solicitation.
- 2) **Firm's detailed information**, including number of years in business, location of office(s), number of employees, and number of clients you have currently. Please complete the Appendix A - Offeror's Information (page 30).
- 3) **Descriptive Narrative:** Explaining your proposed approach and strategy for achieving OCFA goals outlined in the Scope of Work.
- 4) **Relevant Experience:** Offerors shall demonstrate experience in HVAC Maintenance and Repair services. Knowledge of public agency needs is desirable and should be specifically cited for consideration.
 - a) Describe prior work experience.
 - b) Describe the industries, specific issues, and government agencies (if any) your firm has performed services for.
- 5) **Proposal Questionnaire**
- 6) **Resumes of Project Team**
- 7) **List of References:** Provide a minimum of five (5) business references, preferably at the level of local public agency, federal agency or elected offices, for which services similar to those outlined herein have been provided or are currently being provided. The reference information should include: the agencies name, project description, project dates (starting and ending), agency project manager name, telephone number and e-mail..
- 8) **Offer/Cost Proposal:** The pricing should include the total price proposed to accomplish all the performance and deliverables requested by the OCFA, and offered by your firm, in this RFP. See the Appendix C - Price proposal page (page 32-35) included in the RFP document.
- 9) **Certification of Proposal**

PROPOSAL QUESTIONNAIRE

In addition to the written proposal that demonstrates the Respondents understanding of the RFP, each respondent shall also provide the following information. Brochures and advertisements will not be accepted as a direct response to the questionnaire. A qualifying proposal must address all items. Incomplete proposals may be rejected.

1. Provide background, qualifications and project summary, of your experience providing commercial/institutional HVAC preventive maintenance services?
2. Submit a proposed work plan and schedule for the services requested.
3. A minimum of ten (10) years' institutional maintenance experience is required. Record the years of commercial experience of your firm.
4. Does your organization meet the minimum of 5 years of experience with Johnson Control Metasys V 2.0, 5.0, N-2 legacy, DX9100 controller, UNT controller VMA, Web based NAE and ADS Server, BAC net, and FEC? If so, please indicate the personnel that fulfills this requirement.
5. List your firm's California State Contractor licenses to provide the services solicited. Please include class, expiration dates and name on license.
6. How many claims have you had on your license?
7. List all relevant professional qualifications, affiliations and accreditations.
8. List any bankruptcy, or reorganization for any reason. Provide dates and resolution.
9. List any litigation your firm has been involved in during the past ten years and the result.
10. Has your organization ever been terminated from a contract or failed to complete a contract awarded? If so provide the contracting organization, dates and reasons.
11. Describe your emergency response procedure.
12. Provide your on-call response time following telephone notification
13. Explain how service calls are received and handled?
14. Is your firm available every day, 24/7?
15. Describe your quality assurance procedures.
16. Who from your organization is responsible for changing the filters? Is it the mechanic or a filter flipper doing the maintenance? If a filter flipper, will they be able to make a repair on the spot or will they need to call in the mechanic? Please provide details.
17. Describe your warranties and guarantees for services provided.
18. What is your warranty repair policy on compressors, motors and new installations?
19. What systems do you employ to communicate with customers?

20. What distinguishes your firm/service from others?
21. Will your firm subcontract elements of the services under this solicitation?
22. If yes, indicate the name of the subcontractor(s) and the portion of the work that will be subcontracted in each case.
23. Describe your OSHA safety training and compliance program. Please submit the injury and illness prevention program you have in place and include the frequency of the safety meetings.
24. Please provide your Worker Compensation Mod rate for the last three (3) years.
25. Describe you system for maintenance and availability of service/maintenance records.
26. How many service technicians will be dedicated to OCFA?

SECTION VI: EVALUATION OF PROPOSALS AND NEGOTIATIONS

Proposals must fully address the evaluation factors; contain references and data to verify qualifications and experience that address the Firm's ability to provide services and deliverables as outlined in the scope of work. All proposals will be reviewed by an evaluation committee comprised of OCFA staff for compliance with the scope of work including documented capability to perform the prescribed work in a satisfactory manner. Respondents should respond to all requirements in the order in which they are presented. Proposals, which appear to be compliant, will be evaluated in accordance with the following:

The criteria in each section is specific to the respondent

- A. Method of Approach (maximum points 20)** - This set of criteria assesses how well the offeror responds to and demonstrates understanding of the RFP. It assesses how well the service meets the required specifications and objectives in the solicitation including the quality and completeness of the proposal.
- Overall responsiveness of the proposal and professionalism of vendor's response
 - Thoroughness of responses and demonstrated understanding of the requirements in transmittal letter and narrative description.
 - Describe a specific work plan and schedule
 - Response to Questionnaire questions 1-2
- B. Qualifications & Experience (maximum points 30)** - The Offeror's history of performance and demonstrated ability in providing the service will be assessed in addition to the qualifications and experience of key-personnel assigned to the project team and relevant experience of the firm.
- Submit resumes of key personnel that will be assigned to the OCFA, including number of years of experience and qualifications.
 - All personnel technical certifications and licenses shall be included.
 - References – List of public agencies or clients for whom similar work has been performed. The nature and size of past and current accounts and the business base in the immediate geographical area will be taken into consideration.
 - Proven capability to provide the required services and demonstrated knowledge of the Orange County Fire Authority operations.
 - Firm to submit Subcontractors list if utilized to perform the work as described in the RFP
 - Response to Questionnaire questions 3-10, 15-18, 20-24, and 26
- C. Communication & Resources (maximum points 20)** – Demonstrated ability to communicate effectively, respond quickly and effectively, and provide timely information to OCFA on machinery, inventory, condition and readiness required.
- Provide systematic preventive maintenance readiness for all machinery.
 - Respond quickly and effectively every day, 24/7.
 - Electronic Database maintenance and availability of maintenance/machinery records.
 - Response to Questionnaire questions 11-14, 19 and 25
- D. Proposed Costs (maximum points 30)** - The lowest price proposal will not necessarily be selected. OCFA is looking for the best value versus the lowest price.

Because this proposal is negotiable, all pricing data will remain confidential until after award is made, and there will be no public opening and reading of proposals. OCFA may request a best and final offer from the top ranking firms for further evaluation and consideration. Overall responsiveness to the Request for Proposals is an important factor in the evaluation process.

ADDITIONAL INFORMATION ABOUT THE EVALUATION PROCESS

A. Shortlist:

OCFA reserves the right to shortlist the Offerors on all of the stated criteria. OCFA may determine that short listing is not necessary.

B. Interviews/Demonstrations:

OCFA reserves the right to conduct interviews and/or demonstrations with some or all of the offerors at any point during the evaluation process. However, OCFA may determine that interviews/demonstrations are not necessary. In the event interviews/demonstrations are conducted, information provided during the interview/demonstration process shall be taken into consideration when evaluating the stated criteria. OCFA shall not reimburse the offeror for the costs associated with the interview process. Demonstrations will be held at a time and place specified by OCFA. The Firm’s key project team members will be invited to attend the interview/demonstration. The interviews will last approximately 60 minutes, with the time allocated between firm’s presentation and question and answer period. The firms should be prepared to discuss at the interview, their specific experience providing services similar to those described in the RFP, project approach, estimated work effort, available resources, and other pertinent things that distinguish your firm from others.

Interview/Demonstration Rating Criteria:

The following criteria and points will be used in evaluating and rating the short-listed firms.

- Presentation **20 points**
- Interview/Questions **15 points**

The score achieved from the interview will be combined with the scoring for the initial evaluation, for a total. OCFA reserves the right to re-score the initial evaluation based on the additional information provided during the interview process and or clarifications. It is OCFA’s intent to commence negotiations with the offeror(s) deemed most advantageous.

C. Additional Investigations:

OCFA reserves the right to make such additional investigations as it deems necessary to establish the competence and financial stability of any offeror submitting a proposal.

D. Prior Experience:

Previous experiences with the proposer may be taken into consideration when evaluating qualifications and experience.

E. Overall Evaluation of the Proposal Response:

The overall completeness, accuracy and quality of the proposal may be taken into consideration when evaluating the qualifications and experience.

F. Post-Proposal Discussions with Offerors:

OCFA reserves the right to conduct post-proposal discussions with any Offeror(s).

The Offeror with the highest overall number of points after negotiation will be recommended for award of the contract.

When the evaluation team has completed its review of the proposals and the finalized the negotiated the best and final offer, the Purchasing Department will send a Notice of Intent to Award to the successful Firm. The award may be subject to OCFA Executive Committee approval.

ACRONYM AND TERM GLOSSARY

Unless otherwise noted, the terms below may be upper or lower case. Acronyms will always be uppercase.

Authority	Also refers to the Orange County Fire Authority
OCFA	Orange County Fire Authority
Offeror	Shall mean the specific person or entity responding to this RFP
Respondent	Shall mean the specific person or entity responding to this RFP
RFP	Request for Proposal
CFR	Code of Federal Regulations
PSA	Professional Service Agreement

APPENDIX A - OFFEROR'S INFORMATION

Please complete and/or provide all requested information. If the proposal is submitted by a corporation, please provide an additional attachment that states the names of the officers who can sign an agreement on behalf of the corporation and whether more than one officer must sign. If the proposal is by a partnership or a joint venture, state the names and addresses of all general partners and joint venture parties. If the respondent is a sole proprietorship or another entity that does business under a fictitious name, the proposal shall be in the real name of the respondent with a designation following showing "DBA (the fictitious name)," provided however, that no fictitious name shall be used unless there is a current registration with the Orange County Recorder.

The undersigned, as respondent, declares that all documents regarding this proposal have been examined and accepted and that, if awarded, will enter into a contract with the Orange County Fire Authority.

Firm's Legal Name:	
Firm Parent or Ownership:	
Address:	
Firm Telephone No.	Firm Fax No.
Firm's Tax I.D. Number:	Incorporated: YES _____ NO _____
Legal form of company: (partnership, corporation, joint venture)	
Length of time your firm has been in business:	Length of time at current location:
Number of employees and Number of Current Clients	

Management person responsible for direct contact with the Orange County Fire Authority and service required for this Request for Proposal (RFP).

Name:	Title:
Telephone No.:	E-mail:

Person responsible for the day-to-day servicing of the account:

Name:	Title:
Telephone No.:	E-mail:

APPENDIX B - REFERENCES

Describe fully at least three contracts performed by your firm that demonstrate your ability to provide the services included with the scope of the specifications. Attach additional pages if needed. OCFA reserves the right to contact each of the references listed for additional information regarding their experience with your company.

Customer Agency Name	
Contact Individual & Title	
E-mail/Telephone number	
Date of Project & Description of services provided including contract amount	
Customer Agency Name	
Contact Individual & Title	
E-mail/Telephone number	
Date of Project & Description of services provided including contract amount	
Customer Agency Name	
Contact Individual & Title	
E-mail/Telephone number	
Date of Project & Description of services provided including contract amount	
Customer Agency Name	
Contact Individual & Title	
E-mail/Telephone number	
Date of Project & Description of services provided including contract amount	
Customer Agency Name	
Contact Individual & Title	
E-mail/Telephone number	
Date of Project & Description of services provided including contract amount	

APPENDIX C – PRICING PAGE

Proposal Costs - The fee information is relevant to a determination of whether the fee is fair and reasonable in light of the services to be provided. This section shall include five sub sections; 1) proposed costs of quarterly service and annual service which includes belts, pan tablets and coil cleaning only, 2) bi-monthly service, 3) programming systems pricing, 4) emergency response pricing, and 5) materials pricing as described in your proposal. Proposed cost points will be based on the bi-monthly, quarterly and annual service costs for the PM Services. These services were based on the prior year and will assist in the pricing analysis in the evaluation process. Programming systems pricing, emergency response pricing, and materials pricing are performed on an as needed basis only and will not be part of the pricing score analysis. Any additional fees outside the scope of the agreement must be approved by the OCFA in writing before commencing services for said fees.

MAINTENANCE FIXED PRICE:

LOCATION	QUARTERLY SERVICE	ANNUAL SERVICE WITH BELTS, PAN TABLETS AND COIL CLEANING ONLY
RFOTC	\$	\$
FS #02	\$	\$
FS #04	\$	\$
FS #05	\$	\$
FS #06	\$	\$
FS #07	\$	\$
FS #08	\$	\$
FS #09	\$	\$
FS #10	\$	\$
FS #11	\$	\$
FS #13	\$	\$
FS #14	\$	\$
FS #15	\$	\$
FS #16	\$	\$
FS #17	\$	\$
FS #18	\$	\$
FS #19	\$	\$
FS #20	\$	\$
FS #21	\$	\$
FS #22	\$	\$
FS #23	\$	\$
FS #24	\$	\$
FS #25	\$	\$
FS #26	\$	\$
FS #27	\$	\$
FS #28	\$	\$
FS #29	\$	\$
FS #30	\$	\$
FS #31	\$	\$
FS #32	\$	\$
FS #34	\$	\$
FS #35	\$	\$
FS #36	\$	\$
FS #37	\$	\$

LOCATION	QUARTERLY SERVICE	ANNUAL SERVICE WITH BELTS, PAN TABLETS AND COIL CLEANING ONLY
FS #38	\$	\$
FS #39	\$	\$
FS #40	\$	\$
FS #41	\$	\$
FS #42	\$	\$
FS #43	\$	\$
FS #44	\$	\$
FS #45	\$	\$
FS #46	\$	\$
FS #47	\$	\$
FS #48	\$	\$
FS #49	\$	\$
FS #50	\$	\$
FS #51	\$	\$
FS #53	\$	\$
FS #54	\$	\$
FS #55	\$	\$
FS #57	\$	\$
FS #58	\$	\$
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FS #60	\$	\$
FS #61	\$	\$
FS #62	\$	\$
FS #63	\$	\$
FS #64	\$	\$
FS #65	\$	\$
FS #66	\$	\$
FS #70	\$	\$
FS #71	\$	\$
FS #72	\$	\$
FS #73	\$	\$
FS #74	\$	\$
FS #75	\$	\$
FS #76	\$	\$
FS #77	\$	\$
FS #78	\$	\$
FS #79	\$	\$
GRAND TOTAL	\$	\$

BI-MONTHLY SERVICE PRICING:

LOCATION	SERVICE COST
FS #61	\$

PROGRAMMING SYSTEMS PRICING

LOCATION	SYSTEM	HOURLY RATE
RFOTC	2.0 Metasys Johnson Control	\$
FS #17	5.0 Metasys Johnson Control	\$
FS #46	5.0 Metasys Johnson Control	\$
FS #58	VVT Controls by Carrier	\$
FS #61	Metasys Hot Deck, Cold Deck, Johnson Controls and Pneumatic Controls	\$
FS #71	VVT Controls by Carrier	\$

EMERGENCY RESPONSE PRICING:

LABOR	HOURLY RATE
Standard Rate, Monday – Friday, 7:30 am – 5:30 pm	\$
Overtime Rate, Monday – Friday, 5:30 pm – 7:30 am	\$
Overtime Rate, Saturday, Sundays, and Holidays (if charged)	\$
Minimum Call Out Charge (if charged)	\$
Trip Charge (if charged)	\$

MATERIALS PERCENTAGE PRICING:

DESCRIPTION	PERCENTAGE
Please indicate your percent discount from list price for parts and materials	

Notes:

- Labor hours shall be charged on the basis of actual time spent on each job, not on a portal-to-portal basis, and shall be computed to the nearest one-quarter (1/4) hour.
- Overtime will not be paid on non-emergency response requests unless specifically authorized by the Contract Administrator at the time the request for service is initiated.
- Minimum Call Out charge is applicable only when the actual job cost is below the established minimum. It is not a separate or additional charge.
- Trip charge is not applicable to additional responses immediately following first response if the distance between subsequent locations is less than twenty (20) miles.

- Major material items will be paid on the basis of actual invoice cost to the contractor plus the discount quoted on the bid and copies shall be attached for each location.

Provide details of what is included in the total cost listed above. Direct and indirect, prevailing wage rate requirements, truck, all necessary equipment, tools, overhead, travel, depreciation, other expensed and all profit should be included in the total cost.

Any additional information you would like OCFA to consider.

Term of Offer: It is understood and agreed that this offer may not be withdrawn for a period of **one hundred eighty days** (180) from the Proposal Submittal Deadline, and at no time in case of successful Offeror.

APPENDIX D - CERTIFICATION OF PROPOSAL

In responding to **RFP MD1913 for HVAC Maintenance**, the undersigned Offeror(s) agrees to provide services for OCFA per the specifications. Offeror further agrees to the terms and conditions specified herein the following terms and conditions that are a part of this proposal and any resulting contract. If there are any exceptions they must be stated in an attachment included with the offer.

- A. The Offeror hereby certifies that the individual signing the submittal is an authorized agent for the Offeror and has the authority to legally bind the Offeror to the Contract. Signature below verifies that the Offeror has read, understands, and agrees to the conditions contained herein and on all of the attachments and agenda.
- B. The submission of the offer did not involve collusion or other anti-competitive practices.
- C. The Offeror has not given, offered to give, nor intends to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, meal or service to a public servant in connection with the submitted offer.
- D. The Offeror shall not discriminate against any employee or applicant for employment in violation of Federal or State law.
- E. The Offeror complies fully with the Federal Debarment Certification regarding debarment suspension, ineligibility and voluntary exclusion.

Independent Price Determination: I certify that this offer is made without prior understanding, arrangement, agreement, or connection with any corporation, firm or person submitting an offer for the same services, and is in all respects fair and without collusion or fraud. I certify that I have not entered into any arrangement or agreement with any Orange County Fire Authority public officer. I understand collusive bidding is a violation of State and Federal law and can result in fines, prison sentences, and civil damage awards. I agree to abide by all conditions of this offer and certify that I am authorized to sign this agreement for the offeror.

TO THE ORANGE COUNTY FIRE AUTHORITY:

The Undersigned hereby offers and shall furnish the services in compliance with all terms, scope of work, conditions, specifications, and amendments in the Request for Proposal which is incorporated by reference as fully set forth herein. The representations herein are made under penalty of perjury.

Name of Firm

Address

City State Zip

Signature of Person Authorized to Sign Date

Printed Name Title

APPENDIX E - FIRE STATIONS ADDRESS LIST

OCFA FIRE STATIONS - MAILING ADDRESSES & TELEPHONE NUMBERS –April 20, 2012

RFOTC	1 Fire Authority Road, Irvine, 92602	(714)	573-6000	
Station #2	LOS ALAMITOS, 3642 Green Ave., Los Alamitos 90720	(562)	431-6026	#2
Station #4	UNIVERSITY, #2 California Ave., Irvine 92612	(949)	854-7544	#4
Station #5	LAGUNA NIGUEL, 23600 Pacific Island Dr., Laguna Niguel 92677.....	(949)	249-3085	#5
Station #6	IRVINE, 3180 Barranca Pkwy., Irvine 92606.....	(949)	559-7530	#6
Station #7	SAN JUAN CAPISTRANO, 31865 Del Obispo, SJC 92675	(949)	831-0872	#7
Station #8	SKYLINE, 10631 Skyline Dr., Santa Ana 92705	(714)	544-5292	#8
Station #9	SO. MISSION VIEJO, #9 Shops at Mission Viejo, Mission Viejo 92691.....	(949)	582-9260	#9
Station #10	YORBA LINDA, 18422 E. Lemon Dr., Yorba Linda 92886	(714)	970-1216	#10
Station #11	EMERALD BAY, 259 Emerald Bay, Laguna Beach 92651	(949)	494-6933	#11
Station #13	LA PALMA, 7822 Walker St., La Palma 90623	(714)	523-8031	#13
Station #14	SILVERADO, P. O. BOX 12, Silverado 92676	(714)	649-2211	#14
Station #15	SILVERADO (USFS), 27172 Silverado Canyon Rd., Silverado 92676	(714)	649-0190	#15
Station #16	MODJESKA, 28891 Modjeska Canyon Road, Silverado 92676	(714)	649-2500	#16
Station #17	TRI-CITIES, 4991 Cerritos Ave., Cypress 90630	(714)	821-3840	#17
Station #18	TRABUCO, 30942 Trabuco Canyon Road, Trabuco Canyon 92678.....	Career (949)	858-9369	#18
	Reserve FF (949)	858-9370	
	Hand Crew (949)	459-1460	
Station #19	LAKE FOREST, 23022 El Toro Rd., Lake Forest 92630.....	(949)	837-0911	#19
Station #20	IRVINE, 6933 Trabuco Road, Irvine 92620	(949)	451-0020	#20
Station #21	TUSTIN, 1241 Irvine Blvd., Tustin 92780.....	(714)	544-0171	#21
Station #22	LAGUNA HILLS, 24001 Paseo de Valencia, Laguna Hills 92637	(949)	837-5471	#22
Station #23	VILLA PARK, 5020 Santiago Canyon Road, Orange 92869.....	(714)	997-2552	#23
Station #24	MISSION VIEJO, 25862 Marguerite Pkwy, Mission Viejo 92692.....	(949)	837-9333	#24
Station #25	MIDWAY CITY, 8171 Bolsa Ave., Midway City 92655	(714)	893-8723	#25
Station #26	VALENCIA, 4691 Walnut Ave., Irvine 92604	(949)	559-0201	#26
Station #27	PORTOLA SPRINGS, 12400 Portola Springs, Irvine 92618	(949)	653-2727	#27
Station #28	IRV. INDUSTRIAL, 17862 Gillette Ave., Irvine 92614	(949)	660-0427	#28
Station #29	DOHENY, 26111 Victoria Blvd., Dana Point 92624.....	(949)	496-9354	#29
Station #30	NIGUEL, 23831 Stonehill Drive, Dana Point 92629	(949)	661-0203	#30
Station #31	NO. MISSION VIEJO, 22426 Olympiad Rd., Mission Viejo 92692	(949)	581-1910	#31
Station #32	EAST YORBA LINDA, 20990 Yorba Linda Blvd., Yorba Linda 92887	(714)	970-0344	#32
Station #33	AIRPORT CRASH, 374 Paularino, Costa Mesa 92626.....	(949)	852-3200	#33
Station #34	PLACENTIA (Valencia), 1530 N. Valencia Ave., Placentia 92870	(714)	996-2121	#34
Station #35	PLACENTIA (Bradford), 110 S. Bradford Ave., Placentia 92870	(714)	996-1490	#35
Station #36	WOODBIDGE, 301 E. Yale Loop, Irvine 92604.....	(949)	551-6881	#36
Station #37	TUSTIN, 14901 Red Hill Ave., Tustin 92780.....	(714)	259-7720	#37
Station #38	IRVINE, 26 Parker, Irvine 92618.....	(949)	859-6926	#38
Station #39	NO. LAGUNA NIGUEL, 24241 Avila Road, Laguna Niguel 92677	(949)	831-3232	#39
Station #40	COTO DE CAZA, 25082 Vista del Verde, Coto de Caza 92679	(949)	459-7410	#40
Station #41	FULLERTON AIRPORT, 3900 W. Artesia Ave, Fullerton 92833	Career (714)	522-4141	#41
	Reserves (714)	522-3170	
Station #42	PORTOLA HILLS, 19150 Ridgeline Road, Lake Forest 92679	(949)	589-0323	#42
Station #43	TUSTIN RANCH, 11490 Pioneer Way, Tustin 92782.....	(714)	544-7462	#43
Station #44	SEAL BEACH (downtown), 718 Central Ave., Seal Beach 90740.....	(562)	431-0648	#44
Station #45	SANTA MARGARITA, 30131 Aventura, Rancho Santa Marg. 92688.....	(949)	858-8801	#45
Station #46	STANTON, 7871 Pacific Street, Stanton 90680	(714)	827-0533	#46
Station #47	SHADY CANYON, 47 Fossil, Irvine 92603.....	(949)	854-4747	#47
Station #48	SEAL BEACH (frwy), 3131 Beverly Manor Road, Seal Beach 90740.....	(562)	430-0415	#48
Station #49	BEAR BRAND, 31461 St. of Golden Lantern, Laguna Niguel 92677	(949)	249-9681	#49
Station #50	SAN CLEMENTE, 670 Camino de Los Mares, San Clemente 92673	(949)	361-9670	#50
Station #51	IRVINE SPECTRUM, 18 Cushing, Irvine 92618	(949)	341-0051	#51
Station #53	YORBA LINDA, 25415 E. La Palma, Yorba Linda 92887	(714)	692-8381	#53
Station #54	FOOTHILL RANCH, 19811 Pauling Ave, Lake Forest 92610	(949)	581-4406	#54
Station #55	ORCHARD HILLS, 4955 Portola Parkway, Irvine 92620	(714)	508-0055	#55
Station #57	ALISO VIEJO, 57 Journey, Aliso Viejo 92656.....	(949)	362-9237	#57
Station #58	LADERA RANCH, 58 Station Way, Ladera Ranch 92694	(949)	347-2258	#58
Station #59	SAN CLEMENTE, 48 Avenida La Pata, San Clemente 92673.....	(949)	492-8704	#59
Station #60	SAN CLEMENTE, 121 Avenida Victoria, San Clemente 92672	(949)	366-6750	#60
Station #61	BUENA PARK, 8081 Western Ave., Buena Park 90620.....	(714)	527-4118	#61
Station #62	BUENA PARK, 7780 Artesia Blvd., Buena Park 90621	(714)	521-0284	#62
Station #63	BUENA PARK, 9120 Holder Street, Buena Park 90620.....	(714)	229-4826	#63
Station #64	WESTMINSTER, 7351 Westminster Blvd., Westminster 92683	(714)	379-4920	#64
Station #65	WESTMINSTER, 6061 Hefley St., Westminster 92683	(714)	379-4931	#65
Station #66	WESTMINSTER, 15061 Moran St., Westminster 92683.....	(714)	379-4935	#66
Station #70	SANTA ANA #10, 2310 N. Old Grand St., Santa Ana 92701.....	(714)	567-3270	#70
Station #71	SANTA ANA #1, 1029 West 17th St., Santa Ana 92706.....	(714)	567-3271	#71
Station #72	SANTA ANA #2, 1668 East 4th St., Santa Ana 92701	(714)	567-3260	#72
Station #73	SANTA ANA #3, 419 Franklin, Santa Ana 92703.....	(714)	567-3264	#73
Station #74	SANTA ANA #4, 1427 S. Broadway, Santa Ana 92707.....	(714)	567-3230	#74
Station #75	SANTA ANA #5, 120 W. Walnut, Santa Ana 92701	(714)	567-3255	#75
Station #76	SANTA ANA #6, 950 W. MacArthur, Santa Ana 92707.....	(714)	850-4576	#76
Station #77	SANTA ANA #7, 2317 S. Greenville, Santa Ana 92704	(714)	850-4577	#77
Station #78	SANTA ANA #8, 501 N. Newhope, Santa Ana 92703	(714)	265-4878	#78
Station #79	SANTA ANA #9, 1320 E. Warner, Santa Ana 92705	(714)	850-4579	#79

APPENDIX F – BATTALION LIST

DIVISION I FS64	DIVISION II FSS1	DIVISION III FSS8	DIVISION IV RFOTC	DIVISION V FSS7	DIVISION VI FS74	DIVISION VII FS61
DC Jon Jones (714) 891-8239 Cell (714) 673-3351	DC Mike Moore (949) 341-0294 Cell (714) 328-2471	DC Kirk Wells (949) 347-2273 Cell (714) 673-746	DC Kris Concepcion (714) 573-6057 Cell (714) 315-8814	DC Bryan Brice (949) 389-0055 Cell (714) 615-0622	DC Scott Brown (714) 567-3234 Cell (714) 673-0382	DC Mike Boyle (714) 527-0537 Cell (714) 321-1465
Diane Jacobsen Admin. Asst. (714) 893-4171	Mindi Isbell Admin. Asst. (949)341-0295	Amy Smith Admin. Asst. (949) 347-2277	Judy Perrod Admin. Asst. (714) 573-6054	Judy Rader Admin. Asst. (949) 389-0077	Rosalinda Gonzalez Admin. Asst. (714) 567-3236	Vacant Admin. Asst. (714)
Fax (714) 379-4923	Fax (949) 341-0298	Fax (949) 347-9202	Fax (714) 368-8829	Fax (949) 643-3861	Fax (714) 567-3243	Fax (714) 527-5339
Vacant Admin. Captain (714)	David Spencer Admin. Captain (949) 341-0297	Vacant Admin. Captain (949) 347-2275	Vacant Admin. Captain	Vacant Admin. Captain (949) 389-0044	Tracy McClelland Admin. Captain (714) 567-3237	Vacant Admin. Captain (714) 527-2790
Los Alamitos-B1 Seal Beach-B1 Westminster-B1 Aviation	Emerald Bay-B5 Irvine-B5 John Wayne Airport-B5 UCL-B5	Dana Point-B6 Mission Viejo-B6 RSM-B7 San Clemente-B6 San Juan Capo-B6	Placenta-B2 Tustin-B3 Villa Park-B3 Yorba Linda-B2	Aliso Viejo-B4 Laguna Hills-B4 Laguna Niguel-B4 Laguna Woods-B4 Lake Forest-B4	Santa Ana-B9	Buena Park-B8 Cypress-B8 La Palma-B8 Stanton-B8
BATTALION 1 (714) 379-4922 Marc Stone -A-Shift John Abel -B Shift Robert Acosta -C Shift Station 2 Station 25 Station 44 Station 48 Station 64 Station 65 Station 66	BATTALION 5 (949) 854-1894 Tim Perkins-A-Shift Dennis Gomez -B Shift Ric Schultz-C Shift Station 4 Station 6 Station 11 Station 20 Station 26 Station 28 Station 33 Station 36 Station 47	BATTALION 6 (949) 487-0102 Karl Schnuriz-A Shift Rob Patterson -B Shift Terry Scott-C Shift Station 5 Station 7 Station 9 Station 29 Station 30 Station 49 Station 50 Station 59 Station 60	BATTALION 2 (714) 996-2670 Randy Black-A Shift Phil Johnson-B Shift Brad Phoenix-C Shift Station 10 Station 32 Station 34 Station 35 Station 53	BATTALION 4 (949) 837-6572 Art Nevarez-A Shift George Casario -B Shift Mike Contreras -C Shift Station 19 Station 22 Station 38 Station 39 Station 51 Station 57	BATTALION 9 (714) 567-3238 Dave Phillips-A Shift Jim Henery - B Shift Ken Harrison - C-Shift Station 70 Station 71 Station 72 Station 73 Station 74 Station 75 Station 76 Station 77 Station 78 Station 79	BATTALION 8 (714) 527-5509 Dave Anderson -A Shift Tony Espinosa-B Shift Steve Edwards -C Shift Station 13 Station 17 Station 41 Station 46 Station 61 Station 62 Station 63
EPAC BC Mike Petro (714) 573-6056 * Note: Reports to Ops Chief Thomas	BATTALION 7 (949) 459-9053 Devin Leonard-A Shift Ken Cruz-B Shift Mike Ferdig-C shift Station 16 Station 18 (C&E) Station 24 Station 31 Station 40 Station 42 Station 45 Station 54 Station 58	BATTALION 3 (714) 544-7788 Gene Begnell-A Shift Steve Pardi -B Shift Ron Roberts -C Shift Station 8 Station 14 Station 15 Station 21 Station 23 Station 27 Station 37 Station 43 Station 55	CVS BC George Casario (714) 573-6055 * Note: Reports to DC Concepcion	EMS BC Bill Lockhart (714) 573-6071		
Other Staff BC's						
Corporate Communications BC - Kelly Zimmerman (714) 573-6028			Strategic Planning BC - Cliff Bramlette (714) 573-6026			
Investigations BC - Greg McKeown (714) 573-6701			US&R BC (Div. V) - Jeff Adams (949) 837-7468			
FP - Pre-Fire Management BC - Brian Norton (714) 573-6171			ECC BC - Dave Steffen (714) 573-6551			
<i>Updated 07/30/2013</i>						

APPENDIX G – RFOTC EQUIPMENT LIST

RFP MD1913 HVAC MAINTENANCE RFOTC EQUIPMENT LIST – APPENDIX G

PUMPS

QUANTITY	DESCRIPTION	MANUFACTURER	MODEL NUMBER
2	Tag #'s (P-B1) / (P-B2)	Bell & Gossett w) Danfoss drive	174F248, Model # 1510
2	Tag #'s (P-B3) / (P-B4)	Manufacturer Bell & Gossett w) Danfoss drive	174F1046
4	Tag #'s (P-A1) / (P-A2) / (P-A3) / (P-A4)	Bell & Gossett	2654120-100

HEATING HOT WATER BOILERS

QUANTITY	DESCRIPTION	MANUFACTURER	MODEL NUMBER
2	Tag #'s (B-A1) / (B-A2)	Lochinvar	CHN1260
1	Tag # (B-A3)	Lochinvar	CFN0300PM
1	Tag # (B-A4)	Lochinvar	CFN401PM
2	Tag #'s (B-B1) / (B-B2)	Lochinvar	CHN501
1	Tag # (B-B3)	Lochinvar	Model # CFN651PM

AIR COOLED WATER CHILLERS

QUANTITY	DESCRIPTION	MANUFACTURER	MODEL NUMBER
2	Tag #'s (CH-1) / (CH-2)	Carrier	30GXR106-E-650XW

COMPUTER ROOM A/C UNITS

QUANTITY	DESCRIPTION	MANUFACTURER	MODEL NUMBER
2	Tag #'s (CRU-B1) / (CRU-B2)	Liebert	FH200C-AAES
2	Tag #'s (CRU-B3) / (CRU-B4)	Liebert	BF068C-AAOO
2	Tag #'s (CRU-B-5) / (CRU-B6)	Liebert	FH302C-AAES
1	Tag # (CRU-B7)	Liebert	BFO68C-AAES

MAKE UP AIR UNITS

QUANTITY	DESCRIPTION	MANUFACTURER	MODEL NUMBER
1	Tag #'s (MU-1)	Reznor	RDF3-260
1	Tag # (MU-2)	Reznor	RDF-3-180

AIR HANDLING UNITS

QUANTITY	DESCRIPTION	MANUFACTURER	MODEL NUMBER
2	Tag #'s (AH-B1) / (AH- B2) Supply Fan Return Fan	Cleanpak International	PF44SWSI, PF-40/ CFM-26,000, PF-44/ CFM-20,800

RFP MD1913 HVAC MAINTENANCE RFOTC EQUIPMENT LIST – APPENDIX G

FAN COIL UNITS

QUANTITY	DESCRIPTION	MANUFACTURER	MODEL NUMBER
2	Tag #'s (CFC-1) / (CFC-2)	Carrier	Direct Expansion Fan Coils FX4A
2	Tag #'s (CHP-1) / (CHP-2)	Carrier	Heat Pumps 38YZA

SINGLE PACKAGED ROOF TOP AIR CONDITIONING UNITS

QUANTITY	DESCRIPTION	MANUFACTURER	MODEL NUMBER
2	Tag #'s (AC-A1) / (AC-A2)	Seasons 4	3SZZ43-1382/ CFM 49,000
1	(1) Tag # (AC-A3)	Seasons 4	3SGI25-0212/ CFM 8,000
1	(1) Tag # (AC-A4)	Seasons 4	3SGF27-0212/ CFM 8,000
1	Tag # (AC-C1)	Seasons 4	3SPI25-0302/ CFM 10,918
1	Tag # (AC-C2)	Seasons 4	3SPI25-0272/ CFM 9,738
1	(1) Tag # (AC-CM1)	Seasons 4	3SPI27-0262/ CFM 8,500
5	Tag #'s (AC-C3) (AC-D1-AC-D4)	Carrier	48GPN060080611
1	Tag # (CHP-2)	Carrier	38YZA030320
1	Tag # (CFC-1)	Carrier	FX4BNF030
1	Tag # (CFC-2)	Carrier	3842A030320

EXHAUST FANS

QUANTITY	DESCRIPTION	MANUFACTURER	MODEL NUMBER
1	Tag # (EF-A1)	Greenheck	SWB-113-5
1	Tag #'s (EF-A2) / (EF-A4)	Greenheck	SWB-213
1	Tag # (EF-A3)	Greenheck	SEI-12-432-B6
1	Tag # (EF-A5)	Greenheck	SWB-215
2	Tag #'s (EF-A6) / (EF-A7)	Greenheck	BSQ-90-5
1	Tag # (EF-A8)	Greenheck	SEI-10-426
1	Tag # (EF-B1)	Greenheck	SWB-213-5
1	Tag # (EF-B2)	Greenheck	SWB-213-7
1	Tag # (EF-B3)	Greenheck	SEI-24-428-B5
1	Tag # (EF-B4)	Greenheck	BSQ-140-3-X
2	Tag # (EF-B5)	Greenheck	SEI-14-440
1	Tag # (EF-C1)	Greenheck	SWB-236-200
1	Tag # (EF-C2)	Greenheck	CUBE-240XP-15
1	Tag # (EF-C3)	Greenheck	CUBE-101HP-5
1	Tag # (EF-C4)	Greenheck	SWB-230-150
1	Tag # (EF-C5)	Greenheck	CUBE-10/HP-4
1	Tag # (EF-C6)	Greenheck	CUBE-161XP-10

RFP MD1913 HVAC MAINTENANCE RFOTC EQUIPMENT LIST – APPENDIX G

QUANTITY	DESCRIPTION	MANUFACTURER	MODEL NUMBER
1	Tag # (EF-C7)	Greenheck	CUBE-240XP-20
1	Tag # (EF-C8)	Greenheck	CUBE-300XP-20
1	Tag # (EF-C9)	Greenheck	CUBE-161XP
1	Tag # (EF-C10)	Greenheck	SWB-210-10
1	Tag # (EF-C11)	Greenheck	GB-141-10
1	Tag # (EF-C12)	Greenheck	GB-180-15
1	Tag # (EF-C13)	Greenheck	GB-131-3
1	Tag # (EF-C14)	Greenheck	GB-131-5
1	Tag # (EF-C15)	Greenheck	GB-101HP-5-X
1	Tag # (EF-C16)	Greenheck	GB-200
1	Tag # (WHF-1)	Greenheck	BSQ-120-15
1	Tag # (EF-D1)	Greenheck	SWB-212-5
1	Tag # (EF-D2)	Greenheck	GB-080-6-X
1	Tag # (EF-E1)	Greenheck	SEI-12-436-6

APPENDIX H – FIRE STATIONS EQUIPMENT LIST

RFP MD1913 HVAC MAINTENANCE FIRE STATION EQUIPMENT LIST- APPENDIX H

STATION	LOCATION	BLT	LIFE	YEAR	TYPE OF UNIT	MANUFACTURE	MODEL	SERIAL NUMBER	SIZE	UTILITY	LOCATION	FILTERS	QTY
2	LOS ALAMITOS, 90720	72	10	99	A/C	HEIL - AC-1	NNE100JZ0A1	L993521658			ROOFTOP	20201	1
3	SUNSET BEACH, 90742					NO A/C							
4	IRVINE 92612	69	10	98	PKG UNIT/ HEAT PUMF	TRANE	WCC060F300BE	N393PMB2H	5ton	208/230/3	ROOFTOP	16251	1
			10	98	PKG UNIT/ HEAT PUMF	TRANE	WCC060F300BF	WCC060F300BF	5ton	208/230/3	GARAGE	0252 HI E	1
			10	98	PKG UNIT/ HEAT PUMF	TRANE	WCC060F300BF	P434J3N2H	5ton	208/230/3	ROOFTOP	0202 HI E	1
			10	98	FURN & EVAP COIL	TRANE	MTUD060C936HH	N15RGK2G	60K	115	ROOFTOP	15201	1
					EXHAUST FAN	N/A	N/A	N/A	1/2	208/230/3	ROOFTOP		
					EXHAUST FAN	N/A	N/A	N/A	1/4	115	ROOFTOP		
					EXHAUST FAN	N/A	N/A	N/A	1/12	115	ROOFTOP		
					EXHAUST FAN	STANDARD	N/A	N/A	1/12	115	ROOFTOP		
					CONDENSER	RHEEM	N/A	N/A		20/230/1	ROOFTOP		
5	LAGUNA NIGUEL 92677	93	5-10	93	HEAT PUMP	CARRIER	38QRA036501	692S33090	3ton	208/230/1	ROOFTOP	15201	1
			5-10	93	HEAT PUMP	CARRIER	38QRA048501	N/A	4ton		GARAGE	20301	1
					HEAT PUMP	AMANA	FB4ANA 060	N/A	5ton		MECH RM FR OFF	14251	1
			5-10	92	FURNACE	CARRIER	RHE60A2B	102140378	5ton		GROUND		
			5-10	92	FURNACE	CARRIER	FB4ANA060	4792A02203	5ton		GROUND		
			5-10	92	FURNACE	CARRIER	FB4ANA060	4792A02204	5ton		GROUND	16252 HE	12
			5-10	92	FURNACE	CARRIER	FB4ANA036	4592A01401	3ton		GROUND	10201	1
					EXHAUST FAN	N/A	N/A	N/A			BATHROOM		
					EXHAUST FAN	N/A	N/A	N/A			KITCHEN		
6	IRVINE 92606		5-10	95	G-E PKG UNIT	LENNOX	GCS-16-1353-270Y	5695B00107	270K	208/230/3	GROUND	20252	
			10	98	PKG UNIT/ HEAT PUMF	TRANE	WCC060F30BE	N393JJF2H	5ton	208/230/3	ROOFTOP	20252	
			5-10	95	FURNACE	LENNOX	G21Q4/5-100-3	5895B31903	100K	115	CLOSET IN DAY RM	16252	
			5-10	95	FURNACE	LENNOX	G21Q4/5-100-3	2562B31877	100K	115	CLOSET IN DAY RM	16252	
			5-10	95	AC CONDENSER	LENNOX	H519-653-6Y	5895B26465		208/230/3	GROUND		
			5-10	95	AC CONDENSER	LENNOX	H519-653-6Y	5895B26466		208/230/3	GROUND		
					HEATER	REZNOR	FE50	FE50	50K	115	SUSP IN TRK BAY	20ft	
					HEATER	REZNOR	FE50	FE50	50K	115	SUSP IN TRK BAY		
			5	94	EXHAUST FAN	PENN CO	BBK24BZW	9413215-12		208/230/1	WALL IN TRK BAY		
			5	94	EXHAUST FAN	PENN CO	BBK24BZW	9413215-12		208/230/1	WALL IN TRK BAY		
					EXHAUST FAN	N/A	N/A	N/A	1/4	115	ROOF		
					EXHAUST FAN	N/A	N/A	N/A	1/2	208/230/3	ROOF		
					EXHAUST FAN	N/A	N/A	N/A	1/2	208/230/3	LOWER ROOF		
7	SAN JUAN CAP 92675	75			FAN COIL	ADP	PT6448-C210	N/A			ATTIC IN LAUN/RM	25251	1
					FURNACE	N/A	58PAV111-20	N/A			ATTIC IN LAUN/RM	24241	1
					FAN COIL	ADP	58PAV090-16	N/A			ATTIC IN LAUN/RM	16251	1
					COND UNIT	BDP	38HDC048521	N/A	4ton				
					COND UNIT	BDP	38HDC048521	N/A	4ton				
					COND UNIT	BDP	38HDC060521	N/A	5ton				
					EXHAUST FAN	N/A	PH48HQS	20090055			KITCHEN HOOD		
					EXHAUST FAN	N/A	N/A	N/A			BATHROOM	belt	
					EXHAUST FAN	N/A	N/A	N/A			BATHROOM	belt	
8	SANTA ANA 92705			2013	FAN COIL				4ton	208/230/3	GARAGE LOFT	20'	1
					EXHAUST FAN					115	EXHAUST FAN		
				2013	COND UNIT	PAYNE	PA13NA048000AEEA	0613X74475	4ton		ROOF TOP		
9	MISSION VIEJO 92691	2	10+	2002	HEAT PUMP	TEMPSTAR	HPFMG0K000E	G054240971			LOFT GARAGE	14301	1
			10+	2002	AC CONDENSER	TRANE	YCC024F1L0BH	2152X552H	2ton		ROOF TOP	20201	1
					EXHAUST FAN	BROAN	N/A	N/A			BATHROOM		
					EXHAUST FAN	BROAN	N/A	N/A			BATHROOM		
					EXHAUST FAN	BROAN	N/A	N/A			BATHROOM		
					AIR COMPRESSOR	INGERSOLL RAND	2475N5	30T953292			GARAGE LOFT	3.2E+07	
					EXHAUST FAN	THERMADORE	PH48H05	N/A			KITCHEN HOOD		
10	YORBA LINDA 92886	68	10	1999	FAN COIL	HEIL	NTN6100KJA1	L993521651			ROOF TOP	20252	1
					AIR COMPRESSOR	INGERSOLL RAND	2475	1039397					

RFP MD1913 HVAC MAINTENANCE FIRE STATION EQUIPMENT LIST- APPENDIX H

STATION	LOCATION	BLT	LIFE	YEAR	TYPE OF UNIT	MANUFACTURE	MODEL	SERIAL NUMBER	SIZE	UTILITY	LOCATION	FILTERS	QTY
			10	1996	CONDENSER	TRANE	TT8060C100A0	L34347PHF	5ton		ROOF		
					EXHAUST FAN	WOLF	N/A	N/A			KITCHEN		
11	LAGUNA BEACH 92651				FURNACE	payne						filter	
11 CON'T	LAGUNA BEACH 92651				EXHAUST FAN	N/A	N/A	N/A			KITCHEN HOOD		
13	LA PALMA 90623	54	10+	2001	PKG UNIT/ HEAT PUMF	CARRIER	C18GXN060090	2401G12541			ROOF TOP	20251	1
			10+	2002	AIR COMPRESSOR	LENNOX	GC520-024-50	5602J0084			LWR ROOF	20251 PL	2
					EXHAUST FAN	N/A	N/A	N/A					
14	SILVERADO CYN 92676	70	5	1993	FURNACE	PAYNE	373LAV06090	3293A22052		115	GAR CLOSET	20301	1
					EVAP COOLER	FRIGI KING	FK453	839455		115	N SIDE BLDG	30272	1
					HEATER	REZNOR	F165	AQ066M4N3165		115	GARAGE	20'	
					AIR COMPRESSOR	SPEED AIR	52628B2	0915936-942476					
15	SILVERADO CYN 92676	75	0-5	1975	FAN COIL	RUDD	UGR-07E2AJS	FY50707F350404			PKG UNIT	14251	
			10+	2002	FURNACE	ARMSTRONG	GIN80AT100D20CL-1	1602A13372	100	115	CLOSET KITCHEN	20241	1
					HEAT PUMP	AIR TEMP	BEJ18E7A	BM9806570530		115	ELEC ROOM		
					AIR COMPRESSOR	INGERSOLL RAND	2475	01034394-19539					
					HEAT PUMP	AMANA	N/A	N/A		115	WALL MT/ GYM	filter	
					COND UNIT	RUDD	UAMC-060CA2	7019K2905		115			
			10	2006	ATTIC FAN	DAYTON	7F667			115	ATTIC		
16	MODJESKA 92676	71	0-5	1984	SWAMP COOLER	FRIGID KING	FK402A	N/A		1/3 115	ROOF TOP	251.5 PD	1
					COND UNIT	HEIL	NNE075F16A1	6984130021				18241	1
17	CYPRESS 90630	2012			G-E PKG UNIT	TRANE			5			20252	
					G/E PKG UNIT	trane			5			20252	
					G/E PKG UNIT	TRANE			5			20252	
					G/E PKG UNIT	TRANE			5			20252	
					G/E PKG UNIT	TRANE			5			20252	2
					G/E PKG UNIT	TRANE			4			20252	
					G/E PKG UNIT	TRANE			3.5			20252	
					EXHAUST FAN						BELT		
18	TRABUCO CYN 92678	48	10+	2001	COND UNIT	CARRIER	FB4ANF060	4101A59052			ROOF TOP	20251	2
					EXHAUST FAN	TRADEWIND	VQT90M	N/A			BATHROOM		
					COND UNIT	CARRIER	38QR060C311	N/A	5ton		SIDE OF HOUSE		
			10+	2006	ATTIC FAN	CARRIER	BR661CJX060000				ATTIC		
19	LAKE FOREST, 92630	2005	15	2005	COND UNIT	CARRIER	38HDC030-331	3005X47622	2.5ton		ROOF TOP	20251	2
			15	2005	COND UNIT	CARRIER	38HDC036-321	4705X55069	3ton		GARAGE	23232	2
			15	2005	COND UNIT	CARRIER	38HDC036-321	4705X55067	3ton		GARAGE	23232	2
			15	2005	COND UNIT	CARRIER	38HDC030-331	3005X47624	2.5ton		GARAGE	23232	2
			15	2005	COND UNIT	CARRIER	38HDC036-321	4705X55065	3ton		ROOF TOP	20251	1
20	IRVINE - TRABUCO					BARD						16301	1
						BARD						16301	1
						BARD						16301	1
21	TUSTIN, 92780	76	0-5	1991	PACKAGE	RHEEM	RRGG05E36CKR	AYAA4473AHAAP	3 ton	208/230/3	ROOF TOP	14301	1
			10+	2001	FURNACE AND EVAP	CARRIER	58PAV090-20	3501A55018	110K	208/230/3	ROOF TOP	20251	1
			10+	2001	FURNACE AND EVAP	CARRIER	58PAV111-16	3901A63374	90K	208/230/3	TRK BAY ATTIC	20251	1
			10+	2001	FURNACE AND EVAP	CARRIER	38HDC8521	3301X15397	90K	208/230/3	TRK BAY ATTIC		1
			10+	2001	SPLIT	CARRIER	58PAV090-16	3801A73258		208/230/3	TRK BAY ATTIC		
			10+	2001	COND UNIT	CARRIER	3HDC048251	3301X15399		208/230/3			
					COND UNIT	CARRIER	38HDC60521	3301X15579		208/230/3			
22	LAGUNA HILLS 92653	66	10+		COND UNIT	YORK	DINH048N06525C	NGFM089887	4ton		ROOF TOP	16202PL	1
			10+		COND UNIT	YORK	DINH030N05606A	NLEM123005	2.5ton		ROOF TOP	16202PL	1
			10+		COND UNIT	YORK	DINH030N05606C	NEGM057546	2.5ton		ROOFTOP	26251	1
			10+		COND UNIT	YORK	DINH030N05606A	NLEM123005	2.5ton		ROOFTOP	20201	1
			10	1995	COND UNIT	TRANE	TTA060D300A1	R295WMX3F	5ton		GARAGE CLOS	20301	1
					FAN COIL	N/A	DBYA-T060N080D	NDNM039406	5ton			24241	1
					EXHAUST FAN	COOK	165-ACPUB	N/A				4L260	1
					EXHAUST FAN	COOK	150ACB	N/A					

RFP MD1913 HVAC MAINTENANCE FIRE STATION EQUIPMENT LIST- APPENDIX H

STATION	LOCATION	BLT	LIFE	YEAR	TYPE OF UNIT	MANUFACTURE	MODEL	SERIAL NUMBER	SIZE	UTILITY	LOCATION	FILTERS	QTY
					EXHAUST FAN	COOK	150VCR-HP	N/A					
					EXHAUST FAN	COOK	9CC15DL	N/A					
					EXHAUST FAN	COOK	165ACRUB	N/A					
23	ORANGE/ VP 92869	66	10+	2001	G/E PACKAGE	CARRIER	L18GXN036060301	L1201G13185	3ton	208/230/1	OS PLATFORM	30272	3
			10+	2001	G/E PACKAGE	CARRIER	48GXN036060301	4201G13198	3ton	208/230/1	GARAGE CLOS	14251	2
24	MISSION VIEJO 92692	69			COND UNIT	HEIL	OA5548VK02	L983964102	4ton		FRONT OFFICE	20251	1
			10	1998	COND UNIT	TRANE	WCC024F100BD	N412TNE2H	2ton		ROOF	20201	3
					EXHAUST FAN	THERMADORE	VQT-H2	N/A			ABOVE TOILET		
					EXHAUST FAN	NUTONE	N/A	N/A			BATHROOM		
					AIR COMPRESSOR	DEVILBISS	VDJ5030	G5759					
25	MIDWAY CITY,92655	52			COND UNIT	ARMSTRONG	5CU12E60A-2	1602F28758	5ton		E PKG LOT		
					FAN COIL	ULTRA V TECH	GIN809T00D2OCL2	1602L10751	7.5t		ATTIC /KITCHEN	20201	1
					AIR COMPRESSOR	INGERSOLL RAND	2475	02-015609					
26	IRVINE 92604	52		2013	COND UNIT	ALLI	2SCI13LC160T	S1613E24072		208/230/3	ROOFTOP	20251	1
	IRVINE 92604		0-5	1991	FAU	TRANE	TUD120C960H3	TTP060C300AD	120k	208/230/3	GROUND		
					AIR COMPRESSOR	INGERSOLL RAND	234-2C	32170946					
					EXHAUST FAN	TRADEWIND	N/A	N/A			TOILET		
					EXHAUST FAN	TRADEWIND	N/A	N/A			TOILET		
27	IRVINE PORTOLA SPRINGS			2007		CARRIER	58MXB080-20	1106A1348					
				2007		CARRIER	58MXB080-20	1106A1349					
27				2007		CARRIER	58MXB080-20	1106A1347					
				2007	SUPPLY FAN	CARRIER	58MXB080-20	1106A1350					
28	IRVINE 92614	72	5-10	93	COND UNIT	CARRIER	45SS0420600501	3293G00432	3.5ton	208/230/3	ROOFTOP	20201	1
			15	2007	COND UNIT	CARRIER	48SS060080501		5ton	208/230/3	CLOSET	30141	1
					EXHAUST FAN	PENN CO	DX24B	N/A	2hp	208/230/3			
29	Dana Point	10			G/E PACKAGE	CARRIER			3.5			12241	20
					G/E PACKAGE	CARRIER			3.5				
					G/E PACKAGE	carrier			5				
					G/E PACKAGE	carrier			5				
					G/E PACKAGE	CARRIER			5				
					ductless	fujitsu							
					EXHAUST FAN								1
30	DANA POINT 92629	77			COND UNIT	TRANE	TTA060D300A0	N/A	5ton		CLOSET	30141	1
					COND UNIT	TRANE	TTA042C300A1	N/A	3.5ton		MECH CLOSET	20251	2
					COND UNIT	TRANE	TTA036C300A1	N/A	3ton		MECH CLOSET	20251	2
					AIR COMPRESSOR	KORGARD	804384	N/A					
					FAU	TRANE	TXC042C4HPB1	N/A	3.5ton			16251	1
					FAU	TRANE	TUD10C960H5	N/A				20251	1
31	MISSION VIEJO 92692	88	10+	2001	COND UNIT	CARRIER	38HDC024331	2501X11405	2ton		GROUND	20251P	1
			10+	2001	FAU	CARRIER	58PAV070-12	3901A7D059			OS CLOS DORM	WASH	1
			10+	2001	COND UNIT	CARRIER	38DHC030331	3601X156187	2.5ton				
			10+	2001	FAU	CARRIER	58PAV070-12	3901A70057			CLOSET	WASH	
					EXHAUST FAN	N/A	N/A	N/A			BATHROOM		
					EXHAUST FAN	N/A	N/A	N/A			BATHROOM		
					EXHAUST FAN	N/A	N/A	N/A			SHOWER		
					EXHAUST FAN	N/A	N/A	N/A			SHOWER		
32	YORBA LINDA 92886	84			FURNACE	CARRIER	58RAV115-18120	39A71372			ROOFTOP	16252	2
			10	99	COND UNIT	BDP	53APX060000B	4399X05004	5ton		ROOFTOP		
33	COSTA MESA				TAKEN CARE OF BY CITY								
34	PLACENTIA 92870	61	10+	2001	FURNACE	CARRIER	48GXN036060901	4401G0344	3ton		ROOFTOP	16202	3
			10+	2001	FURNACE	CARRIER	48GXN06090301	4401G02910	5ton		ROOFTOP	16202	2
			10+	2001	COND UNIT	CARRIER	38HD024331	23010227	2ton		PATIO		
			10	1999	COND UNIT	HIEL	NTN06050FBA1	992834757	5ton		ATTIC		
					AIR COMPRESSOR	INGERSOLL RAND	2475	1039395			SIDE OF GARAGE		

RFP MD1913 HVAC MAINTENANCE FIRE STATION EQUIPMENT LIST- APPENDIX H

STATION	LOCATION	BLT	LIFE	YEAR	TYPE OF UNIT	MANUFACTURE	MODEL	SERIAL NUMBER	SIZE	UTILITY	LOCATION	FILTERS	QTY	
35	PLACENTIA 92870	50	0-5	1986	RTU	BDP	50HBW060100BAG	0486CG0391	5ton		ROOFTOP	25201	1	
					AIR COMPRESSOR	SPEED AIR	52185	052370L-887761						GARAGE
36	IRVINE 92604	93	10+	2002	COND UNIT	TRANE	YSC060A3RHAOL	2191014122	5ton	208/230/3	ROOFTOP	20301	2	
					EXHAUST FAN	JENN FAN	M3CR250A	9W1T0617901	1.5hp	208/230/3	ROOFTOP	15355		
					EXHAUST FAN	CENTRAL EXH	RE122A	N/A						
					EXHAUST FAN	TRADEWIND	CEILING MOUNT	N/A						GUEST R/R
37	TUSTIN, 92780	14		2014	EXHAUST FAN	TRADEWIND	CEILING MOUNT	N/A			SHOWER			
					GAS PACK	YORK	ZJ037A05N2SZZ5		3	208/230		4"PL MERV 13		
					GAS PACK	YORK	ZJ037A05N2SZZ5		3	208/230		4"PL MERV 13		
					GAS PACK	YORK	ZJ037A05N2SZZ5		3	208/230		4"PL MERV 13		
					GAS PACK	YORK	ZJ037A05N2SZZ5		3	208/230		4"PL MERV 13		
					GAS PACK	YORK	D2NX024D05606NX		2	208/230		FIL SIZE NOT AVAIL		
					GAS PACK	YORK	D2NX024D05606NX		2	208-230		FIL SIZE NOT AVAIL		
					MINI SPLIT FC	DAIKIN	MSYGE24NA8		2	208/230				
38	IRVINE 92618	90	10	2000	FAN COIL	ARMSTRONG	BC248816N00A3	6000G00777	2ton	208/230/1	CLOSET	20201	1	
					COND UNIT	ARMSTRONG	SHP10C48A-4A	N/A	4ton	208/230/1				
39	LAGUNA NIGUEL 92658					UNDER CONST								
40	COTO DE CAZA 92679	94	5-10	1994	FAU	CARRIER	58PAV090-16	1594A14792			ROOF	14301	1	
					FAU	CARRIER	58PAV111-20	3394A24404				18241	1	
			10+	2002	SPLIT	BRYANT	561CP048-1	3502E03368	4ton					
					COND UNIT	CARRIER	38CK060540	1394E04819	5ton					
			5-10	1994	EXHAUST FAN	N/A	N/A	N/A					WEIGHT ROOM	
					EXHAUST FAN	N/A	N/A	N/A					TRAINING ROOM	
					EXHAUST FAN	N/A	N/A	N/A					UTILITY ROOM	
					EXHAUST FAN	N/A	N/A	N/A					BATHROOM	
EXHAUST FAN	N/A	N/A	N/A						BATHROOM					
EXHAUST FAN	N/A	N/A	N/A						BATHROOM					
EXHAUST FAN	N/A	N/A	N/A						KITCHEN					
EXHAUST FAN	N/A	N/A	N/A						KITCHEN					
41	FULLERTON A/P 92833				AH	SANYO	XH51872	152					1	
					COND	SANYO	CH1872	68902						
					AH	SANYO	XHW2672R	25493						
					COND	SANYO	C2672R	80784						
					AH	SANYO	XH51872	1902					1	
					COND	SANYO	XH51872	69302						
					AH	CARRIER	FV4CN8006	23200A87296					22221	1
					COND	CARRIER	38QRR060-5	0509X91574						
					AH	CARRIER	FV4CN8006	2310A87281					22221	1
					COND	CARRIER	38QRR060D	0510X90415						
42	PORTOLA HILLS 92679	89	10+	2001	AH	CARRIER	FV4CN8006	2610A88252	2610A88252			22221	1	
					COND	CARRIER	38QRR060-5	0510X90436						
					FAU	CARRIER	58PAV090-16	3801A73327	90K	115	ATTIC TRK BAY	20251	1	
					FAU	CARRIER	58PAV070-12	2001KD7787	70K	115	ATTIC TRK BAY	18242	1	
					COND UNIT	CARRIER	38HDC030331	3301X15284	2.5ton	208/230/1	GROUND			
					COND UNIT	CARRIER	38HDC048521	2001KD7787	4ton	208/230/3	GROUND			
					HEAT PUMP	TRANE	TWE0600150AD	H52846067	5 ton	208/230/1	ATTIC TRK BAY	14202	1	
43	TUSTIN 92782	94	5-10	1993	HEAT PUMP	TRANE	TWA030C300A1	H42213041	2.5tor	208/230/3	MECH CLOS GYM	19211	1	
					HEAT PUMP	TRANE	TWE060D150AO	HS2846073	5ton	208/230/1	OS KITCHEN	19211	1	
					HEAT PUMP	TRANE	TWH030B140A1	J08275727	2.5tor	208/230/3	GYM CLOSET	19211	1	
					HEAT PUMP	TRANE	TWH030B140A1	H33376827	2.5tor	208/230/1	MECH CLOS GYM	21261	1	
					FAN COIL	STERLING	N/A	N/A						
					HEAT PUMP	TRANE	TWA048C300A1	J08275729	4ton	208/230/3	GROUND O/S KITCH			

RFP MD1913 HVAC MAINTENANCE FIRE STATION EQUIPMENT LIST- APPENDIX H

STATION	LOCATION	BLT	LIFE	YEAR	TYPE OF UNIT	MANUFACTURE	MODEL	SERIAL NUMBER	SIZE	UTILITY	LOCATION	FILTERS	QTY
					FAN COIL	STERLING	N/A	N/A					
44	SEAL BEACH,90740	61	10	1998	FAN COIL	RHEEM FC-1	RGPH1011BRJR	DPDSD307F12980175			GARAGE	19251	1
			10	1998	COND UNIT	RHEM	RAKA060-JA2	5721F219809247	5ton		ROOF TOP		
					AIR COMPRESSOR	ACCURATE	32513	863878					
45	RNCO STA MAR 92688	87	10+	2001	AC CONDENSER	CARRIER	48HJM004-541	3801G24827	4ton		ROOF TOP	16252 (2)	2
			10+	2001	AC CONDENSER	TRANE	YCC060F3MOBH	2085Y7N2H	5ton		ROOF 24'	10241 (3)	3
45	RNCO STA MAR 92688	87	10+	2001	AC CONDENSER	CARRIER	48HJL005-541	3801G224911	4ton		ROOF	16252 (2)	2
46	STANTON 90680				AC CONDENSER	CARRIER	48HJL005-541	3801G224912			APPARATUS RM	16252	2
					AC CONDENSER	ARMSTRONG	GIN80BT050D12AL1	1604C15631			ROOF	16251	2
					COND UNIT	CARRIER	38HDC060321	N/A	5TON		ROOF		
					COND UNIT	ARMSTRONG	SCU10024A-1	1604C13655	2TON				
					AIR COMPRESSOR	N/A	20	30T696615					
47	IRVINE 92603		10+	2005	COND UNIT	CARRIER	38HDC048-331	1905X35374	4TON		ROOF		1
			10+	2005	COND UNIT	CARRIER	38HDC036-321	1505X324	3TON		ROOF		1
			10+	2005	COND UNIT	CARRIER	38HDC048-331	1905X35372	4TON				
			10+	2005	COND UNIT	CARRIER	38HDC036-321	1505X32433	3TON				
			10+	2005	FAN COIL	CARRIER	58MXA080-20	1805A01662					
			10+	2005	FURNACE	CARRIER	58MXA060-16	1505A10341	5TON		OUTSIDE		
			10+	2005	FAN COIL	CARRIER	58MXA040-08	1705A12838					
			10+	2005	FAN COIL	CARRIER	58MXA040-F-17112	0605A11637					
			10+	2005	FURNACE	CARRIER	58MXA080-20	1805A01661					
48	SEAL BEACH,90740					TRANE	YSC060E3RMA	9391003986		BELT		20302	2
						TRANE	YSC048	A391005546		BELT		20302	2
						TRANE	YSL048	939100542L		BELT		20302	2
						TRANE	YSLC48	939100581L		BELT		16252	4
						TRANE	YSC048	939100530L		BELT		20302	2
						TRANE	YSC03653	939100638L		BELT		20302	2
						TRANE	4YCY4024	9362HT09H				WASH	
						TRANE	YSC060E3RMA	9391006566		BELT		20302	2
						TRANE	YSC060W	929100666L		BELT		20302	2
					AIR MAKE UP	MASTER				BELT			
					AIR MAKE UP	MASTER				BELT			
					EXHAUST FAN	ACME				BELT			
49	LAGUNA NIGUEL 92677	89	0-5	1989	COND UNIT	ARMSTRONG	SC410E60A-4	1603K13297			GROUND		3
			15+	2012	COND UNIT	PAYNE	PA13NA600000	3512X68932	5TON		GROUND		3
			0-5	1988	FURNACE	PAYNE	394JAW060095ABFA	5188C57384	5TON		OUTSIDE CLOSET	20241	
			15+	2012	FURNACE	PAYNE	31012A14671	5188C57384	5TON		OUTSIDE CLOSET	20241	
51	IRVINE 92618	2001	0-5	1988	COND UNIT	CARRIER	38HDC060321	0800X83331	5TON	208/230/1	ROOF	10241PL	3
			10+	2000	COND UNIT	CARRIER	38BRC060360	2105E21712	5TON	208/230/1	CLOS BY LAD	16251PL	1
			10+	2000	FAU	CARRIER	58MXA140-20	1500A09037	140K	115	GROUND	24241	1
			10+	2000	FAU	CARRIER	58MXA140-20	1400A19636	140K	115	ATTIC	24241	1
			10+	2000	FAU	CARRIER	58MXA140-20	1400A19634	140K	115	ATTIC IN TRK BAY	24241	1
			10+	2000	EXHAUST FAN	GREENHECK	BSW130-5XQD	01H14346		F561PH			
			10+	2000	COND UNIT	CARRIER	38TRA060330	1800E05489	5TON		GROUND O/S OFF		
			10+	2000	EXHAUST FAN	N/A	N/A	N/A			LAUNDRY ROOM		
			10+	2000	EXHAUST FAN	VENLAHOOD	N/A	N/A			KITCHEN		
			10+	2000	AIR COMPRESSOR	CHAMPION	VRS-8	N/A		5L680			
53	YORBA LINDA 92886		0-5	1989	COND UNIT	TRANE	YCD036A3LOAA	DC31432120	3TON		ROOF(LADDER)	20251	1
			0-5	1988	COND UNIT	TRANE	YCD060A3HOA	C47144224D	5TON		ROOF	20252 (2)	2
			0-5	1989	AIR COMPRESSOR	INGERSOLL RAND	2475	1039393			GARAGE		
					EXHAUST FAN	BRIEDERT	P048392	N/A		4L250	ROOF		
54	FOOTHILL RANCH 9261	1990	0-5	1990	FAU	TRANE	TUN10A96080	E08676464	100K	115	CLOSET	20301	2

RFP MD1913 HVAC MAINTENANCE FIRE STATION EQUIPMENT LIST- APPENDIX H

STATION	LOCATION	BLT	LIFE	YEAR	TYPE OF UNIT	MANUFACTURE	MODEL	SERIAL NUMBER	SIZE	UTILITY	LOCATION	FILTERS	QTY
			0-5	1991	COND UNIT	TRANE	TTA060A300B0	F46213895	5TON	208/230/3	GROUND	20201	1
			15+	2006	COND UNIT	TRANE	CE24ABR360A005	S1406E00326 EXT-V	5TON	208-230/3	GROUND		
			0-5	1991	FURNACE	STERLING	QVF-60-S	Q9170286	60K	115	TRK BAY		
			0-5	1991	FURNACE	STERLING	QVF-60-S	Q9170290	60K	115	TRK BAY		
			0-5	1991	FAU	TRANE	TUN100A960B0	E08676508	100K	115	SLEEP QTR CLOS	25201	1
			0-5	1990	EXHAUST FAN	ACME	N/A	N/A			DORM BATH		
					EXHAUST FAN	ACME	N/A	N/A			SHOWER		
					EXHAUST FAN	N/A	N/A	N/A			KITCHEN		
					EXHAUST FAN	LOREN COOK	N/A	N/A		115	ROOFTOP		
55	IRVINE 92614		10+	2003	COND UNIT	BARD	WA372	225F031816628-02			OUTSIDE	25204P	1
			10+	2003	COND UNIT	BARD	WA372	225F031816624-02			CEILING/OFFICE	25164	1
57	ALISO VIEJO 92656	90	0-5	1990	COND UNIT	BDP-CARRIER	580BPV090120ABAS	1390G44053			OUTSIDE	16201	1
			0-5	1990	COND UNIT	BDP-CARRIER	580BPV090120ABAS	1390G44051			GROUND	16201	1
					EXHAUST FAN	N/A	N/A	N/A			ROOFTOP		
			0-5	1990	AIR COMPRESSOR	SQUIRE COGSWELL	0T750PL	061390L872409					
57					EXHAUST FAN	N/A	N/A	N/A			BATHROOM		
					EXHAUST FAN	N/A	N/A	N/A			BATHROOM		
					EXHAUST FAN	N/A	N/A	N/A			BATHROOM		
					EXHAUST FAN	N/A	N/A	N/A			BATHROOM		
					EXHAUST FAN	N/A	N/A	N/A			BATHROOM		
					EXHAUST FAN	N/A	N/A	N/A			KITCHEN		
58	LADERA RANCH 92694		10+	2002	COND UNIT	CARRIER	38ARS012-511	3702G20069			GROUND	24241	1
			10+	2002	COND UNIT	CARRIER	38ARS009-511	4102G20029			CLOSET BY OFF	24241	1
			10+	2002	AIR COMPRESSOR	INGERSOLL RAND	2475N5200/3	303130134					
			10+	2002	CUI	CARRIER	38AYC024330	3502E03718					
					EXHAUST FAN	LOREN COOK	100ACEB	N/A					
			10+	2002	AIR HANDLER	CARRIER	3027	4302F86154				16252	1
			10+	2002	BOILER	PARKER	T300LR	54336					
			10+	2002	AIR HANDLER	CARRIER	328	4302F86162				16252	1
					EXHAUST FAN	LOREN COOK	100ACEB	N/A					
					EXHAUST FAN	LOREN COOK	120ACEB	N/A					
					MAU	LOREN COOK	104KSPD	N/A					
59	SAN CLEMENTE 92673	80			COND UNIT	MAGICAIRE	38HBAX-3	N/A			OS WALLMOUNT	16202	1
				2013	SPLIT		40KME030363	261100869					
					COND UNIT	MAGICAIRE	38HBAX-3	N/A			OS WALLMOUNT	16322	1
					COND UNIT	MAGICAIRE	38HBAX-3	N/A			GROUND	16322	1
					COND UNIT	MAGICAIRE	38HBAX-3	N/A			GROUND	16322	1
					EXHAUST FAN	COOK	N/A	N/A			LAUNDRY	18241	1
60	SAN CLEMENTE 92672	80			FAU	DAY-NIGHT	110H02HC	651			ROOF TOP	20251	1
			5-10	1995	COND UNIT	CARRIER	38HDC024310	4995X23365					
					COND UNIT	N/A	N/A	N/A					
			0-5	1990	FAU	DAY-NIGHT	110H02HC	LBFJA10289			ROOF TOP		
			0-5	1990	FAU	DAY-NIGHT	110H02HC	LBGJA10215			ROOF TOP	20251	1
					EXHAUST FAN	TRADEWIND	N/A	N/A			BATHROOM		
			10+	2001	EXHAUST FAN	N/A	N/A	N/A			MUSHROOM		
61	BUENA PARK 90620	70	5-10	1996	COND UNIT	CARRIER	3QTHFVA00HAA	4601F24449			ROOF TOP	22201 es	1
			5-10	1994	COND UNIT	LENNOX	C61-21-FE2	962C03			CHIEF'S OFFICE	10201	1
			5-10	1997	COND UNIT	CARRIER	38CK018320	1594E09993			ROOF TOP	24241	1
					COND UNIT	LENNOX	LSA240C-1Y	5697C05369			ROOF TOP	16251	1
					FAU	REZNOR	HCR0225-7-S	EA2B66QZN02823			LINE DUCT FURN		
					EXHAUST FAN	N/A	N/A	N/A			RUSTED		
					FAU	REZNOR	HCR0225	EA2B66Q2N02824			DUCT FURN		
			0-5	1983	AIR COMPRESSOR	QUINCY	QTS-3	1043783			ROOFTOP		
					FAU	REZNOR	N/A	N/A			GAR SPC HEATER	24240	1
					AIR COMPRESSOR	ESSICK	F325	62750144			GAR LOFT		

RFP MD1913 HVAC MAINTENANCE FIRE STATION EQUIPMENT LIST- APPENDIX H

STATION	LOCATION	BLT	LIFE	YEAR	TYPE OF UNIT	MANUFACTURE	MODEL	SERIAL NUMBER	SIZE	UTILITY	LOCATION	FILTERS	QTY
62	BUENA PARK 90620	70	0-5	1987	FAU	LENNOX	G1603X-75-5	588760736			HALL CLOSET	25161	1
			5-10	1993	FURNACE	JANITROL	68050-7	4969-3			FIRE GARAGE		
			5-10	1994	FURNACE	JANITROL	68050-7	4969-4			FIRE GARAGE		
			5-10	1995	FAU	LENNOX	G200516X-100-3	5895M46305			SPLIT	25251	1
	BUENA PARK 90620				EXHAUST FAN	WOLF	N/A	N/A			KITCHEN		
					EXHAUST FAN	NUTONE	N/A	N/A			ABOVE TOILETS		
					AIR COMPRESSOR	KELLOGG AMER	B321A470	K656725					
					COND UNIT	ARMSTRONG	SCU10EG0A	1602H3280			SIDE OF GARAGE		
					COND UNIT	CARRIER	38HDC030331	113301X15300			SIDE OF GARAGE		
63	BUENA PARK 90620		10+	2003	AC SPLIT	ARMSTRONG	GIN80AT07512AL2	1603D27324			ATTIC IN LAUNDRY	14261	1
				2003	HEATER	REZNOR	DBF-125	JC203N150			ATTIC IN LAUNDRY	20201	1
			10+	2003	COND UNIT	ARMSTRONG	SCU10G30A	1603G27094			N. SIDE BUILD		
			10+	2004	AC SPLIT	ARMSTRONG	SCU10G30A-1	1604D45177			N. SIDE BUILDING		
					EXHAUST FAN	TRADE WIND					BATHROOM		
					SPACE HEATER	JANITROL	UC550-55	1457G0217			APARATUS ROOM		
			10+	2003	HEATER	REZNOR	DBF-125	JC203N180			ATTIC IN HALL		
					EXHAUST FAN	TRADE WIND	N/A	N/A			SHOWER		
					AIR COMPRESSOR	HILLS BRO.	4CB1010	589982			GARAGE	8260(B)	1
					EXHAUST FAN	TAPPAN					KITCHEN		
64	WESTMINSTER,92683		5-10	1997	COND UNIT	AMERICAN STD	YCD090C3LOBE	N451005240			TVROOM LWR ROOF	20251	1
					S C	ADOBE AIR	UND30	N/A			ROOFTOP	16251	1
			5-10	1997	COND UNIT	AMERICAN STD	YCD048C3LOBE	N43103185D	4TON		ATTIC	16251	1
			5-10	1997	COND UNIT	AMERICAN STD	YCD048C3LOBE	N43102312D	4TON		LOWER ROOF	20241	1
			5-10	1997	COND UNIT	AMERICAN STD	YCD090C3LOBE	N36101428D			UPPER ROOF	20241	1
					EXHAUST FAN	EXIT AIR	LX1221	N/A					
					EXHAUST FAN	EXIT AIR	LX1221	N/A					
					AIR COMPRESSOR	CAMPBELL HAUS	C1050000P	N/A			2ND FL REC RM		
					EXHAUST FAN	EXIT AIR	LX2413	N/A					
					EXHAUST FAN	EXIT AIR	LX2413	N/A					
					EXHAUST FAN	EXIT AIR	LX2413	N/A					
					FC	FILTERCLEAN	FC3000T	1818				23232	1
					FC	FILTERCLEAN	FC3000T	1815				23232	1
					FC	FILTERCLEAN	FC3000T	1817				23232	1
					HEATER	STERLING	B50P	C6182576			FIRE GARAGE		
64					HEATER	STERLING	B50P	C8132583			FIRE GARAGE		
65	WESTMINSTER,92683		10	1999	COND UNIT	AMERICAN STD	YCD048C3LOBF	P45102446D	4TON		PACKAGE	16322	1
			10	1999	COND UNIT	AMERICAN STD	YCD048C3LOBF	P421029790	4TON		PACKAGE	16322	1
			10	1999	COND UNIT	AMERICAN STD	YCD048CJLOBF	P4210021D	4TON		PACKAGE	16252	1
					S C	ADOBE AIR	UND30	N/A				20251 NP	1
			10+	2001	FURNACE	JANITROL	68-105-7	78H250001			GARAGE	20251	1
					EXHAUST FAN	ELITE AIR	N/A	N/A					
					EXHAUST FAN	ELITE AIR	N/A	N/A					
					EXHAUST FAN	ELITE AIR	N/A	N/A					
					FURNACE	CHROMALOX	774G	N/A			LAUNDRY ROOM		
					AIR COMPRESSOR	CURTIS	AS303324						
66	WESTMINSTER, 92683				FURNACE	REZNOR	FE100	AVC66M4NZ1187			FIRE GARAGE		
					COND UNIT	TRANE	YCC048F1M0BE		4TON		ROOF PKG	16252	1
			10+	2001	COND UNIT	CARRIER	48GXN036060301	291G15147	3TON		ROOF PKG	16202	1
			10+	2001	COND UNIT	CARRIER	48GXN036060301	2901G15143	3TON		ROOF PKG	16202	1
					EXHAUST FAN	N/A	N/A	N/A			SHOWER		
					EXHAUST FAN	WOLF	N/A	N/A			KITCHEN EXH		
					AIR COMPRESSOR	AMERICAN B	13211B1266	549955					
					EXHAUST FAN	IAV IND	N/A	N/A			ROOFTOP		
70	SANTA ANA GRAND			2012	FAU	PAYNE	PG8JAA066110-4						
						PAYNE	C60A210C166		5				

RFP MD1913 HVAC MAINTENANCE FIRE STATION EQUIPMENT LIST- APPENDIX H

STATION	LOCATION	BLT	LIFE YEAR	TYPE OF UNIT	MANUFACTURE	MODEL	SERIAL NUMBER	SIZE	UTILITY	LOCATION	FILTERS	QTY
					PAYNE	PA13NA060000						
71	SANTA ANA 17TH				CARRIER/COND	36AN012310	4002Y08596			ROOFTOP		
				WALL A/C	CARRIER	XCE183D	0403B07879			COMM ROOM	WASH	
				MINI	SANYO	CH1271	144664					
				EXHAUST FAN	LOREN COOK				BELT			
				EXFAN	LOREN COOK				BELT			
72	SANTA ANA			FAU	PAYNE	PG8JAA066110-4						
				COND UNIT	PAYNE	PA13NA0600000						
73	SANTA ANA FRANKLIN			FAU	PAYNE	PG8JAA066110-4	2409A31790				14251	1
				COND UNIT	PAYNE	PA13CA060B	1409X73257					
				EX FAN					BELT			
74	SANTA ANA BROADWAY			GAS	CARRIER	48TFL005	37303G40247		BELT		16252	2
				GAS	CARRIER	48GSN024040301	4505G10508				18202	1
				GAS	CARRRIER	48ESNA4206050	2310C81748				14241	2
				GAS	HEIL	PGC036K0606	G034030720				25251	1
				GAS	CARRIER	48TCDA08A5A0A0A	1210G50526		BELT		16202	4
				GAS	CARRIER	48ESNA3004030	1410C63547				10201	2
				GAS	CARRIER	48ESNA4206050	2410C83358				14241	2
					GOODMAN	HOC24-1AB	9804572831					
				MINI		WMX24-1A	6000737				WASH	
75	SANTA ANA WALNUT			HP	YORK	BLHH048A	NAMM009896				20241	1
				GAS	CARRIER	48ESNA4809030	3810C05092				24241	1
				HP	YORK	BPO78C00N	NGMM087029		BELT		20252	4
				MINI	FUJIT	AOU30C1	TOO4714					
				HP EVAP	YORK	F2FPO48H06B	XEMS132420				20242	
				HP CON	YORK	HP048X1221A	WDMM045987					
				MINI	FUJIT	ASU24C1	T005563				WASH	
				MINI	FUJIT	COU24C1	T800694					
				EVAP	QUIETSID	QSCE241						
				COND UNIT	QSCC241							
				MINI	SANYO	KS1271	589774					
				MINI	SANYO	C1271	264163					
				MINI	SANYO	KS1271	17361					
				MINI	SANYO	C1271	65661					
76	SANTA ANA MACARTHUR			GAS	RHEEM	RRAB048JK08X	297102ADAA	4				
				GAS	CARRIER			5				
				GAS	CARRIER			5				
				EXFAN								
77	SANTA ANAGREENVILLE			FAU	BRYANT	310JAV0GC110	2906A30875				20222	2
				COND	PAYNE	PA13NR060C	3506X68113					
				EXFAN	GREENHECK	6B0814X	QDR3					
78	SANTA ANA NEWHOPE				PAYNE	PG8JAA066110	0304A41185				20252	
					YORK	YCH060S41SIC	WON9412999					
79	SANTA ANA WARNER			GAS	CARRIER	48GSN048090501	1504G11926				18181	
				GAS	CARRIER	48ESNA4809050	2310C81788				16242	2
				GAS	CARRIER	48ESNA3606050	2610C86101				12202	2
				GAS	CARRIER	48ESNA3606050	2610C86092				12202	2
				EXFAN	BCS	W-736			BELT			
79	CONT			GAS	CARRIER	48ESNA3606050	2610C86109				12202	4
				GAS	CARRIER	48ESNA3606050	2610C86114				12202	2

APPENDIX I - SAMPLE PROFESSIONAL SERVICES AGREEMENT

**ORANGE COUNTY FIRE AUTHORITY
PROFESSIONAL SERVICES AGREEMENT**

THIS AGREEMENT FOR PROFESSIONAL SERVICES ("Agreement") is made and entered into this _____ day of _____, 201____, by and between the Orange County Fire Authority, a public agency, hereinafter referred to as "OCFA", and _____, a _____, hereinafter referred to as "Firm".

RECITALS

WHEREAS, OCFA requires the services of a firm for the _____, hereinafter referred to as "Project"; and

WHEREAS, Firm has submitted to OCFA a proposal dated _____, a copy of which is attached hereto as Exhibit "A" and is incorporated herein by this reference; and

WHEREAS, based on its experience and reputation, Firm is qualified to provide the necessary services for the Project and desires to provide such services; and

WHEREAS, OCFA desires to retain the services of Firm for the Project.

NOW, THEREFORE, in consideration of the promises and mutual agreements contained herein, OCFA agrees to employ and does hereby employ Firm and Firm agrees to provide professional services as follows:

AGREEMENT

1. PROFESSIONAL SERVICES

1.1 Scope of Services.

In compliance with all terms and conditions of this Agreement, Firm shall provide those services specified in the "Proposal" attached hereto as Exhibit "A." Firm warrants that all services shall be performed in a competent, professional and satisfactory manner in accordance with all standards prevalent in the industry. In the event of any inconsistency between the terms contained in Exhibit "A" and the terms set forth in the main body of this Agreement, the terms set forth in the main body of this Agreement shall govern.

1.2 Compliance with Law.

All services rendered hereunder shall be provided in accordance with all laws, ordinances, resolutions, statutes, rules, and regulations of OCFA and any federal, state or local governmental agency of competent jurisdiction.

1.3 Licenses and Permits.

Firm shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement.

1.4 Familiarity with Work.

By executing this Agreement, Firm warrants that Firm (a) has thoroughly investigated and considered the work to be performed, (b) has investigated the site of the work and become fully acquainted with the conditions there existing, (c) has carefully considered how the work should be performed, and (d) fully understands the facilities, difficulties and restrictions attending performance of the work under this Agreement. Should the Firm discover any latent or unknown conditions materially differing from those inherent in the work or as represented by OCFA, Firm shall immediately inform OCFA of such fact and shall not proceed with any work except at Firm's risk until written instructions are received from the Contract Officer.

1.5 Care of Work.

Firm shall adopt and follow reasonable procedures and methods during the term of the Agreement to prevent loss or damage to materials, papers or other components of the work, and shall be responsible for all such damage until acceptance of the work by OCFA, except such loss or damages as may be caused by OCFA's own negligence.

1.6 Additional Services.

Firm shall perform services in addition to those specified in the Proposal when directed to do so in writing by the Contract Officer, provided that Firm shall not be required to perform any additional services without compensation. Any additional compensation not exceeding ten percent (10%) of the original Agreement sum must be approved in writing by the Contract Officer. Any greater increase must be approved in writing by _____.

2. TIME FOR COMPLETION

The time for completion of the services to be performed by Firm is an essential condition of this Agreement. Firm shall prosecute regularly and diligently the work of this Agreement according to the schedules set forth in Firm's proposal. Firm shall not be accountable for delays in the progress of its work caused by any condition beyond its control and without the fault or negligence of Firm. Delays shall not entitle Firm to any additional compensation regardless of the party responsible for the delay.

3. COMPENSATION OF FIRM

3.1 Compensation of Firm.

For the services rendered pursuant to this Agreement, Firm shall be compensated and reimbursed, in accordance with the terms set forth in Exhibit "A," in an amount not to exceed \$ _____.

3.2 Method of Payment.

In any month in which Firm wishes to receive payment, Firm shall no later than the first working day of such month, submit to OCFA in the form approved by OCFA's Director of Finance, an invoice for services rendered prior to the date of the invoice. OCFA shall pay Firm for all expenses stated thereon which are approved by OCFA consistent with this Agreement, within thirty (30) days of receipt of Firm's invoice.

3.3 Changes.

In the event any change or changes in the work is requested by OCFA, the parties hereto shall execute an addendum to this Agreement, setting forth with particularity all terms of such addendum, including, but not limited to, any additional fees. Addenda may be entered into:

A. To provide for revisions or modifications to documents or other work product or work when documents or other work product or work is required by the enactment or revision of law subsequent to the preparation of any documents, other work product or work;

B. To provide for additional services not included in this Agreement or not customarily furnished in accordance with generally accepted practice in Firm's profession.

3.4 Appropriations.

This Agreement is subject to and contingent upon funds being appropriated therefore by the OCFA Board of Directors for each fiscal year covered by the Agreement. If such appropriations are not made, this Agreement shall automatically terminate without penalty to OCFA.

4. PERFORMANCE SCHEDULE

4.1 Time of Essence.

Time is of the essence in the performance of this Agreement.

4.2 Schedule of Performance.

All services rendered pursuant to this Agreement shall be performed within the time periods prescribed in Firm's proposal, attached hereto as Exhibit "A". The extension of any time period specified in Exhibit "A" must be approved in writing by the Contract Officer.

4.3 Force Majeure.

The time for performance of services to be rendered pursuant to this Agreement may be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Firm, including, but not restricted to, acts of God or of a public enemy, acts of the government, fires, earthquakes, floods, epidemic, quarantine restrictions, riots, strikes, freight embargoes, and unusually severe weather if the Firm shall within ten (10) days of the commencement of such condition notify the Contract Officer who shall thereupon ascertain the facts and the extent of any necessary delay, and extend the time for performing the services for the period of the enforced delay when and if in the Contract Officer's judgment such delay is justified, and the Contract Officer's determination shall be final and conclusive upon the parties to this Agreement.

4.4 Term.

Unless earlier terminated in accordance with Section 8.5 of this Agreement, this Agreement shall continue in full force and effect until satisfactory completion of the services but not exceeding _____ from the date hereof, unless extended by mutual written agreement of the parties.

5. COORDINATION OF WORK

5.1 Representative of Firm.

The following principal of the Firm is hereby designated as being the principal and representative of Firm authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principal is a substantial inducement for OCFA to enter into this Agreement. Therefore, the foregoing principal shall be responsible during the term of this Agreement for directing all activities of Firm and devoting sufficient time to personally supervise the services hereunder. The foregoing principal may not be changed by Firm without the express written approval of OCFA.

5.2 Contract Officer.

The Contract Officer shall be _____, unless otherwise designated in writing by OCFA. It shall be the Firm's responsibility to keep the Contract Officer fully informed of the progress of the performance of the services and Firm shall refer any decisions that must be made by OCFA to the Contract Officer. Unless otherwise specified herein, any approval of OCFA required hereunder shall mean the approval of the Contract Officer.

5.3 Prohibition Against Subcontracting or Assignment.

The experience, knowledge, capability and reputation of Firm, its principals and employees, were a substantial inducement for OCFA to enter into this Agreement. Therefore, Firm shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of OCFA. In addition, neither this Agreement nor any interest herein may be assigned or transferred, voluntarily or by operation of law, without the prior written approval of OCFA.

5.4 Independent Contractor.

Neither OCFA nor any of its employees shall have any control over the manner, mode or means by which Firm, its agents or employees, perform the services required herein, except as otherwise set forth herein. Firm shall perform all services required herein as an independent Firm of OCFA and shall remain at all times as to OCFA a wholly independent contractor with only such obligations as are consistent with that role. Firm shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of OCFA.

6. INSURANCE, INDEMNIFICATION AND BONDS

6.1 Insurance.

Firm shall procure and maintain, at its cost, and submit concurrently with its execution of this Agreement, public liability and property damage insurance against all claims for injuries against persons or damages to property resulting from Firm's performance under this Agreement. Firm shall also carry workers' compensation insurance in accordance with California worker's compensation laws. Such insurance shall be kept in effect during the term of this Agreement and shall not be cancelable without thirty (30) days written notice to OCFA of any proposed cancellation. OCFA's certificate evidencing the foregoing and designating OCFA as an additional named insured shall be delivered to and approved by OCFA prior to commencement of the services hereunder. The procuring of such insurance and the delivery of policies or certificates evidencing the same shall not be construed as a limitation of Firm's obligation to indemnify OCFA, its Firms, officers and employees. The amount of insurance required hereunder shall include comprehensive general liability, personal

injury and automobile liability with limits of at least _____ (\$_____) combined single limit coverage per occurrence and professional liability coverage with limits of at least _____ (\$_____). Coverage shall be provided by admitted insurers with an A.M. Best's Key Rating of at least A-VII. If Firm provides claims made professional liability insurance, Firm shall also agree in writing either (1) to purchase tail insurance in the amount required by this Agreement to cover claims made within three years of the completion of Firm's services under this Agreement, or (2) to maintain professional liability insurance coverage with the same carrier in the amount required by this Agreement for at least three years after completion of Firm's services under this Agreement. The Firm shall also be required to provide evidence to OCFA of the purchase of the required tail insurance or continuation of the professional liability policy.

6.2 Indemnification.

The Firm shall defend, indemnify and hold harmless OCFA, its officers and employees, from and against any and all actions, suits, proceedings, claims, demands, losses, costs, and expenses, including legal costs and attorneys' fees, for injury to or death of person or persons, for damage to property, including property owned by OCFA, and for errors and omissions committed by Firm, its officers, employees and agents, arising out of or related to Firm's performance under this Agreement, except for such loss as may be caused by OCFA's own negligence or that of its officers or employees.

7. RECORDS AND REPORTS

7.1 Reports.

Firm shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement as the Contract Officer shall require.

7.2 Records.

Firm shall keep such books and records as shall be necessary to properly perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. The Contract Officer shall have full and free access to such books and records at all reasonable times, including the right to inspect, copy, audit and make records and transcripts from such records.

7.3 Ownership of Documents.

All drawings, specifications, reports, records, documents and other materials prepared by Firm in the performance of this Agreement shall be the property of OCFA and shall be delivered to OCFA upon request of the Contract Officer or upon the termination of this Agreement, and Firm shall have no claim for further employment

or additional compensation as a result of the exercise by OCFA of its full rights or ownership of the documents and materials hereunder. Firm may retain copies of such documents for its own use. Firm shall have an unrestricted right to use the concepts embodied therein.

7.4 Release of Documents.

All drawings, specifications, reports, records, documents and other materials prepared by Firm in the performance of services under this Agreement shall not be released publicly without the prior written approval of the Contract Officer.

8. ENFORCEMENT OF AGREEMENT

8.1 California Law.

This Agreement shall be construed and interpreted both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Orange, State of California, or any other appropriate court in such county, and Firm covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

8.2 Waiver.

No delay or omission in the exercise of any right or remedy of a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. No consent or approval of OCFA shall be deemed to waive or render unnecessary OCFA's consent to or approval of any subsequent act of Firm. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

8.3 Rights and Remedies are Cumulative.

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

8.4 Legal Action.

In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain injunctive relief, a declaratory judgment, or any other remedy consistent with the purposes of this Agreement.

8.5 Termination Prior to Expiration of Term.

OCFA reserves the right to terminate this Agreement at any time, with or without cause, upon thirty (30) days written notice to Firm, except that where termination is due to the fault of the Firm and constitutes an immediate danger to health, safety and general welfare, the period of notice shall be such shorter time as may be appropriate. Upon receipt of the notice of termination, Firm shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. Firm shall be entitled to compensation for all services rendered prior to receipt of the notice of termination and for any services authorized by the Contract Officer thereafter.

Firm may terminate this Agreement, with or without cause, upon thirty (30) days written notice to OCFA.

8.6 Termination for Default of Firm.

If termination is due to the failure of the Firm to fulfill its obligations under this Agreement, OCFA may take over the work and prosecute the same to completion by contract or otherwise, and the Firm shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated, provided that OCFA shall use reasonable efforts to mitigate damages, and OCFA may withhold any payments to the Firm for the purpose of set-off or partial payment of the amounts owed to OCFA.

8.7 Attorneys' Fees.

If either party commences an action against the other party arising out of or in connection with this Agreement or its subject matter, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs of suit from the losing party.

9. OCFA OFFICERS AND EMPLOYEES; NON-DISCRIMINATION

9.1 Non-Liability of OCFA Officers and Employees.

No officer or employee of OCFA shall be personally liable to the Firm, or any successor-in-interest, in the event of any default or breach by OCFA or for any amount which may become due to the Firm or its successor, or for breach of any obligation of the terms of this Agreement.

9.2 Covenant Against Discrimination.

Firm covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination or segregation in the performance of or in connection with this Agreement regarding any

person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry. Firm shall take affirmative action to insure that applicants and employees are treated without regard to their race, color, creed, religion, sex, marital status, national origin, or ancestry.

10. MISCELLANEOUS PROVISIONS

10.1 Confidentiality.

Information obtained by Firm in the performance of this Agreement shall be treated as strictly confidential and shall not be used by Firm for any purpose other than the performance of this Agreement without the written consent of OCFA.

10.2 Notice.

Any notice, demand, request, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by pre-paid, first-class mail to the address set forth below. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated forty-eight (48) hours from the time of mailing if mailed as provided in this Section.

Orange County Fire Authority
Attention: _____
1 Fire Authority Road
Irvine, CA 92602

WITH COPY TO:
David E. Kendig, General Counsel
Woodruff, Spradlin & Smart
555 Anton Blvd. Suite 1200
Costa Mesa, CA 92626

To Firm:

[Name]
Attention: _____
[Address]

10.2 Integrated Agreement.

This Agreement contains all of the agreements of the parties and cannot be amended or modified except by written agreement.

10.3 Amendment.

This Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing.

10.4 Severability.

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement, which shall be interpreted to carry out the intent of the parties hereunder.

10.5 Corporate Authority.

The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by so executing this Agreement the parties hereto are formally bound to the provisions of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates stated below.

"OCFA"

ORANGE COUNTY FIRE AUTHORITY

Date: _____

By: _____

Keith Richter, Fire Chief

APPROVED AS TO FORM,

ATTEST:

By: _____

DAVID E. KENDIG
GENERAL COUNSEL

Sherry A.F. Wentz
Clerk of the Board

Date: _____

"FIRM"

[FIRM NAME]

Date: _____

By: _____



OCFA RFP MD1913

Proposal 2014

Original



Orange County Fire Authority
Attention: Purchasing Department
1 Fire Authority Road, Building C
Irvine, CA 92602

RFP MD1913 Due Date: 11:00 a.m. Monday March 3, 2014

Dear Sirs,

Harbor Pointe Air Conditioning & Control Systems, Inc. has been serving Orange, Los Angeles and Riverside counties since 1989. Over the years, Harbor Pointe has grown to become a trusted name in HVAC-R Service, Installations, Energy Management, Retrofitting and Maintenance to those we serve. The key to our success is through building long term relationships with clients and our responsiveness to their individual needs.

Harbor Pointe works primarily on Industrial, Commercial, Healthcare, and Institutional buildings so we offer an expertise in large systems including Central Plant Chiller operations and Control Systems. Our Service Department is completely computerized for dispatch, equipment history, and maintenances schedules. Service is available 24 hours a day 7 days a week with direct connection to the On-call Mechanics through our after-hours service.

You can expect dispatch on service calls same day. Response is what to expect from Harbor Pointe. Emergency Service calls are met within two hours for our clients. Given the opportunity to service and maintain a building's Air Conditioning, Mechanical and Energy Management systems, our team will respond to needs quickly and effectively, ensuring customer satisfaction which is and has always been our primary goal. Our maintenance and service manager works with each facility in tailoring and implementing their maintenance program to increase efficiency and extend the life of the equipment. Our Installation department manages both New and Retrofit Installations from start to finish with professionalism, working closely with each client to provide timely completion of each job. We also offer alternate support such as water treatment, piping insulation, and rental of portable air conditioning equipment.

Our technicians are well trained and certified Mechanics through Local Union 250 Steam Refrigeration Air Conditioning Pipe Fitters. As a service oriented business, we regard the mechanics and technicians in our service team as our most important asset. We encourage our service team to stay abreast of the changing technology within the industry through continual education either through the Union, Manufacturer Certification classes or Technical Certification classes.

*20914 Bake Parkway, Suite 110 • Lake Forest, CA 92630
Office: (949) 859-6101 • 1-800-377-7911 • FAX (949) 859-6153
License No. 683516*

Our Journeymen Service Technicians have decades of experience, including:

Energy Management Systems - Metasys, CCN, VVT, Pneumatic, Electronic, and VFDs

Chillers - reciprocating, rotary, centrifugal, process

Refrigeration Compressor - reciprocating, centrifugal, scroll

Roof top box car style air handlers

Package - Computer room air conditioning, split systems, modular heat pumps, air cooled, water cooled, fan coils, air handlers

Heating - gas or electric furnaces, boilers, heat exchangers

Refrigeration - Freezers, walk-ins, environmental, laboratory refrigeration

Condensers - Cooling towers, evaporative coolers

Diagnostics

Retrofits

Humidifiers

Air Dryers

Exhaust fans and Ventilation Systems

Air Compressors - reciprocating, screw

We have the experience and capabilities to install, upgrade, service and maintain advanced computer graphic monitored control technology for the purpose of managing energy through building automation. These systems include an Early Warning/Early Detection System for computer rooms and air conditioning systems. The monitoring systems provides for failure accountability, as well as an audit trail of the complex conditions. Harbor Pointe believes in long term functionality that relies upon system flexibility and expandability.

Harbor Pointe is dedicated to provide safe working conditions for all employees and to promote safety awareness at all levels. Harbor Pointe recognized it responsibility to furnish a place of employment which shall be safe for all employees, to provide safety devices and mechanical safeguards and to maintain and enforce a program to fulfill this responsibility.

We thank you for considering Harbor Pointe for your HVAC needs,



Greg Perez
President

APPENDIX A - OFFEROR'S INFORMATION

Please complete and/or provide all requested information. If the proposal is submitted by a corporation, please provide an additional attachment that states the names of the officers who can sign an agreement on behalf of the corporation and whether more than one officer must sign. If the proposal is by a partnership or a joint venture, state the names and addresses of all general partners and joint venture parties. If the respondent is a sole proprietorship or another entity that does business under a fictitious name, the proposal shall be in the real name of the respondent with a designation following showing "OBA (the fictitious name)," provided however, that no fictitious name shall be used unless there is a current registration with the Orange County Recorder.

The undersigned, as respondent, declares that all documents regarding this proposal have been examined and accepted and that, if awarded, will enter into a contract with the Orange County Fire Authority.

Firm's Legal Name: Harbor Pointe Air Conditioning & Control Systems, Inc.

Firm Parent or Ownership: Harbor Pointe Air Conditioning & Control Systems, Inc. is privately held by Greg and Sammi Perez, Directors

Address: 20914 Bake Parkway Suite 110, Lake Forest, CA 92630

Firm Telephone No. 949-859-6101	Firm Fax No. 949-859-6153
Firm's Tax I.D. Number: 33-0580849	Incorporate: YES -X

Legal form of company:(partnership, corporation, joint venture) C- Corporation

Length of time your firm has been in business: Since 1989, Incorporated August 19, 1993	Length of time at current location: 4 years Prior location 15 years
---	--

Number of employees and Number of Current Clients
12 employees and 150 clients

Management person responsible for direct contact with the Orange County Fire Authority and service required for this Request for Proposal (RFP).

Name: Greg and Sammi Perez	Title: President and CFO
Telephone No.: 949-235-1118 and 949-859-6101	E-mail: gperez@harborpointe.com or sdperez@harborpointe.com

Person responsible for the day-to-day servicing of the account:

Name: Sammi Perez	Title: CFO and Office Manager
Telephone No.: 949-859-6101	E-mail: sdperez@harborpointe.com







Background

Harbor Pointe began in 1989 with three Service Agreements and a background in Mechanical and Controls within the HVAC Industry. We have steadily grown each year to twelve dedicated employees and approximately 150 accounts at which we service and maintain HVAC and Refrigeration equipment. We specialize in Institutional, Municipal and Commercial facilities.

From the beginning Harbor Pointe's employees were Union trained but it was not until 2007 we rejoined the Union to provide our younger Mechanics with a further Education and skills we felt they could only receive as part of the Union. Our Journeymen Mechanics still attend classes to add to their skills and keep up with changes in Technology.

Harbor Pointe has worked on all facets of the HVAC industry from small window units and swamp coolers to Central Plant Chillers systems. We are trained and certified in controls from Pneumatics, Carrier VVT, and on into the modern Metasys controls. We are problems solvers dedicated to our clients and their Building Operations.

Work Plan

Harbor Pointe will take the Maintenance Guidelines that are in the Scope of Work provided and implement these requirements in to the Work Orders generated for the scheduled Maintenance. We will utilize off season scheduling to perform annuals on equipment: Spring Chiller Annuals and HVAC annuals including belt changes and coil cleaning, and Fall for Boiler Annuals.



Experience	Since
Yamaha Motors - Chiller & Pneumatic HVAC Maintenance, Repairs and Installs	1989
Santa Monica Bus Line - HVAC & Air Compressor Maintenance, Installs and Repairs, including Controls BAC-net based	1989
St Vincent Medical Center - Chiller and HVAC services	1989
Tarzana Medical Center - HVAC and Chiller Maintenance and Repairs including Re -Establishing services after Northridge Earthquake	1993-2008
North Hollywood Medical Center - HVAC and Chiller Maintenance and Repairs including Re-Establishing services after Northridge Earthquake	1993-Closing
Irvine Medical Center - HVAC Maintenance and Services, Refrigeration	1997-2010
Beverly Hospital - HVAC Maintenance and Services, Installations, VVT, Ducting, VAVs, De-humidifiers, Air Driers, Chillers,	1999
All Trade Tools - Metasys Install, Programming and Commissioning, HVAC Maintenance and repairs	2001
Coast Plaza Medical Center - Chiller and HVAC Maintenance and Repairs	2004
Kindred Hospitals - HVAC and Chiller Maintenance, Pneumatics	2004
Fountain Valley Regional Hospital - Chiller and HVAC Maintenance, Repairs and Installations. Pneumatics, Ducting, De-humidifiers, Air Driers	2005
Garfield Medical Center - Chiller maintenance HVAC Repairs, Pneumatics AHU refurbishing, Unit installations	2005
St Joseph Medical Center - HVAC and Chiller Repairs and Installs	2009
Hoag Irvine - refurbish rooftop Box cars AHU, Refrigeration	2010
CHOC - Plant Operations - Commission new Chillers in Central Plant	2012
Deutsch/TE Aerospace - HVAC, Chiller and Boiler Maintenance and Repairs	2012
Graphic Packaging International - HVAC and Chiller Maintenance and Repairs	2013
OCFA Stations - HVAC Maintenance, Repairs, Installs, Ducting including VVT, Pneumatics Metasys 5.0, Hot Deck/Cold Deck, Boiler Maintenance and Repairs, Exhaust Fans, Air Compressor Maintenance and Repairs, Ice Machine Maintenance	2002
OCFA Headquarters (RFOTC) Metasys 2.0, N-2 legacy, DX9100 Controller, UNT Controller, VMA, Web-based NAE and ADS Server, BAC net and FEC, including Programming, Graphics, Retrofitting the FX9100 to the DX9100, Added Generators to the Metasys for failure notification, HVAC Maintenance and Repairs, Chiller and Boiler Maintenance and Repairs, Ducting and Dampers	2004



Approach and Strategy

Harbor Pointe's approach is to follow the professional protocol specific to OCFA standards and guidelines set forth in the Scope of Work as well as Industry Standards for maintenance, service calls repairs and installations. We are prepared with qualified staff, quality materials and the desire to provide OCFA with quality service. Our goal is to start with proper communication throughout our service procedures, inspect equipment to provide cost effective solutions to repairs and to manage maintenance care procedures to minimize failures.

Computer tracking of all aspects of maintenance scheduling for both Head Quarters and each individual Station is key to effective maintenance and cost effective to repair versus replacement decisions. Prior to arriving on site, mechanics review previous notations and prepare for service before they arrive at the facility.

The Mechanics stay in communication with Facilities Management. Being able to notify OCFA of a needed repair including cost and availability of the materials, if a lead time is needed from the field enables an expedited solution to mechanical failures. All services are documented and reviewed with onsite personnel, Facilities Management and included within the billing process as a record of service.

Maintenance and Inspections are performed every ninety days. During this time minor repairs can be discovered and resolved minimizing the need for service call later. Belts are inspected and tightened each quarter and replaced in the spring or as needed. Coil cleaning is scheduled in the spring as well to increase efficiency of the machinery. At Headquarters, Chiller and Boiler Inspections are conducted quarterly with Annual Maintenance performed in the early spring for Chillers and early Fall for Boilers. Prevention is the reasoning behind maintenance.

The Regional Training Facility and the Fire Stations have been and will be assigned a team to work together on the equipment. The mechanics have the experienced and education required to execute the prescribed tasks and make necessary recommendations as well as the required repairs. Harbor Pointe's personnel are well trained in controls and all aspects of HVAC in order to serve their clients.



20914 Bake Pkwy, Suite 110
Lake Forest, CA 92630
Office 949-859-6101 Fax 949-859-6153

Work Order

March 01, 2014

Summary: MAINTENANCE

Reference #: 2168-634

Tech. CHRIS B.

Bill To:

OCFA Headquarters
1 Fire Authority Rd.
Irvine, CA 92602

Job Name:

OCFA Headquarters
1 Fire Authority Rd.
Irvine, CA 92602

Assistant 1

CHRIS P.

714-720-6067 STEVE K

Assistant 2

JUAN

714-368-8844 FAX

Assistant 3

ROBERT

714-720-6067 STEVE K

Assistant 4

SIMON

714-368-8844 FAX

Description of Work

Quarterly and Annual Scheduled Maintenance
RFOTC by Equipment

The scope of preventive maintenance services shall consist of the inspections, and services described herein for the attached list of machinery located within the RFOTC. Preventive Maintenance shall be performed four times each year, except as noted for Fire Station 61. One service each year shall be designated an annual maintenance service, completed as indicated herein. Prior to the conduction of any maintenance, technicians shall:

- Check in with the Property Management Office customer representative upon arrival.
- Check machinery and report any unusual condition, operations, noise or vibration.
- Check general operation and condition of equipment for cleanliness.
- Check for and report any hazard.
- Notify representative of repairs or materials required to correct deficiencies and maintain system in proper operating condition.
- Check out with the Property Management Office, report results prior to leaving premises

The following constitutes procedures, checks, evaluations and services that shall be provide as quarterly and annual preventive maintenance for the types of machinery identified:
Heat Rejection Systems - Reciprocating- Air-cooled

Quarterly Preventative Maintenance

- Check oil level. Oil samples shall be taken and evaluated on all compressors during the Spring service check refrigerant charge
- Check for normal/proper operation.
- Check operation of high and low-pressure controls and safety controls Check for visible signs of refrigerant leaks.
- Check and lube condenser fans and motors.
- Check condenser surface for cleanliness. Chemical clean and high pressure wash at least once per year.

Annual Maintenance

- All quarterly preventive maintenance
- Chemically clean and pressure wash all coils



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Work Order

March 01, 2014

Summary: MAINTENANCE

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Tech. CHRIS B.

Bill To:

OCFA Headquarters
1 Fire Authority Rd.
Irvine, CA 92602

Job Name:

OCFA Headquarters
1 Fire Authority Rd.
Irvine, CA 92602

Assistant 1

CHRIS P

714-720-6067 STEVE K

Assistant 2

JUAN

714-368-8844 FAX

Assistant 3

ROBERT

714-720-6067 STEVE K

Assistant 4

SIMON

714-368-8844 FAX

Description of Work

Air Handlers – Central Station Units Only

Quarterly Preventative Maintenance

- Lubricate all accessible bearings as required and inspect fan wheel.
- Inspect fan unit mountings.
- Inspect fan unit flex connectors.
- Inspect and adjust drive belts.
- Inspect fan drive sheaves for wear.
- Inspect and clean drain pans, insure accessibility.
- Clean, check, and inspect supply fans and variable frequency drives (VFD) at least once per year.

Annual Maintenance

- All quarterly maintenance checks and service.
- Chemically clean and wash coils

Boilers- Hot Water

Quarterly Preventative Maintenance

- Blow down boiler.
- Flush the auto-feeder.
- Check the feeder strainer and clean as necessary.
- Check and clean the gauge glass.
- Check the low water device and clean as required.
- Inspect the pilot operation and safety controls.
- Inspect the main burner condition and operation using electronic Moxier equipment.
- Check boiler clock.
- Check all linkage and lube as required.
- Check the safety relief valve and lube as necessary.

Annual Maintenance

- All quarterly preventive maintenance checks and service.
- Complete annual service and cleaning.
- Provide a written report stipulating the absence of CO

Chillers/Compressors – Reciprocating Water Cooled



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Lake Forest, CA 92630
Office 949-859-6101 Fax 949-859-6153

Work Order

March 01, 2014

Summary: MAINTENANCE

Reference #: 2168-634

Tech: CHRIS B.

Bill To:

OCFA Headquarters
1 Fire Authority Rd.
Irvine, CA 92602

Job Name:

OCFA Headquarters
1 Fire Authority Rd.
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Assistant 1

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714-720-6067 STEVE K

Assistant 2

JUAN

714-368-8844 FAX

Assistant 3

ROBERT

714-720-6067 STEVE K

Assistant 4

SIMON

714-368-8844 FAX

Description of Work

Quarterly Preventative Maintenance

- Check oil level.
- Change oil filters at Spring service.
- Check refrigerant charge.
- Check for normal, proper operation.
- Check operation of high and low pressure controls and safety controls.
- Check for visible signs of refrigerant leaks.
- Log pressures, temperature and amperage

Annual Maintenance

- All quarterly preventive maintenance check and services.
- Complete an annual maintenance service as specified in manufacturer's specifications.

Water Pumps

Quarterly Preventative Maintenance

- Lubricate bearings as required.
- Check reservoir oil level and add oil as required.
- Check for water leaks.
- Inspect pump couplings for wear and alignment.
- Check mounting heater for proper operation.
- Check pump operating pressures as required
- Check for abnormal vibration or noise.
- Check for motor starter and electrical connection adjust/tighten as required

Annual Maintenance

- N/A

Water Treatment

Quarterly Preventative Maintenance

- Check closed-loop for proper nitrite levels

Annual Maintenance

- N/A

Package Units

Quarterly Preventative Maintenance



20914 Bake Plwy, Suite 110
Lake Forest, CA 92630
Office 949-859-6101 Fax 949-859-6153

Work Order

March 01, 2014

Summary: MAINTENANCE

Reference #: 2168-634

Tech: CHRIS B.

Bill To:

OCFA Headquarters
1 Fire Authority Rd.
Irvine, CA 92602

Job Name:

OCFA Headquarters
1 Fire Authority Rd.
Irvine, CA 92602

Assistant 1

CHRIS P.

714-720-6067 STEVE K

Assistant 2

JUAN

714-368-8844 FAX

Assistant 3

ROBERT

714-720-6067 STEVE K

Assistant 4

SIMON

714-368-8844 FAX

Description of Work

- Check cooling operation (gas and electric)
- Check heating operation.
- Check condenser surface at least once per year, chemically clean with high pressure washer.
- Check evaporator surface.
- Check supply fan or blower.
- Inspect and adjust drive belts, as needed.
- Check condenser fans.
- Lubricate all accessible bearings.
- Check refrigerant charge.
- Check for proper voltage and electrical connections.
- Check crankcase heater for operation.
- Check controls, contactors and safeties.
- Insure all panels are securely installed.
- Check return and supply air temperature.
- Check filters, clean or replace per contract.
- Visually check system for leaks and piping integrity.
- Check economizer operation if applicable.
- Check pilot or igniter for proper operation.
- Visually check heat exchanger and clean if necessary.
- Check flue and flue cap.
- Check all safety controls.
- Check venter motor.
- Check all duct connections.
- Inspect and clean drain pans.
- Inspect the main burner condition and operation using electronic Moxier equipment

Annual Maintenance

- All quarterly preventive maintenance checks and services
- Chemically clean and power wash coils and condensers.

Exhaust Fans

Quarterly Preventative Maintenance

- Lube bearings.
- Inspect fan wheel(s).
- If accessible, inspect fan unit mountings
- Inspect fan unit flex connectors.



20914 Bake Pkwy, Suite 110
Lake Forest, CA 92630
Office 949-859-6101 Fax 949-859-6153

Work Order

March 01, 2014

Summary: MAINTENANCE

Reference #: 2168-634

Tech. CHRIS B.

Bill To:

OCFA Headquarters
1 Fire Authority Rd.
Irvine, CA 92602

Job Name:

OCFA Headquarters
1 Fire Authority Rd.
Irvine, CA 92602

Assistant 1

CHRIS P.

714-720-6067 STEVE K

Assistant 2

JUAN

714-368-8844 FAX

Assistant 3

ROBERT

714-720-6067 STEVE K

Assistant 4

SIMON

714-368-8844 FAX

Description of Work

- Inspect drive belts and adjust as required.
- Inspect fan pulleys for wear.
- Inspect and clean drain pan

Annual Maintenance

- Replace all drive belts

Filters

Quarterly Preventative Maintenance

- Filters shall be changed quarterly using standard 2" or 4" 30/30 pleated filters as specified.

Annual Maintenance

- N/A

Belts

Quarterly Preventative Maintenance

- Belts condition will be inspected during each quarterly service and replaced during one of the services.

Annual Maintenance

- N/A

Coils

Quarterly Preventative Maintenance

- Clean as required

Annual Maintenance

- Chemically clean and power wash



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Lake Forest, CA 92630
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Work Order

March 01, 2014

Summary: MAINTENANCE

Reference #: 2168-634

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Bill To:

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Job Name:

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Assistant 4

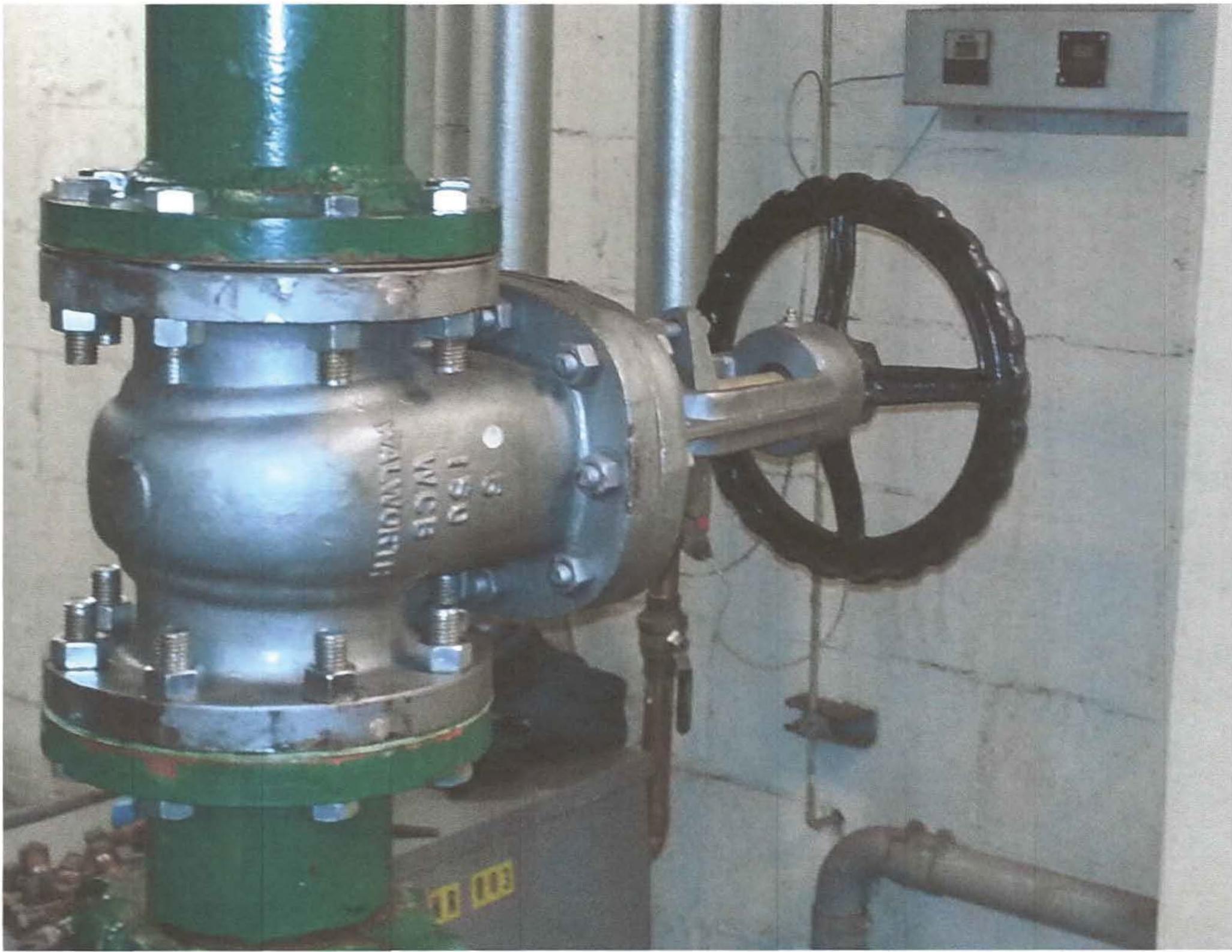
SIMON

714-368-8844 FAX

Description of Work

All material is guaranteed to be as specified. All work to be completed in a professional manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders will become an extra charge over and above the estimate. All agreements contingent upon delays beyond our control. Purchaser agrees to pay all costs of collection, including attorney's fees. This proposal may be withdrawn by us if not accepted by the above due date.

LICENSE NO. 683516





20914 Bake Pkwy, Suite 110
Lake Forest, CA 92630
Office 949-859-6101 Fax 949-859-6153

Work Order

March 01, 2014

Summary: HVAC MAINTENANCE

Reference #: 2394-144

Tech: SIMON

Bill To:

OCFA STATION 10 A/C
18422 E. LEMON DR.
YORBA LINDA, CA 92886

Job Name:

OCFA STATION 10 A/C
18422 E. LEMON DR.
YORBA LINDA, CA 92886

714-970-1216

714-970-1216

Description of Work

C. Quarterly and Annual Scheduled Maintenance – Fire Stations

Every scheduled preventive maintenance visit to a fire station shall begin by checking in with the station Captain and end by checking out (if possible). The following elements shall be checked and verified with each scheduled service:

- Prior to service, check the temperature and air flow for both heating and cooling in every zone.
- Check the operation and accuracy of all thermostats and time clock.
- Check for proper operation of all contact points and contactors.
- Check and verify tightness of all electrical connection and the serviceability of all insulation.
- Insure cleanliness of equipment, work area and that equipment is free of corrosion.
- Insure all covers, guards, doors, latches and safety systems are in place and secure.
- Ensure that all HVAC machinery is functioning correctly prior to departure.

Each quarter, every fire station shall receive a quarterly preventive maintenance service. One of the quarterly maintenance services shall be considered an annual maintenance service, which shall include the entire quarterly program augmented as indicated herein. Every quarterly preventive maintenance visit to a fire station shall include each of the following:

Quarterly Preventative Maintenance

- Insure proper lock-out procedures of all electrical power and hazardous energy prior to performing any work.
- Check the condition of all diffusers, grates and dampers.
- Check, clean or replace all filters as required (Merv 8, 30-30 pleated filters).
- Check all mounting bolts, hanger rods, and mounting brackets for proper condition and security.
- Inspect all piping for leak integrity.
- Check and adjust (if necessary) all belts for alignment, tension and condition.
- Check sheaves, shafts, and all couplings for tightness and wear.
- Check all bearings, and seals for signs of wear and failure.
- Check all motors and bearings for heat, noise and vibration.
- Clean all fan assemblies.
- Check fan assemblies, blade condition, pitch, bearing, shafts, and mounts. Check for vibration.
- Lubricate all bearing and lubrication points as necessary.
- Check all condensation drain lines and pumps for condition, leaks, and obstructions.
- Check for proper refrigerant charge.
- Check for proper lubricant levels in all compressors.

- Check all coils and condensers. At least one service shall include cleaning.
- Add pan tablets at least once per year to prevent growth in pans/units.



20914 Bake Pkwy, Suite 110
Lake Forest, CA 92630
Office 949-859-6101 Fax 949-859-6153

Work Order

March 01, 2014

Summary: HVAC MAINTENANCE

Reference #: 2394-144

Tech. SIMON

Bill To:

OCFA STATION 10 A/C
18422 E. LEMON DR.
YORBA LINDA, CA 92886

Job Name:

OCFA STATION 10 A/C
18422 E. LEMON DR.
YORBA LINDA, CA 92886

714-970-1216

714-970-1216

Description of Work

- Check and verify proper operation of all gas valves and pilots.
- Check fire boxes, burners and heat exchanges for proper operation.

Annual Maintenance

- Replace all drive belts.
- Chemically clean and pressure wash all coils and condensers.
- Add pan tablets to condensate pans to prevent any growth in the unit.

The following stations have exceptional energy management system and/or a unique scheduled maintenance requirement:

- Fire Station 17 – Johnson Control System, Metasys 5.0.
- Fire Station 46 – Johnson Control System, Metasys 5.0.
- Fire Station 58 – Carrier VVT control system.
- Fire Station 71 – Carrier VVT control system.
- Fire Station 61 – Johnson Control system, Hot Deck/Cold Deck and pneumatic controls.
- Fire Station 61 HVAC required bi-monthly service that shall be the same as prescribed for quarterly preventive

All material is guaranteed to be as specified. All work to be completed in a professional manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders will become an extra charge over and above the estimate. All agreements contingent upon delays beyond our control. Purchaser agrees to pay all costs of collection, including attorney's fees. This proposal may be withdrawn by us if not accepted by the above due date.

LICENSE NO. 683516

OCFA STATION MAINTENANCE ROUTING

In order to allow for calls, training days, or repairs found on pms, stations are grouped in proximity and in Cycles.

This schedule allows PMs to be completed with another Route group within the same Cycle.

CYCLE 1 1ST THROUGH 10TH OF THE MONTH MAINTENANCE IS SCHEDULED AND COMPLETED

CYCLE 2 11TH THROUGH 20TH MAINTENANCE IS SCHEDULED AND COMPLETED

CYCLE 3 21ST THROUGH THE 30TH MAINTENANCE IS SCHEDULED AND COMPLETED.

Coil cleaning and belt changes are done in the Spring Quarter (Mar/Apr/May)

ROUTE ONE STATION 60 STATION 59 STATION 50 STATION 29	FEB/MAY/AUG/NOV	CYCLE 1
--	------------------------	----------------

ROUTE TWO STATION 30 STATION 7 STATION 49 STATION 5	FEB/MAY/AUG/NOV	CYCLE 1
--	------------------------	----------------

ROUTE THREE STATION 11 STATION 57 STATION 39	FEB/MAY/AUG/NOV	CYCLE 2
--	------------------------	----------------

ROUTE FOUR STATION 22 STATION 19 STATION 38 STATION 51	FEB/MAY/AUG/NOV	CYCLE 2
---	------------------------	----------------

ROUTE FIVE STATION 20 STATION 36 STATION 37 STATION 4	FEB/MAY/AUG/NOV	CYCLE 3
--	------------------------	----------------

ROUTE SIX STATION 26 STATION 6 STATION 28	FEB/MAY/AUG/NOV	CYCLE 3
---	------------------------	----------------

ROUTE SEVEN STATION 24 STATION 9 STATION 58 STATION 40	JAN/APR/JUL/OCT coil cleaning every visit of RTU	CYCLE 1
ROUTE EIGHT STATION 31 STATION 45 STATION 18	JAN/APR/JUL/OCT	CYCLE 1
ROUTE NINE STATION 54 STATION 42 STATION 16 STATION 15 STATION 14	JAN/APR/JUL/OCT	CYCLE 2
ROUTE TEN STATION 27 STATION 55 STATION 43	JAN/APR/JUL/OCT	CYCLE 2
ROUTE ELEVEN STATION 37 STATION 21 STATION 8 STATION 23	JAN/APR/JUL/OCT	CYCLE 3
ROUTE TWELVE STATION 70 STATION 72 STATION 75 HISTORIC STATION	JAN/APR/JUL/OCT	CYCLE 3
ROUTE THIRTEEN STATION 74 STATION 79 STATION 76 STATION 77	MAR/JUN/SEPT/DEC	CYCLE 1
ROUTE FOURTEEN STATION 71 STATION 73 STATION 78	MAR/JUN/SEPT/DEC	CYCLE 1

ROUTE FIFTEEN **MAR/JUN/SEPT/DEC** **CYCLE 2**
STATION 66
STATION 25
STATION 64
STATION 65

ROUTE SIXTEEN **MAR/JUN/SEPT/DEC** **CYCLE 2**
STATION 44
STATION 48
STATION 2
STATION 17

ROUTE SEVENTEEN **MAR/JUN/SEPT/DEC** **CYCLE 3**
STATION 46
STATION 63
STATION 13
STATION 61* **MAR/SEPT ONLY** coil cleaning every visit
STATION 62
STATION 41

ROUTE EIGHTEEN **MAR/JUN/SEPT/DEC** **CYCLE 3**
STATION 35
STATION 34
STATION 10
STATION 32
STATION 53

***Station 61 - bi monthly maintenance outside of ROUTE SEVENTEEN**

ROUTE THIRTY THREE	MAY/ NOV	CYCLE 3
STATION 61		coil cleaning every visit
1505		
1997		

ROUTE FORTY EIGHT	JAN/JUL	CYCLE 3
STATION 61		coil cleaning every visit
2267		
1189		
2805		



FIRE
EXTINGUISHER
↓



Metasys Experience

Harbor Pointe has worked with Johnson Control systems since 2004 including installation, maintaining, retrofitting, repairing of components, backing up and upgrading programming of the 2.0 and 5.0 versions of Metasys

Trained in Metasys is Chris Butler our Foreman and Senior Mechanic. Mr. Butler has been assigned to OCFA since 2004.

Greg Perez, Owner and Senior Mechanic

Simon Kang, 2nd Year Apprentice with five years of experience in the trade

We subcontract the programming portion of Metasys to Refrigeration Supplies Distributor located in Lake Forest. We have subcontracted RSD since 2004 in the design and commissioning of Metasys. Their Programmer Ty Tucker has worked with all versions of Metasys and is most familiar with OCFA's systems.

Mr. Butler and Mr. Tucker have resolved all of OCFA's Metasys problems that have risen over the last ten years.

License

Harbor Pointe carries a C-20 Warm Air Heating and Ventilation and a C-38 license Refrigeration

Should Harbor Pointe need assistance with Boilers beyond our C-20 license, we call on Parker Boiler, C-4 licensed, to provide technical support over the phone or to provide service. We have called on them once in the last ten years for a problem at Station 58s boiler due to a design flaw.

Our C-20 license allows us to duct but should it be necessary to call for fabrication of special pieces or design we would use C-43 licensed Cardinal Sheet Metal.





DEPARTMENT OF CONSUMER AFFAIRS

Contractors State License Board**C20 - Warm-Air Heating, Ventilating and Air-Conditioning Contractor****California Code of Regulations****Title 16, Division 8, Article 3. Classifications**

A warm-air heating, ventilating and air-conditioning contractor fabricates, installs, maintains, services and repairs warm-air heating systems and water heating heat pumps, complete with warm-air appliances; ventilating systems complete with blowers and plenum chambers; air-conditioning systems complete with air-conditioning unit; and the ducts, registers, flues, humidity and thermostatic controls and air filters in connection with any of these systems. This classification shall include warm-air heating, ventilating and air-conditioning systems which utilize solar energy.

Authority cited: Sections 7008 and 7059, Reference: Sections 7058 and 7059 (Business and Professions Code)

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DEPARTMENT OF CONSUMER AFFAIRS

Contractors State License Board

C38 - Refrigeration Contractor

California Code of Regulations

Title 16, Division 8, Article 3. Classifications

A refrigeration contractor constructs, fabricates, erects, installs, maintains, services and repairs refrigerators, refrigerated rooms, and insulated refrigerated spaces, temperature insulation, air-conditioning units, ducts, blowers, registers, humidity and thermostatic controls for the control of air, liquid, and/or gas temperatures below fifty degrees Fahrenheit (50), or ten degrees Celsius (10).

Authority cited: Sections 7008 and 7059, Reference: Sections 7058 and 7059 (Business and Professions Code)

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DEPARTMENT OF CONSUMER AFFAIRS

Contractors State License Board

Contractor's License Detail - License # 683516

⚠️ DISCLAIMER: A license status check provides information taken from the CSLB license database. Before relying on this information, you should be aware of the following limitations.

- ➔ CSLB complaint disclosure is restricted by law ([B&P 7124.6](#)) If this entity is subject to public complaint disclosure, a link for complaint disclosure will appear below. Click on the link or button to obtain complaint and/or legal action information.
- ➔ Per [B&P 7071.17](#) , only construction related civil judgments reported to the CSLB are disclosed.
- ➔ Arbitrations are not listed unless the contractor fails to comply with the terms of the arbitration.
- ➔ Due to workload, there may be relevant information that has not yet been entered onto the Board's license database.

License Number **683516** Extract Date **2/27/2014**

HARBOR POINTE AIR CONDITIONING & CONTROL SYSTEMS INC

Business Information Business Phone Number: (949) 859-6101

20914 BAKE PARKWAY UNIT 110
LAKE FOREST, CA 92630

Entity Corporation
Issue Date 12/31/1993
Expire Date 12/31/2015

License Status **ACTIVE**

This license is current and active. All information below should be reviewed.

Classifications	CLASS	DESCRIPTION
	C20	WARM-AIR HEATING, VENTILATING AND AIR-CONDITIONING
	C38	REFRIGERATION

CONTRACTOR'S BOND

This license filed a Contractor's Bond with
[DEVELOPERS SURETY AND INDEMNITY COMPANY.](#)

Bond Number: 744284C

Bond Amount: \$12,500

Effective Date: 01/01/2007

Bonding [Contractor's Bond History](#)

BOND OF QUALIFYING INDIVIDUAL

1. The Responsible Managing Officer (RMO) PEREZ GREGORY HOWARD certified that he/she owns 10 percent or more of the voting stock/equity of the corporation. A bond of qualifying individual is **not** required.

Effective Date: 02/09/2008

[BQI's Bond History](#)

Workers' Compensation

WORKERS' COMPENSATION

This license has workers compensation insurance with
EVEREST NATIONAL INSURANCE COMPANY

Policy Number: 7600009834131

Effective Date: 10/01/2012

Expire Date: 10/01/2014

Workers' Compensation History

Personnel List

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DEPARTMENT OF CONSUMER AFFAIRS

Contractors State License Board

C-4 - Boiler, Hot Water Heating and Steam Fitting Contractor

California Code of Regulations

Title 16, Division 8, Article 3. Classifications

A boiler, hot-water heating and steam fitting contractor installs, services and repairs power boiler installations, hot-water heating systems and steam fitting, including fire-tube and water-tube steel power boilers and hot-water heating low pressure boilers, steam fitting and piping, fittings, valves, gauges, pumps, radiators, convectors, fuel oil tanks, fuel oil lines, chimneys, flues, heat insulation and all other equipment, including solar heating equipment, associated with these systems.

Authority cited: Sections 7008 and 7059, Reference: Sections 7058 and 7059 (Business and Professions Code)

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DEPARTMENT OF CONSUMER AFFAIRS

Contractors State License Board

Contractor's License Detail - License # 368870

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- ➔ Per [B&P 7071.17](#), only construction related civil judgments reported to the CSLB are disclosed.
- ➔ Arbitrations are not listed unless the contractor fails to comply with the terms of the arbitration.
- ➔ Due to workload, there may be relevant information that has not yet been entered onto the Board's license database.

License Number	368870	Extract Date 2/27/2014				
	SID E PARKER BOILER MFG COMPANY INC DBA PARKER BOILER CO					
Business Information	Business Phone Number: (323) 727-9800 5930 BANDINI BLVD LOS ANGELES, CA 90040					
Entity	Corporation					
Issue Date	02/05/1979					
Expire Date	02/28/2015					
License Status	ACTIVE This license is current and active. All information below should be reviewed.					
Classifications	<table border="0"> <thead> <tr> <th style="text-align: left;">CLASS</th> <th style="text-align: left;">DESCRIPTION</th> </tr> </thead> <tbody> <tr> <td>C-4</td> <td><u>BOILER, HOT WATER HEATING AND STEAM FITTING</u></td> </tr> </tbody> </table>		CLASS	DESCRIPTION	C-4	<u>BOILER, HOT WATER HEATING AND STEAM FITTING</u>
CLASS	DESCRIPTION					
C-4	<u>BOILER, HOT WATER HEATING AND STEAM FITTING</u>					
Bonding	<p>CONTRACTOR'S BOND</p> <p>This license filed a Contractor's Bond with <u>AMERICAN CONTRACTORS INDEMNITY COMPANY.</u></p> <p>Bond Number: SC469143 Bond Amount: \$12,500 Effective Date: 03/02/2009</p> <p><u>Contractor's Bond History</u></p> <p>BOND OF QUALIFYING INDIVIDUAL</p> <p>1. The Responsible Managing Officer (RMO) DANENHAUER SJD DAVID certified that he/she owns 10 percent or more of the voting stock/equity of the corporation. A bond of qualifying individual is not required.</p> <p>Effective Date: 01/01/1980</p>					
Workers' Compensation	WORKERS' COMPENSATION					

This license has workers compensation insurance with
REPUBLIC INDEMNITY COMPANY OF AMERICA

Policy Number: 176470

Effective Date: 01/01/2014

Expire Date: 01/01/2015

Workers' Compensation History

Personnel List

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DEPARTMENT OF CONSUMER AFFAIRS

Contractors State License Board**C43 - Sheet Metal Contractor****California Code of Regulations****Title 16, Division 8, Article 3. Classifications**

A sheet metal contractor selects, cuts, shapes, fabricates and installs sheet metal such as cornices, flashings, gutters, leaders, pans, kitchen equipment, duct work (including insulation, patented chimneys, metal flues, metal roofing systems and any other installations requiring sheet metal).

Authority cited: Sections 7008 and 7059, Reference: Sections 7058 and 7059 (Business and Professions Code)

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DEPARTMENT OF CONSUMER AFFAIRS

Contractors State License Board

Contractor's License Detail - License # 720833

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- ➔ CSLB complaint disclosure is restricted by law ([B&P 7124.6](#)) If this entity is subject to public complaint disclosure, a link for complaint disclosure will appear below. Click on the link or button to obtain complaint and/or legal action information.
- ➔ Per [B&P 7071.17](#), only construction related civil judgments reported to the CSLB are disclosed.
- ➔ Arbitrations are not listed unless the contractor fails to comply with the terms of the arbitration.
- ➔ Due to workload, there may be relevant information that has not yet been entered onto the Board's license database.

License Number **720833** Extract Date **2/27/2014**

CARDINAL SHEET METAL INC

Business Information

Business Phone Number: (951) 788-8800

3184 DURAHART STREET
RIVERSIDE, CA 92507

Entity

Corporation

Issue Date

04/04/1996

Expire Date

04/30/2014

License Status

ACTIVE

This license is current and active. All information below should be reviewed.

Classifications

CLASS DESCRIPTION

C43 SHEET METAL

C20 WARM-AIR HEATING, VENTILATING AND AIR-CONDITIONING

CONTRACTOR'S BOND

This license filed a Contractor's Bond with
AMERICAN CONTRACTORS INDEMNITY COMPANY.

Bond Number: SC638602

Bond Amount: \$12,500

Effective Date: 03/02/2009

Contractor's Bond History

Bonding

BOND OF QUALIFYING INDIVIDUAL

1. The Responsible Managing Officer (RMO) SEYLER BRUCE LEO certified that he/she owns 10 percent or more of the voting stock/equity of the corporation. A bond of qualifying individual is **not** required.

Effective Date: 02/21/2012

BQI's Bond History

Workers' Compensation

WORKERS' COMPENSATION

This license has workers compensation insurance with
NORGUARD INSURANCE COMPANY

Policy Number: CAWC471749

Effective Date: 10/01/2013

Expire Date: 10/01/2014

Workers' Compensation History

Personnel listed on this license (current or disassociated) are listed on other licenses.

[Personnel List](#)

[Other Licenses](#)

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AQUASAP

Carrier

02
DUAL

CAUTION
CAUTION

CHILLED WATER SUPPLY

CHILLED WATER RETURN





Claims on License

Harbor Pointe's licenses have never had a claim.

Qualifications

Harbor Pointe's qualifications include Mechanics with decades of experience in HVAC services. Signatory to Labor Agreements with United Association of Journeymen and Apprentices of the Plumbing and Pipefittings Industry of the United States and Canada - Union Local 250.

Bankruptcy

Harbor Pointe has never filed bankruptcy.

Litigation

Harbor Pointe has not been involved with litigation

Termination of Contract

Harbor Pointe has never been terminated from a contract or failed to complete a contract awarded. If anything we receive more work from our clients. When Engineers or Facility Management leave for a new endeavor, they tend to take Harbor Pointe with them and the new Managements tend to keep utilizing our services.

Emergency Response Procedures

Whether before, during or after hours, a call placed to the office is responded to immediately. The closest Mechanic is notified through a computerized dispatch and receives a follow up call with additional information and confirmation of arrival. The client is contacted with confirmation that the mechanic will be arriving usually within the hour. Depending on the situation, additional mechanics are notified and are on stand-by in case needed to assist.

Some of our clients prefer to call directly to the Mechanics in Emergency situations. The Mechanic contacts the office for clearance to respond or to provide another mechanic to respond if they are not able to clear their present job.

If the call is After Hours, our ON-Call Mechanic will be notified by the Answering Service through text and phone call. Back-up mechanics will be called in, if needed or as the situation dictates.

In case of a Natural Disaster, our Mechanics and our Office Staff are prepared to respond for service.

Auxiliary services are available. Supply houses can be opened if needed. Temporary air can be provided if needed, if parts are not locally available. Our goal is to bring proper function and service back to our clients HVAC systems as quickly and cost effectively as possible.

On-Call Response Time

Our on-call response time is under two hours. Our mechanics all live in Orange County from Buena Park to San Clemente. The Mechanics take their On-Call duty seriously and arrange their evenings and weekends to be noncommittal in their off hours.

Service Calls

Service calls are received by phone or by e-mail depending on the client. The office staff takes the information from the client, enters it in the computer and dispatches the mechanic to respond. On a daily basis, we have what we call Floater Mechanics whose work load is structured for service call

response in less than two hours. We utilize a computerized tracking system on the vehicles to give us a quick visual on all Mechanics locations. Upon dispatch, clients are notified of pending arrival. Once on site, the Mechanic checks in with the proper personnel and begins the diagnostic procedures to locate the problem. He then speaks with the client regarding the repair including price quoting the repair. Upon client approval, material is gathered if needed and repairs are completed in a timely manner. Service is written up and discussed with client in order to close the job with signatures, if available.

Availability

Harbor Pointe is available 24/7/365. Our Mechanics start their normal work day as early as 7 a.m. depending on their work for the day or as late as 9 a.m. in order to cover late service calls. The Office opens at 8:30 a.m. unless conditions warrant the staff to be on site earlier or stay past 5 p.m.

Quality Assurance

Quality Assurance is approached two different ways. First, Harbor Pointe's Senior Mechanics and Owners will periodically inspect job sites in the course of their day. Secondly, Maintenance routes are periodically changed up so that fellow mechanics are checking on one another. Quality Assurance includes communication with the client, work performed, clean up and service report documentation.

Filters and Maintenance

We send qualified Mechanics to perform maintenance for our clients. We do not use a filter company to change filters. Our mechanics are trained in Client location specifics with respect to the maintenance. All our mechanics are capable and perform Maintenance Inspection, Filter changes, put together quotes on repairs found, Repair Service, and Installation.

Warranties and Guarantees for Services Provided

Harbor Pointe wants our clients to be completely satisfied with our services. We stand by our work. We warranty our labor for small repair items for 90 days, compressor and motor replacement and install for one year

Parts Warranty

Harbor Pointe's warranty for parts is the Manufacturer's warranty. Compressors and motors are one year. New installs are One year parts and labor except for Compressors which are warranted by the manufacturer for five years

Communications

Client communication is essential in our business. Harbor Pointe prefers to speak with the client directly in most cases regarding services and limit e-mail to quick messages. Quotes are sent via e-mail to Facilities Management. Responses to quotes sent to clients are received verbally or by email. Harbor Pointe will respond back via email to confirm approval and give further information if needed such as scheduled time we will be onsite, a crane lift or arrival of equipment for replacement. We want to be sure the client is aware at all times of the services they approved.

What Distinguishes Harbor Pointe from other firms

Harbor Pointe distinguishes itself in the HVAC industry by believing in those "Old Fashion Values" of truly caring about each and every client as if they were the only client we serve. We take our responsibility to the client personal and as a reflection of ourselves. We want to provide the best service, meet the needs of our clients and establish a professional relationship so we are the one they call for HVAC service. Our Mechanics are carefully selected. They bring a quality to Harbor Pointe that is shared with our team. The Mechanics learn from each other through sharing experience and knowledge. We encourage education within the industry and knowledge of the expanding product innovations constantly being introduced. We truly want our mechanics to be the best so they serve the client in every way.

Subcontracting

Harbor Pointe rarely needs to subcontract elements of our services including ductwork and boiler services. Our mechanics are capable of all facets of the industry. It is only with specialty data programming we would subcontract. In the past subcontracting has equated to less than 3% of a contract.

OSHA Safety and Compliance

All of Harbor Pointes personnel are trained and certified in OSHA requirements. Some of our Mechanics are certified in MSHA. We hold monthly Safety Meetings with Vehicle Inspections as well as Tailgate meetings prior to start of a project to review safety procedures. We will notify clients of Safety issues that need to be resolved in their facilities as well. Safety is critical in our field and our first thought.





Injury and Illness Prevention Program

Fleet and Driving Safety

Motor vehicle accidents are the third leading cause of fatalities in the construction industry. Harbor Pointe Air Conditioning has established the following guidelines and procedures for our drivers and vehicles to protect the safety of individuals operating any motor vehicle on company business. Protecting our employee drivers, their passengers, and the public is of the highest priority. The commitment of management and employees is critical to the success of this program. Clear communication of, and strict adherence to, the program's guidelines and procedures are essential.

Our primary goal is to maintain a high level of safety awareness and foster responsible driving behavior. Driver safety awareness and responsible driving behavior will significantly decrease the frequency of motor vehicle accidents and reduce the severity of personal injuries and property damage.

Drivers must follow the requirements outlined in this program. Violations of this program may result in disciplinary action up to, and including, suspension of driving privileges or dismissal.

Our program consists of the following elements:

- Driver selection
- Driver training
- Vehicle use policy
- Vehicle inspection and preventive maintenance
- Accident investigation

Driver Selection

Only company authorized and assigned employees are allowed to drive company vehicles at any time. Prior to being authorized and assigned, Harbor Pointe Air Conditioning will check the following items. Drivers must have:

- A valid, unrestricted drivers license.
- A current MVR driving record with no more than 2 points and no serious or major violations.

Harbor Pointe Air Conditioning will also check driving records of all employees authorized to drive on company business on an annual basis.

Employees that do not meet these requirements are not authorized or allowed to drive company vehicles or drive their own vehicle on company business.

Driver Training

All employees driving company vehicles, and personal vehicles on company business, will be given a copy of the Driving Safety Rules and Company Vehicle Use Policy and required to read and sign for them. Safe driving will also be periodically covered at company safety meetings.

Company Vehicle Use Policy

Harbor Pointe Air Conditioning has established the following policies pertaining to company vehicles:

1. Personal and off duty use of Harbor Pointe Air Conditioning's vehicles is prohibited.
2. Only authorized employees may drive Harbor Pointe Air Conditioning's vehicles. No other family members may drive company vehicles.
3. Non-employee passengers are not permitted in Harbor Pointe Air Conditioning's vehicles at any time, unless they are business related.
4. Seat belts MUST be worn in Harbor Pointe Air Conditioning's vehicles at all times.
5. No employee is permitted to drive Harbor Pointe Air Conditioning's vehicles while impaired by alcohol, illegal or prescription drugs, or over the counter medications.
6. All accidents involving Harbor Pointe Air Conditioning's vehicles must be reported to the office immediately.
7. Employees with two or more preventable accidents in a three year period, or that obtain three points on their driving record, will be subject to a loss of their driving privileges or have their driving privileges restricted.

Vehicle Inspections & Preventative Maintenance

All Harbor Pointe Air Conditioning vehicles must be inspected by the driver prior to each use. Mechanical defects will be repaired immediately. Greg Perez will periodically spot check company vehicles to determine their condition.

Vehicle inspections will include:

- Lights
- Turn signals
- Emergency flashers
- Tires
- Horn
- Brakes
- Fluids
- Windshield condition and wiper condition

- Mirrors
- Cleanliness
- Oil Change frequency
- Gas mileage

All vehicles will also be maintained in accordance with the manufacturers' recommendations. It is the responsibility of the individual assigned the vehicle to ensure proper maintenance and repairs are performed. If your vehicle is not safe, do not drive.

Accident Investigation

All accidents in Harbor Pointe Air Conditioning's vehicles will be investigated by the superintendent and/or Harbor Pointe's president. Where possible, witness's statements will be obtained and photos used to document the scene of the accident and the damage. Police reports will also be obtained whenever possible. The following guidelines will be used to help determine preventability.

Auto Accident Preventability Guide

This guide will assist in determining whether our driver could have prevented the accident. An accident is preventable if the driver could have done something to avoid it. Drivers are expected to drive defensively. Which driver was primarily at fault, who received a traffic citation, or whether a claim was paid has no bearing on preventability. If there was anything our driver could have done to avoid the collision, then the accident was preventable.

An accident was non preventable when the vehicle was legally and properly parked, or when properly stopped because of a highway patrol officer, a signal, a stop sign, or traffic condition. When judging accident preventability, here are some general questions to consider:

1. Does the investigation indicate that the driver considers the rights of others, or is there evidence of poor driving habits, which need to be changed?
2. Does the investigation indicate driver awareness? Such phrases as "I did not see," "I didn't think," "I didn't expect," or "I thought" are signals indicating there probably was a lack of awareness and the accident was preventable. An aware driver should think, expect, and see hazardous situations in time to avoid collisions.
3. Was the driver under any physical stresses, which could have been contributory? Did the accident happen near the end of a long day or long drive? Did overeating contribute to fatigue? Did the driver get prior sufficient sleep? Is the driver's vision faulty? Was the driver feeling ill?

4. Was the vehicle defective without the driver's knowledge? Was a pre-trip inspection done, and would it have discovered the defect? A car which pulls to the left or right when the driver applies the brakes, faulty windshield wipers and similar items are excuses, and a driver using them is trying to evade responsibility. Sudden brake failure, loss of steering, or a blowout might be defects beyond the driver's ability to predict. However, pre-trip inspections and regularly scheduled maintenance should prevent most of these problems. If either of these are the cause of the accident, then the accident was probably preventable by the driver.
5. Could the driver have exercised better judgment by taking an alternate route through less congested areas to reduce the hazardous situations encountered?
6. Could the driver have done anything to avoid the accident?
7. Was the driver's speed safe for conditions?
8. Did the driver obey all traffic signals?
9. Was the driver's vehicle under control?

Intersection Collisions

Failure of our driver to yield the right-of-way, *regardless* of who has the right of way, as indicated by stop signs or lights, is preventable. The only exception to this is when the driver is properly proceeding through an intersection protected by lights or stop signs and the driver's vehicle is struck in the extreme rear side of the vehicle. Regardless of stop signs, stoplights, or right-of-way, a defensive driver recognizes that the right-of-way belongs to anyone who assumes it and should yield accordingly.

Questions to consider:

1. Did the driver approach the intersection at a speed safe for conditions?
2. Was the driver prepared to stop before entering the intersection?
3. At a blind corner, did the driver pull out slowly, ready to apply the brakes?
4. Did the driver look both ways before proceeding through the intersection?

Sideswipes

Sideswipes are often preventable. Defensive drivers do not get into a position where they can be forced into another vehicle or another vehicle can be forced into them. Defensive drivers continuously check for escape routes to avoid sideswipes. For two lane roads, this means a driver should pass another vehicle only when absolutely certain that he or she can safely complete the pass. A

driver should also be ready to slow down and let a passing vehicle that has failed to judge safe passing distance back into the lane. A driver should make no sudden moves that may force another vehicle to swerve. If a driver sideswipes a stationary object while taking evasive action to avoid striking another car or pedestrian, such an accident may not be preventable. However, you should consider what the driver could have done or failed to do immediately preceding the evasive action to be in the position of no other options.

A driver is also expected to anticipate the actions of an oncoming vehicle. Sideswiping an oncoming vehicle is often preventable. Again, evasive action, including leaving the roadway, may be necessary if an oncoming vehicle crosses into the driver's lane. Drivers are expected to allow merging vehicles to merge smoothly with them, and to merge smoothly on controlled access highways. Drivers are expected to be able to gauge distance properly when leaving a parking place and enter traffic smoothly.

Questions to consider:

1. Did the driver look to front and rear for approaching and overtaking traffic immediately before starting to pull away from the curb?
2. Did the driver signal before pulling away from the curb?
3. Did the driver look back rather than depend only upon rear-view mirrors?
4. Did the driver start into traffic only when this action would not require traffic to change its speed or direction in order to avoid his or her vehicle?

Head-on Collisions

A head-on collision with a vehicle traveling in the wrong lane may be preventable if the driver could have pulled off the road or taken other evasive action to prevent a collision. However, the driver should never drive into the other lane to avoid the oncoming vehicle. If the driver swerved off the road to avoid a head-on collision, the accident is non preventable. The driver in this case made a good defensive driving decision, taking the lesser of two evils.

Many skidding conditions are caused by rain, freezing rain, fog and snow, which all increase the hazard of travel. Oily road film, which builds up during a period of good weather, causes an especially treacherous condition during the first minutes of a rainfall. Loss of traction can be anticipated, and these accidents usually are preventable. Driving too fast for conditions is the most common reason why these types of accidents are preventable.

Questions to consider:

1. Was the driver operating at a safe speed considering weather and road conditions?
2. During inclement weather, was the driver keeping at least twice the safe following distance used for dry pavement?
3. Were all actions gradual?
4. Was the driver anticipating ice on bridges, in gutter, ruts and near the curb?
5. Was the driver alert for water, ice or snow in shaded areas, loose gravel, sand, ruts, etc?

If a driver goes off the road or strikes another vehicle because of skidding, the accident is preventable.

Pedestrian Accidents

All types of pedestrian accidents, including collisions with pedestrians coming from between parked cars, are usually considered preventable. There are few instances where the action of pedestrians is so unreasonable that the operator could not be expected to anticipate such an occurrence.

Questions to consider:

1. Did the driver go through congested areas expecting that pedestrians would step in front of the vehicle?
2. Was the driver prepared to stop?
3. Did the driver keep as much clearance between his or her vehicle and parked vehicles, as safety permitted?
4. Did the driver stop when other vehicles had stopped to allow pedestrians to cross?
5. Did the driver wait for the green light or stop for the caution light?
6. Was the driver aware of children and prepared to stop if one ran into the street?
7. Did the driver give all pedestrians the right-of-way?
8. Did the driver stop for a school bus, which was stopped, and properly signaling that passengers were loading or unloading?

Backing Accidents

Backing a vehicle into another vehicle, an overhead obstruction, or a stationary object are normally preventable. The fact that someone was directing the driver in backing does not relieve the driver of the responsibility to back safely.

Questions to consider:

1. Was it necessary to back?

2. Did the driver plan ahead so that he or she could have pulled forward out of the parking space instead of backing?
3. Was it necessary to drive into the narrow street, dead-end alley, or driveway from which he or she backed?
4. If the driver could not see where he or she was backing: Did the driver try to get someone to guide him or her?
5. Did the driver look all around the vehicle before backing? Did the driver back immediately after looking?
6. Did the driver use the horn while backing? Were the back up lights working?
7. Did the driver look to the rear without relying totally on the rear-view mirror?
8. If the distance was long, did the driver stop, get out, and look around occasionally?
9. Did the driver back slowly?
10. Did the driver judge clearances accurately?

Parking Accidents

Doors on our driver's parked vehicle that are damaged when opened on the traffic side are considered preventable accidents. The driver is responsible to see that the traffic side is clear of traffic, before any doors on that side are opened.

In most cases, if our driver, while driving, strikes a parked vehicle's opening door, it is considered preventable. Usually our driver can see from a sufficient distance that the parked vehicle is occupied, and should therefore, be prepared to stop, should move closer to the center line or change lanes.

It is a driver's responsibility to park the vehicle so that it will remain stationary. A runaway type accident is preventable and blaming such a collision on defective parking brakes or other holding devices are inadequate excuses. A good pre-trip inspection and maintenance program will eliminate most opportunities for this type of accident being the result of mechanical failure.

Accidents occurring when vehicles are properly and legally parked are considered non-preventable. Accidents occurring while the vehicle was double-parked or in a "No Parking" zone are preventable.

Questions to consider:

1. Was the vehicle parked on the proper side of the road?
2. Was it necessary to park there or was there a safer, only slightly less convenient place nearby?
3. Did the driver have to park on the traveled part of the highway, on the curve, or on the hill?
4. When required, did the driver warn traffic by emergency warning devices?
5. Did the driver park parallel to the curb?
6. Was it necessary to park so close to an alley or directly across from a driveway?

Collision with Obstructions

Obstructions can be avoided if the driver knows the height and width of the vehicle, pays attention to posted clearances, and takes the time to properly judge clearances.

Cargo Accidents

The accident should be considered preventable if the investigation shows a mechanical defect of which the driver was aware, a defect the driver should have found by inspecting the vehicle, or the driver caused the accident by rough and abusive handling. It is a driver's responsibility to secure cargo properly to prevent shifting, loss, or damage. Cargo should be safely stowed to prevent flying objects that can strike or distract the driver.

Code of Safe Practices

General Safety Rules

1. All persons shall follow this Code of Safe Practices and render every possible aid to safe operations.
2. Failure to abide by the Code of Safe Practices may result in disciplinary action up to and including termination.
3. Immediately report any unsafe conditions, accidents, injuries or illness to your foreman or superintendent.
4. If you are unsure of the safe method to do your job, STOP and ask your supervisor. Ignorance is no excuse for a safety violation.
5. No one shall be knowingly permitted to work while the employee's ability or alertness is impaired by fatigue, illness, and prescription or over the counter drugs. Employees who are suspected of being under the influence of illegal or intoxicating substances, impaired by fatigue or an illness, shall be prohibited from working.
6. Never work while under the influence of an illegal or intoxicating substance, fatigued or ill.
7. Anyone known to be under the influence of any drugs or intoxicating substances, which impair the employee's ability to safely perform the assigned duties, shall not be allowed on the job.
8. Horseplay, scuffling, fighting and other acts, which tend to have an adverse influence on the safety or well being of the employees, are prohibited.
9. Work shall be well planned and supervised to prevent injuries in the handling of materials and in working together with equipment.
10. Keep your work area clean, free of debris, electrical cords and other hazards.
11. Immediately clean up spilled liquids.
12. Always notify all other individuals in your area who might be endangered by the work you are doing.
13. Do not operate equipment that you are not familiar with. Do not attempt to use such equipment until you are fully trained and authorized.
14. You are responsible for ensuring all safety guards are operable and in place. If they are not, STOP working and tell your supervisor.

15. Never bring firearms, weapons, illegal drugs or alcoholic beverages on company or customer property or the job site.
16. A red tag system identifies equipment that is NOT to be operated, energized or used. All tagout or lockout notices and procedures must be observed and obeyed.
17. Do not block exits, fire doors, aisles, fire extinguishers, first aid kits, emergency equipment, electrical panels, or traffic lanes.
18. Do not leave tools, materials, or other objects on the floor, which might cause others to trip and fall.
19. Do not run on the job site or in the shop or office area.
20. Do not distract others while working. If conversation is necessary, make sure eye contact is made prior to communicating.
21. Employees shall not enter manholes, underground vaults, chambers, tanks, silos, or other similar places that receive little ventilation, unless it has been determined that it is safe to enter.
22. Employees shall ensure that all guards and other protective devices are in proper places and adjusted, and shall report deficiencies promptly to the foreman or superintendent.
23. Materials, tools, or other objects shall not be thrown from buildings or structures until proper precautions are taken to protect others from the falling objects.
24. Employees shall cleanse thoroughly after handling hazardous substances, and follow special instructions from authorized sources.
25. Gasoline or other flammable liquids shall not be used for cleaning purposes.
26. No burning, welding, or other source of ignition shall be applied to any enclosed tank or vessel, even if there are some openings, until it has first been determined that no possibility of explosion exists, and authority for the work is obtained from the foreman or superintendent.
27. Any damage to scaffolds, false work, or other supporting structures shall be immediately reported to the foreman and repaired before use.

Fall Protection

1. Fall protection, such as standard railings or a safety harness and lanyard, shall be used at all times, when working 7 ½ feet or more above the level below.
2. Floor and wall openings, unfinished balconies, elevator shafts and similar areas must be railed, covered or barricade to prevent falls.
3. Never remove fall protection rails, covers, or barricades without permission from your foreman and special precautions. Always replace these items when finished with your task.
4. All safety harnesses shall be the full body types with a shock-absorbing lanyard attached to a substantial anchorage capable of supporting twice the maximum load. Lanyards shall be attached at the wearer's upper back. Body belts are not to be worn as fall protection.
5. Read and obey all manufacturer instructions relating to your fall arrest system (safety harness and lanyard).
6. Inspect all components of your harness and lanyard prior to each use and after a fall. Defective equipment is not to be used. Lanyards must be destroyed after a fall and never reused.
7. Safety harnesses and lanyards should limit free fall distance to less than 4 feet and prevent contact with any level or objects below you.
8. Never use any part of a fall arrest system, such as a harness or lanyard, to hoist materials or for any other purpose.
9. Safety harnesses and shock absorbing lanyards are required to be worn at all times while in boom lifts.

Electrical Safety

1. Only trained, qualified, and authorized employees are allowed to make electrical repairs or work on electrical equipment or installations.
2. All electrical equipment and systems shall be treated as energized until tested or otherwise proven to be de-energized.
3. All energized equipment and installations will be de-energized prior to the commencement of any work. If the equipment or installation must be energized for test or other purposes, special precautions will be taken to protect against the hazards of electric shock.
4. All equipment shall be locked out to protect against accidental or inadvertent operation when such operation could cause injury to personnel. Do not attempt to operate any switch, valve, or other energy isolating device bearing a lock.

5. Safety grounds shall always be used where there is a danger of shock from back feeding or other hazards.
6. Polyester clothing or other flammable types of clothing shall not be worn near electrical circuits. Cotton clothing is much less likely to ignite from arc blast. Employees working on live circuits shall be provided Nomex or equivalent fire resistant clothing.
7. Suitable eye protection must be worn at all times while working on electrical equipment.
8. Always exercise caution when energizing electrical equipment or installations. Take steps to protect yourself and other employees from arc blast and exploding equipment in the event of a fault.
9. All power tools will be grounded or double insulated. Tools with defective cords or wiring shall not be used.
10. Metal jewelry should not be worn around energized circuits.
11. Extension and temporary power cords must be heavy duty and grounded. Frayed or defective cords shall not be used.
12. Suitable temporary barriers or barricades shall be installed when access to opened enclosures containing exposed energized equipment is not under the control of an authorized person.
13. Electrical installations must be protected from accidental contact by enclosures or tight fitting covers.
14. GFCI's are required on all power outlets.
15. Circuits shall not be overloaded with equipment or extension cords.
16. Metal measuring tapes, fish tapes, ropes or other metal devices are prohibited where they may contact energized parts of equipment or circuits.

Lock-out / Tag-out

1. All machinery and electrical equipment shall be locked out and tagged prior to repair, cleaning, or adjustment unless power is necessary to perform the work. If so, other precautions, specified by your foreman, will be taken.
2. Use your own lock and key. No one else should have a key for your lock. Destroy all duplicate keys.
3. Maintain control of your key at all times to prevent unauthorized use.

4. Never remove another employee's lock or energize tagged equipment.
5. If multiple employees are working on the same equipment, each employee should install their own lock.
6. Notify all affected employees that a lock-out/tag-out is required and the reasons for it.
7. If the equipment is operating, shut it down by the normal stopping procedure (depress stop button, open toggle switch, etc.).
8. Operate the switch, valve or other energy isolating devices so that the energy source(s) (electrical, mechanical, hydraulic, etc.) is disconnected or isolated from the equipment.
9. Stored energy, such as that in capacitors, springs, elevated machine members, rotating flywheels, hydraulic systems, and air, gas or water pressure, etc. must also be dissipated or restrained by methods such as grounding, repositioning, blocking, bleeding down, etc.
10. Lockout all energy isolation devices with an individual lock.
11. After ensuring that no employees are exposed and as a check of having disconnected the energy sources, operate the push button or other normal operating controls to make certain the equipment will not operate.
Caution: Return operating controls to neutral position after the test.
12. The equipment is now locked-out. Install red lockout tag on operating controls.
13. After repair is complete and the equipment is ready for testing or normal operation, check the equipment to see that all cover plates and safety devices have been reinstalled.
14. When the equipment is clear, remove all locks and tags. The energy isolating devices may be operated to restore energy to the equipment.

Company Vehicles

1. Only authorized employees are permitted to operate company vehicles. Do not let anyone else drive your company vehicle.
2. Company vehicles are to be used for company business only. Personal, off duty and family use are prohibited.
3. Drive defensively and obey all traffic and highway laws.
4. Always wear your seat belt, whether the driver or a passenger.
5. Report all accidents as soon as possible to your supervisor and obtain a police report.

6. Keys must be removed from all unattended vehicles and the vehicles must be locked, unless parking inside the facility.
7. Do not jump from the cab or bed of company vehicles. Always use the stairs or a ladder.
8. Inspect your vehicle and report any defects or operating problems to your supervisor so that repairs can be made.
9. No smoking while refueling.
10. If your driver's license is revoked or expired, immediately notify your supervisor and do not drive.

Ladder Safety

1. Inspect the ladder before using it. If it is broken, throw it out. Never repair a broken ladder, get a new one. Keep portable stairways, ladders and step stools in good condition and use them only in a safe manner.
2. Use the proper ladder for the job. Do not use "X" frame ladders as straight ladders. Make sure the ladder is tall enough to reach the work area. Do not use metal ladders for electrical work.
3. Do not place ladders in passageways, doorways, or any location where they might be hit or jarred, unless protected by barricades or guards.
4. Ladders should only be placed on hard level surfaces. Make sure the ladder feet are not placed on sandy, slippery, or sloping surfaces. Clean or sweep the area where the ladder feet will be and make sure the rubber feet are in good shape.
5. Ladder rungs and steps must be kept free of grease, oil, mud, or other slippery substances.
6. Arrange your work so you are able to face the ladder and use both hands while climbing. Do not carry tools or equipment while climbing a ladder. Climb the ladder, and then hoist the tools or equipment with a line or a hoisting device.
7. Avoid temporary ladders. Always use a commercially made construction grade ladder of the proper length for the work being performed.
8. Secure portable ladders in place and at a pitch so the leveling indicator is in alignment or the distance from the wall to the base of the ladder is at least 1' for every 4' of height.
9. Straight ladders shall be tied off the top of the ladder to prevent slipping.

10. Be aware of objects below you, move or cover sharp objects in case you fall. Cap or bend all rebar.
11. Do not stand on or work from the 2nd rung from the top or above. Also do not reach too far from the ladder. Keep your belt buckle between the side rails.
12. Extension ladders shall extend at least 36" above the level being accessed.
13. On all ladders, do not step on cross bracing that is not intended to be used for climbing.

Boom and Scissor Lifts

1. Only trained and authorized employees are allowed to use boom or scissor lifts. If you aren't trained, stay off.
2. Read and obey all manufacturers instructions and safety precautions.
3. Inspect all lifts prior to use. Defective equipment shall not be used.
4. A safety harness with shock absorbing lanyard must be worn while using boom lifts. Harnesses are not required for scissor lifts, provided you do not leave the work platform.
5. Always stay inside the platform railing. Do not use planks or ladders to extend your reach.
6. Keep the safety chains up on scissor lifts.
7. Always lower the lift before moving.
8. Never use scissor lifts on uneven ground. They are designed for use primarily on concrete floors.

Personal Protective Equipment (PPE)

1. Use the correct PPE for each job assignment. If you don't know, ask.
2. PPE shall be maintained in good condition and cleaned regularly.
3. PPE shall be stored properly when not in use to protect it from damage.
4. Damaged or broken PPE must be returned to your foreman for replacement.
5. Hard hats must be worn on job sites at all times.
6. ANSI approved safety glasses must be worn when working with power tools, compressed air or gasses, chemicals or any other item that creates an eye injury hazard.

7. Face shields with safety glasses are recommended when grinding or working with hazardous chemicals.
8. Employees must wear industrial work shoes in the shop and on the job site. The shoes must have complete leather uppers and skid resistant soles and be in good condition. Steel toe protection is recommended.
9. Athletic style shoes, tennis shoes, open toe shoes, plastic or vinyl shoes or shoes with decorative accessories are not allowed.
10. Hearing protectors must be worn when working with loud equipment such as cut off saws, chain saws, air hammers or grinders.
11. Back support belts should be worn for heavy lifting tasks. They do not help you lift more, but may provide some protection from back injuries.
12. Be sure the protective clothing you wear will not hamper or restrict freedom of movement due to improper fit.
13. Long pants of heavy-duty material must be worn. No shorts or sweat pants are allowed.
14. Do not wear loose, torn or frayed clothing, dangling ties, finger rings, dangling earrings, jewelry items, or long hair unless contained in a hair net, while operating any machine, which could cause entanglement.
15. If required, wear NIOSH approved respirators when applying adhesives, paint, welding, grinding or working with chemicals. Read the MSDS to find out which types of respirators are required. Facial hair may not be permitted in certain circumstances.

Hand and Power Tools

1. Proper eye protection must be worn when using hand and power tools.
2. Know your hand and power tool applications and limitations. Always use the proper tool for the job.
3. Inspect cords and tools prior to use. Do not use tools that are faulty in any way. Exchange them for safe tools immediately.
4. Power tools must be grounded or double insulated. All power tools are to be plugged into a grounded GFCI outlet.
5. Do not use power tools in damp, wet or explosive atmospheres.
6. Do not lift, lower or carry portable electrical tools by the power cord.

7. Keep all safety guards in place and in proper working order.
8. Use clamps or vises to secure work pieces.
9. Do not force hand power tools. Apply only enough pressure to keep the unit operating smoothly.
10. Return all tools and other equipment to their proper place after use.
11. Unplug all power tools before changing bits and/or grinding disks.
12. Never leave chuck keys in the tool during operation.
13. Do not use a screwdriver as a chisel.
14. Before using sledges, axes or hammers be sure the handles are securely fastened with a wedge made of sound material.
15. Do not use a handle extension on any wrench.
16. Files should be equipped with handles and should not be used as a punch or pry.

Trenching and Excavation

1. AR excavations and trenches 5 feet deep or greater must be shored, sloped, or benched to protect workers from the hazards of moving earth. AU trenching must be done in accordance with Cal/OSHA regulations.
2. Always locate underground utilities before digging. Also contact regional notification centers in advance.
3. Do not work under loads handled by lifting or digging equipment.
4. Ladders shall be provided for access to trenches and excavations 4' deep or greater. Use them.
5. Keep all spoils 2' from the edge.
6. Barricade trenches or use caution tape to warn others of their presence.
7. Inspect all trenches and excavations daily, before work, to look for signs of shifting earth.
8. Do not jump over trenches, use wood planks or sheeting.

Hazardous Materials and Chemicals

1. Read all warning labels and Material Safety Data Sheets (MSDS) before using any chemicals. MSDS contain personal protective equipment and safety information and are available from your foreman.
2. Hazardous materials shall be handled in accordance with the MSDS and label. If protective equipment is required, use it.
3. Eye protection must be worn when working with hazardous materials or chemicals.
4. Mixing of chemicals is prohibited at all times unless required by the label. Before you mix review all MSDS.
5. Always wash your hands thoroughly after handling chemicals and before eating or smoking, even if you were wearing protective gloves.
6. Never use solvents for hand cleaning. Use the non-toxic hand cleaners provided.
7. Store all hazardous materials properly in suitable containers that are properly labeled.
8. Use chemicals only in well ventilated areas.
9. When using secondary containers, ensure that they are labeled as to their contents and hazards.
10. Do not disturb any asbestos. STOP work and tell your foreman. If you are not sure, STOP and ask.
11. Do not cut or weld stainless steel or galvanized metal without respiratory protection. These items create toxic fumes.
12. Work with lead, asbestos, cadmium and other toxic compounds require special precautions. Do not attempt to perform this work without special equipment and training.

Fire Prevention and Housekeeping

1. Always take precautions to prevent fires which may be started, particularly from oily waste, rags, gasoline, flammable liquids, acetylene torches, improperly installed electrical equipment and trash.
2. Fire fighting equipment is to be inspected on a regular basis. All discharged, damaged or missing equipment is to be immediately reported to a supervisor. Tampering with fire equipment is prohibited.

3. Access to fire extinguishers must be kept clear at all times. Make note of the location of fire fighting equipment in your work area.
4. Never use gasoline or flammable solvents for cleaning purposes.
5. Smoking is prohibited within 20 feet of where flammable substances are present.
6. In case of fire, employees shall consider the safety of themselves and other individuals before saving property.
7. Keep your work areas free of debris. Remove useless material from the work area as fast as required to help reduce tripping hazards.
8. Maintain awareness of potential hazards when walking about the job site.
9. Keep tools, materials and equipment out of walkways and stairways at all times.
10. Sharp wires or protruding nails must be kept bent.
11. Place tools and equipment so they will not slide off the roof.
12. Tie material down at day's end so the wind will not blow it off the roof.

Traffic Safety

1. All employees exposed to traffic hazards are required to wear orange flagging garments (shirts, vests, and jackets) at all times.
2. When possible, construction vehicles are to be placed between the employees and traffic to prevent vehicles from entering the work area and hitting members of the crew.
3. All traffic controls will be established in accordance with the State of California Manual of Traffic Controls for Construction and Maintenance Work Zones.
4. Traffic controls are to be properly maintained throughout the workday. Signs and cones must be kept upright, visible and in their proper position at all times.

Scaffolds

1. Scaffolds are to be erected, dismantled, altered or repaired by the scaffold contractor ONLY.
2. Inspect scaffolds prior to use and report any damage immediately to your foreman. Do not use damaged scaffolds.
3. You are not permitted to ride on rolling scaffolds being moved.

4. At least 2 people are required to move rolling towers. Secure or remove all tools and materials before moving.
5. Always use guard railings on all scaffolds regardless of height.
6. Use only high quality planking on scaffolds and be sure the planks are secure to prevent shifting.
7. Always apply caster brakes and use outriggers when scaffolds are stationary.
8. Do not use planks or guard rails as a temporary means of obtaining greater height.
9. Be aware of the objects below you; move or cover sharp objects in case you fall. Cap or bend all rebar.

Cranes and Rigging

1. No employee is permitted to ride on loads, hooks, or slings of any crane, hoist or derrick.
2. Do not work or stand under any suspended load. Crane operators shall avoid swinging loads over people.
3. Inspect all slings and chains prior to use. Do not use defective slings, chains, or rigging.

Welding and Cutting

1. Make sure your welding equipment is installed properly and grounded and in good working condition.
2. Always wear protective clothing suitable for the welding or cutting to be done.
3. Always wear proper eye protection when welding, brazing, soldering or flame cutting. Once you remove your welding helmet, put on safety glasses.
4. Keep your work area clean and free of hazards. Make sure that no flammable, volatile or explosive materials are in or near the work area.
5. Handle all compressed gas cylinders with extreme care. Keep caps on when not in use. Make sure that all compressed gas cylinders are secured to the equipment carriage, wall or other structural supports. When compressed gas cylinders are empty close the valve, install the cap and return to correct bottle storage area.
6. Store compressed gas cylinders in a safe place with good ventilation. Acetylene cylinders and oxygen cylinders should be kept at least 20 feet apart.

7. Do not weld or cut in confined spaces without special precautions and your foreman's authorization.
8. Do not weld on containers that have held combustibles or flammable materials.
9. Use mechanical exhaust ventilation at the point of welding when welding lead, cadmium, chromium, manganese, brass, bronze, zinc or galvanized metals. These metals are highly toxic and their fumes should not be breathed.
10. Make sure all electrical connections are tight and insulated. Do not use cables with frayed, cracked or bare spots in the insulation.
11. When the electrode holder or cutting torch is not in use, hang it on the brackets provided. Never let it touch a compressed gas cylinder.
12. Dispose of electrode and wire stubs in proper containers since stubs and rods on the floor are a safety hazard.
13. Use weld curtains to shield others from the light rays produced by your welding.
14. Make sure all compressed gas connections are tight and check for leaks. Do not use hoses with frayed or cracked spots.
15. Keep your leads orderly and out of walkways. Suspend them whenever possible.
16. DO NOT WELD if leads or machine are in or near water.
17. Make sure a portable fire extinguisher is nearby.
18. Keep your work area clean and free of hazards. When flame cutting, sparks can travel 30-40 feet. Do not allow flame cut sparks to hit hoses, regulators or cylinders.
19. Use oxygen and acetylene or other fuel gases with the appropriate torches and tips only for the purpose intended.
20. Never use acetylene at a pressure in excess of 15 pounds per square inch. Higher pressure can cause an explosion.
21. Never use oil, grease or any other material on any apparatus or thread fitting in the oxyacetylene or oxyfuel gas system. Oil and grease in contact with oxygen will cause spontaneous combustion.
22. Always use the correct sequence and technique for assembling and fighting the torch. Always use the correct sequence and technique for shutting off a torch.
23. Check valves must be used on all compressed gas cylinders to prevent back flow of the gas.

Code of Safe Practices Receipt

This is to certify that I have received a copy of the Harbor Pointe Code of Safe Practices. I have read these instructions, understand them and will comply with them while working for the company.

I understand that failure to abide by these rules may result in disciplinary action and possible termination of my employment with Harbor Pointe.

I also understand that I am to report any injury to my foreman or superintendent immediately and report all safety hazards.

I further understand that I have the following rights:

- I am not required to work in any area I feel is not safe.
- I am entitled to information on any hazardous material or chemical I am exposed to while working.
- I am entitled to see a copy of the Harbor Pointe Safety Manual and Injury and Illness Prevention Program.
- I will not be discriminated against for reporting safety concerns.

Print Name

Sign Name

Date

Hazard Communication Employee Training Handbook

It is important that all of our employees understand the information given about hazardous materials. If you have any questions regarding this, please ask your foreman

This material has been prepared to assist our employees in better understanding the hazardous materials, which they commonly work with.

Chemicals can enter the body in a number of ways, including inhalation, skin contact or ingestion. The hazard of any substance is dependent on other variables such as age, sex and health of the employee as well as the concentration and duration of exposure. In other words, the same amount of a chemical may produce very different effects on two different people.

Chemicals are controlled in the workplace in such a manner so as to keep exposures below a level that may produce a reaction in very sensitive people. These levels are set by the government in the interest of minimizing harmful health effects of chemicals in the workplace. The Occupational Safety and Health Administration (OSHA) has established specific legally enforced permissible exposure limits (PEL) for hazardous substances in the workplace. The PEL indicates the concentration of airborne contaminants to which nearly all workers may be exposed to for eight hours a day, forty hours a week, over a working lifetime of 30 years, without adverse health effects.

This handbook briefly outlines the hazardous materials you may encounter in your work area. To simplify this task, we have broken down the chemicals used into special categories including:

1. Solvents
2. Adhesives
3. Paints & Dyes
4. Lubricants
5. Compressed Gases

In each category, the general characteristics of the material are presented along with the potential health effects of both short-term and long-term overexposure. The use of personal protective equipment and material handling procedures under normal conditions are also included.

Additional information on the materials you may be exposed to can be found in the product's Material Safety Data Sheets (MSDS). A complete folder of MSDS is available to you at all times in the office. Your foreman also has copies of data sheets on commonly used items.

At any time, an employee has the right to:

- Access the MSDS folder, and the Hazard Communication Program.
- Receive a copy of any chemical sampling data collected in the workplace.
- See their employment medical records upon request.

Personal protective equipment acts as a barrier to the routes of entry, which a chemical may take into your body. As a barrier to chemicals that can be inhaled, there are a variety of respirators, which may be used. The respirators either filter out particles, react with chemicals to neutralize them, or provide fresh, filtered air. There are two important things to remember about using respirators. The first is that a respirator only works when you wear it and use it properly. Second, and equally important, is that you must use the proper respirator for the specific hazard. Respirators designed for one type of chemical will not work for another. One last note about respirators is that no one is allowed to use any respirator without proper training. It is against the law to use a respirator without formal training in its proper use.

As a barrier to skin, we have gloves, face masks, protective clothing, and head protection. A combination of these items may be necessary to provide the proper level of protection in your area.

As a barrier to the eyes, a variety of eye protection may be used. Goggles are recommended when pouring or handling chemicals, which may splash the eyes. They are also recommended while spraying adhesives and paints. Protect your eyes, your vision is priceless and irreplaceable.

There is no real protection against swallowing materials except good work practices. Always label any container to prevent accidental drinking. Always thoroughly wash your hands with soap and water before eating, drinking or smoking. Keep any food and cigarettes away from the work area. Breads, fruits, and cigarettes can actually absorb chemicals from the air, to be inhaled or ingested later.

Prolonged exposure to excessive noise can cause permanent hearing damage. For those employees working in areas where excessive noise is generated, it is recommended that earplugs or ear muffs be used on a regular basis.

General first aid practices should be followed in the event of exposure to hazardous materials.

EYES: Flush eyes for at least 15 minutes with water.

SKIN: Wash the affected area with soap and water. If clothing is involved, remove and launder before putting back on. If caustic materials are spilled, remove clothing immediately and wash off of the body.

INGESTION: Do Not Induce Vomiting Unless the Label Indicates - transport the affected person to the medical clinic immediately for treatment or call 911. They will take the appropriate action.

INHALATION: Generally, removing the person to fresh air is adequate after short-term exposure to most vapors. If breathing difficulty develops, dial 911 and be prepared to administer CPR.

The provisions set forth by the Federal Hazard Communication Program dictate that all containers of hazardous materials must be properly labeled. All containers of hazardous materials used must have, at a minimum, the original label provided by the manufacturer or a locally prepared label describing its contents and hazards involved.

1. Solvents

a. Halogenated Solvents

Characteristics: These products are usually clear, rapidly evaporating solvents containing chlorinates. They generally exhibit low flammability and have the consistency of water. They have a mild odor and are used in painting, stripping and other operations. Examples of chlorinated solvents are 1,1,1-Trichloroethane, perchloroethylene, methylene chloride, and Freon products.

Health Hazards: Most solvents are irritating to the eyes and upper respiratory tract. Excessive, repeated exposure to the skin may produce dermatitis and drying of the skin due to the de-fating properties of the solvents. Most are toxic and may be harmful or fatal if swallowed. Inhalation of excessive vapors may produce narcotic effects by depressing the central nervous system. Typical symptoms of overexposure include dizziness, nausea, and light-headedness in some individuals. Excessive repeated exposure to some solvents might produce chronic health effects on organs such as lungs, liver, kidney, and nervous system. Some solvents have been shown to produce cancer in laboratory animals. Compressed Freon products may produce "freeze burns" on the skin and eyes when released. Very high concentrations of vapors may be dangerous to life and health.

Personal Protective Equipment/Handling: Solvents should be handled with respect. Avoid any unnecessary exposure. Never wash hands in solvents. Wash with soap and water after using solvents. Avoid excessive skin contact. Use chemically resistant gloves if necessary. Avoid inhalation of vapors when possible. Use air-supplying respirators in areas of high concentration. Avoid contact with eyes. Use chemical goggles for protection. Provide ventilation when possible. Avoid contact with strong oxidizers (acids) and reactive metals (magnesium, aluminum powders).

Emergency/Special: In the event of eye contact, flush eyes for 15 minutes with water. Wash skin with soap and water. Remove soaked clothing and wash before reuse. Do not allow wet clothing to remain in prolonged contact with skin. If ingested, do not induce vomiting, and seek medical attention immediately. Excessive inhalation should be treated by moving to fresh air. Apply artificial respiration if necessary. In the event of a major spill, evacuate the area and call the fire department. Avoid drainage into water sewage system.

b. Organic Solvents

Characteristics: Usually clear, rapidly evaporating petroleum or alcohol based solvents. These solvents are usually highly flammable and may or may not mix with water. They usually have an alcohol or oil-like odor and are used in a variety of degreasing, painting and stripping operations. Examples of organic solvents are toluene, xylene, methyl ethyl ketone (MEEK), acetone, and alcohols.

Health Hazards: Organic solvents evaporate very quickly and pose a great fire hazard. Because of this rapid evaporation and the natural penetrating nature of solvents, these materials can enter the body very rapidly through inhalation into the respiratory tract, and absorption through the skin and eyes. Exposures of these types may, in some instances, lead to skin irritation, eye irritation, and respiratory irritation. Solvents eventually enter the blood stream, and in cases of overexposure, may produce a variety of effects including nausea, headache, and dizziness. In very high concentrations, they may pose immediate threat to life and health. Chronic, repeated overexposure to organic solvents has been documented to produce adverse effects on the heart, lungs, central nervous system, liver, blood, and skin. They products may be harmful or fatal if swallowed. Some solvents may produce allergic reactions in sensitive people.

Personal Protective Equipment/Handling: It is important to minimize your exposure to solvents. For example, avoid skin contact by wearing non-porous gloves. Cotton or leather gloves should never be used while working with solvents because they absorb the solvent and allow it to reach your skin. If you can't wear gloves in your particular job, find other ways to avoid contact with the solvents. For example, use tongs to hold parts while cleaning them with solvents. Never wash your hands in a solvent - use soap or a waterless hand cleaner. Barrier creams may provide additional protection. Use ventilation systems when possible and avoid breathing solvent vapors. If your job requires it, wear a respirator. Use air-supplying respirators in areas of high concentrations. Protect your eyes with safety glasses or goggles. Avoid strong oxidizing agents. Ground and bond all containers when pouring or transferring chemicals.

Emergency/Special: In the event of eye contact flush eyes for 15 minutes with water. Avoid prolonged skin contact with any solvents. Wash skin with soap and water. Remove soaked clothing and wash before reuse. If ingested, seek medical help immediately. Do not induce vomiting. If inhaled, move victim to fresh air and, if necessary, give artificial respiration. In the event of a spill, eliminate ignition sources, evacuate the area, and contact the fire department. Avoid drainage into water or sewage system.

2. Adhesives

Characteristics: Adhesives are typically made up of resins composed of two reaction components: 1) the curing agent (hardener, catalyst, accelerator, activator or setting agent) and 2) the resin. The cured resins are generally found in a paste form, and the uncured resins are viscous liquids or solids.

Health Hazards: Some of the liquid uncured resins are skin irritants, sensitizers, or both. Solvents are often the major component of the uncured resins. They are primary skin irritants as a result of their ability to dry and remove natural oils from the skin. They may enhance the sensitizing effects of the dermatitis producing components discussed above.

Personal Protective Equipment/Handling: Because of the varying effects of these products, it is important that personal protective equipment be used. Safety glasses should be worn at all times. Impervious gloves and clothing should be worn. Remove and wash soaked clothing before reuse. If overexposure through inhalation occurs, remove the affected person to fresh air. Adhesives should only be used in well-ventilated areas. Air-purifying respirators may be necessary if ventilation is inadequate.

Emergency Special: Keep all stored material away from heat and flames. Adequate ventilation should be provided if any of the liquid components spill. In the event of eye contact, flush with water for 15 minutes. If skin contact occurs, wash the affected area with soap and water. Do not induce vomiting if ingestion occurs. Seek medical attention immediately.

3. Paints & Dyes

a. Water Based Acrylics, Latex Paints

Characteristics: These products are available in a variety of colors for many uses including interior and exterior painting of equipment, vehicles and structures. They are usually nonflammable, but some may burn under extreme situations. They are all water soluble, and may contain some alcohol or ammonia solvents. They are pigmented with a variety of compounds, and usually have a thick, soupy consistency with a mild ammonia odor.

Health Hazards: Water based paints are generally considered non-hazardous. Some may contain solvents that may produce mild eye and/or nose irritation. Some of these products may produce limited skin irritations in extremely sensitive people. These products may be harmful if swallowed. Under normal working conditions, these products are generally considered safe for use.

Personal Protective Equipment/Handling: General ventilation should be sufficient, with exhaust ventilation necessary in confined spaces. Goggles or similar means of eye protection should always be used in any painting process. Gloves and protective clothing are recommended for extremely sensitive individuals. Avoid unnecessary exposure or contact. Do not freeze these products. Wash hands/skin with soap and water after use. Store in a cool, dry place.

Emergency/Special: In the event of eye contact, flush with water for 15 minutes. Consult with physician if irritation persists. If excessive inhalation occurs, remove victim to fresh air. In the event of ingestion, give water and contact physician immediately. Wash soaked clothes before reuse. Use only soap and water to wash skin.

b. Lacquers, Primers, Non-Water Based Paint

Characteristics: These products come in a variety of colors and are used in various coating applications including painting, priming, and lacquering. They may contain both organic and halogenated solvents, and most have pigments that contain heavy metals. Some of the solvents and pigments, which may be contained, include acetone, diisobutyl ketone, xylene, methylene chloride, lead, chromium, and zinc compounds. They are usually highly flammable.

Health Hazards: Because of the high concentration of solvents in these paints, the health hazards are much like those discussed in category 1a and 1b, Solvents. These products also contain heavy metal compounds such as lead, chromium, and zinc. These heavy metals may build up in the blood producing chronic effects such as lead poisoning, which is characterized by weakness, difficulties in concentrating, and sleep problems.

Personal Protective Equipment/Handling: These products should be handled with care. Gloves are recommended for skin sensitive individuals. Goggles or safety glasses should be worn at all times. Mechanical ventilation and respirators may be required depending on size of operation and type of paint. Refer to specific MSDS for information. Long sleeve shirts are recommended. Do not use thinners or other solvents to remove paints from hands. Use lava soap and water, followed by hand lotion to prevent drying of the skin. Remove and wash soaked clothing before reuse. Do not apply to hot surfaces. Avoid sparks or flames when using. Never smoke in areas where these paints are being applied. Avoid breathing vapors and paint mist. Ground and bond containers during transfers. Store in cool, dry place, preferably in a flammable liquid storage cabinet.

Emergency/Special: In the event of eye contact, flush with water for 15 minutes. Wash affected skin areas with soap and water. In the event of ingestion, do not induce vomiting; contact a physician immediately. Inhalation exposure should be treated by moving victim to fresh air. Apply artificial respiration if necessary. In the event of a spill, eliminate ignition sources, evacuate area, and contact fire department. Avoid drainage into water or sewage systems.

4. Lubricants

a. Insoluble Oils and Greases

Characteristics: Commonly known as lubricating oils or greases, these oils are generally petroleum based hydrocarbon mixtures that contain no water. Appearance may range from clear light brown liquids to dark brown greases. Oils can be fire hazards because they are combustible. Examples of common oils and greases are multi weight motor oil, gear lubricating oils and cutting oils used in some machining operations.

Health Hazards: Petroleum based oils and greases are generally of low toxicity. Oil mists and vapors can be generated from sawing and metal forming operations. Inhalation of these mists may cause mild irritation of the nose and throat. The mist may also irritate the eyes. Overexposure by inhalation, although rare, can cause headaches, nausea, or dizziness. The most common exposure to oils and greases is through the skin. Excessive or prolonged exposure of the skin to oils, especially used, dirty, or contaminated oils, may cause chronic skin conditions such as contact dermatitis. Ingestion of these substances may be harmful, depending on the purity of the oil, and the amount ingested.

Personal Protective Equipment/Handling: Under most circumstances, inhalation overexposure to oil products is not common. If no local exhaust ventilation is available in operations which generate oil mist, a respirator with an organic vapor/particulate cartridge should be utilized. There is no substitute for safe work practices and good personal hygiene. Any practical way to reduce time and frequency of skin exposure to oils is recommended. Mild waterless hand cleaners are helpful in removing oil. Never use solvents to clean the skin. This will only increase the risk of unusual skin disorders and/or dermatitis. Oil resistant protective gloves should be used whenever feasible and skin cream should be applied after washing to prevent drying. Safety glasses or goggles should be worn to prevent oil from splashing into the eyes.

Emergency/Special: Lubricating oils, like any other chemicals, should be handled with care. In the event of eye contact, flush with water for 15 minutes, then seek medical attention. In case of accidental ingestion, do not induce vomiting, give milk or water, and seek medical attention. Any areas of skin contact should be washed thoroughly with Mild soap and lukewarm water or waterless hand cleaner to reduce the risk of skin disorders.

b. Aerosol Spray Lubricants

Characteristics: Aerosol spray lubricants, unlike other oil-based lubricants, generally contain a high percentage of halogenated solvents such as 1,1,1 trichloroethane. Examples of spray lubricants include gear oil and silicone spray.

Health Hazards: Refer to category 1A (Halogenated Solvents) for overall health hazards of aerosol spray lubricants.

Additional Information: Most of the aerosol sprays are usually extremely flammable because of the propellants used (butane, propane, etc.). Phosgene gas, an extremely toxic gas, may be generated as a decomposition product of combustion if the spray lubricants come in contact with a flame (e.g., lighted cigarette, or welding operations) or a very hot metal. Phosgene gas can cause severe irritation to the nose, throat and eyes, even at extremely low concentrations. Exposure to moderate concentrations can cause a delayed onset of pulmonary edema (fluid in the lungs) which may progress to pneumonia.

Personal Protective Equipment/Handling: All solvent-based materials should be used in well ventilated areas. Use a respirator if spraying moderate concentrations to avoid overexposure. Air-supplying respirators should be used if high concentrations are present. Avoid contact with the skin to reduce the risk of irritation and/or dermatitis. Use chemically resistant gloves for prolonged or repeated contact. Always wear safety glasses or goggles to prevent eye contact with the aerosol spray.

Emergency/Special: In the event of eye contact, flush with water for 15 minutes. Wash skin with soap and water. If ingested, do not induce vomiting and seek immediate medical attention. In case of overexposure by inhalation, remove the person to fresh air, seek medical attention, apply artificial respiration if necessary. Containers should be stored in a clean, dry area. Avoid storing at temperatures above 80 degrees F. to reduce the risk of the aerosol containers bursting or exploding.

5. Compressed Gases

Characteristics: These gases are typically stored in cylinders. The gases are frequently stored in a liquid state and are utilized in a variety of applications such as welding (acetylene), oxidation (oxygen), fuel delivery (propane, butane), cryogenics (liquid helium, oxygen, nitrogen).

Health Hazards: Depending on the specific gas contained within the cylinder, the associated hazards exhibited can be similar to those of the substances described in previous categories. For example, anhydrous ammonia gas falls within the corrosive/caustic hazard category. Asphyxiation is the primary hazard associated with compressed gases since they can displace oxygen if there is a sudden and quick release, particularly in confined work areas. Compressed gases, either in liquid or vapor form, are cryogenic and will cause severe frostbite and burns if allowed to contact the skin.

Personal Protective Equipment/Handling: Self-contained or airline breathing apparatus should be worn in oxygen-deficient atmospheres. General ventilation is usually adequate to maintain sufficient oxygen level. Avoid skin contact with liquid gases. Avoid smoking or other sources of ignition around oxidizers and fuel gases. Compressed gas cylinders should always be handled with extreme care as serious accidents may result from the misuse, abuse or mishandling of cylinders.

Emergency/Special: In the event of a gas leak, evacuate all personnel from the danger area. Shut off the leak if it does not pose a grave risk. Ventilate the area of the leak and move the leaking container to a well-ventilated area. If inhalation overexposure occurs, remove victim to fresh air and give artificial respiration if necessary. If liquid contacts skin, flood the affected area with warm water and seek medical attention.





Harbor Pointe Air Conditioning & Control

20914 Bake Parkway, Suite 110

Lake Forest, CA 92630

February 21st, 2014

Re: Experience Modification

To whom this may concern, the following are Harbor Pointe Air Conditioning & Control's most recent experience modifications:

2013: 0.82

2012: 0.86

2011: 0.85

Sincerely,

A handwritten signature in cursive script that reads "Lauren Regensburg".

Lauren Regensburg
Goodman Insurance Services



HARBPOI-01

LAUREN

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

2/13/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Goodman Insurance Services, Inc. 114 Pacifica, Suite 430 Irvine, CA 92618		CONTACT NAME: PHONE (A/C, No, Ext): (949) 769-3100 E-MAIL ADDRESS: ADDRESS:		FAX (A/C, No): (949) 769-3930	
		INSURER(S) AFFORDING COVERAGE		NAIC #	
		INSURER A : Peerless Insurance Company		24198	
		INSURER B : Golden Eagle Insurance Company		10836	
		INSURER C : Everest National Ins. Co.		10120	
		INSURER D :			
		INSURER E :			
		INSURER F :			
INSURED Harbor Pointe Air Conditioning & Control 20914 Bake Parkway Suite 110 Lake Forest, CA 92630					

COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> GENERAL LIABILITY		CBP1012828	12/14/2013	12/14/2014	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY					DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR					MED EXP (Any one person) \$ 5,000
						PERSONAL & ADV INJURY \$ 1,000,000
						GENERAL AGGREGATE \$ 2,000,000
						PRODUCTS - COMP/OP AGG \$ 2,000,000
						EMPLOYMENT PRAC \$ 100,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY		BA1012830	12/14/2013	12/14/2014	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input checked="" type="checkbox"/> ANY AUTO					BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS	<input type="checkbox"/> SCHEDULED AUTOS				BODILY INJURY (Per accident) \$
	<input checked="" type="checkbox"/> HIRED AUTOS	<input checked="" type="checkbox"/> NON-OWNED AUTOS				PROPERTY DAMAGE (PER ACCIDENT) \$
						\$
B	<input type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR		CU8888834	12/14/2013	12/14/2014	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE					AGGREGATE \$ 1,000,000
	<input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$					\$
C	<input checked="" type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY		7600009834131	10/01/2013	10/01/2014	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER \$
	<input type="checkbox"/> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	Y/N <input checked="" type="checkbox"/> Y				E.L. EACH ACCIDENT \$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below					E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
						E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

The certificate holder(s), is/are named as additional insured per the attached forms CG 2010 07/04 & CG 2037 07/04, including primary wording, auto additional insured with waiver PI CA 05 92 09/07 attached, and blanket work comp waiver attached, where required by written contract, with regard to the following project:

All operations per written contract

CERTIFICATE HOLDER**CANCELLATION**

Envolv Foods
 155 Klug Circle
 Corona, CA 92880

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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System for Maintenance and Availability of Records

Harbor Pointe uses computerized tracking and reporting to set up maintenances, service calls and repairs, installations and projects. Maintenance notes are entered into reoccurring work orders allowing all Mechanics to have knowledge of previous findings or repairs. Along with notes we upload the service orders for every job or project. We have computerized records back to 1997 available on all clients.

Service technicians dedicated to OCFA

Harbor Pointe has designated a team of seven mechanics to share the responsibility of responding to the needs of OCFA. On a daily basis, they are able to be dispatched for all services needed by OCFA.

Greg Perez

Summary of qualifications

- 40 years of trade experience in heavy industry and controls.
- Operating a successful union HVAC business since 1989

Work Experience

Maintenance Technician 1975-1980

Smith Tool

- Maintaining chill water air handlers, portable and central plant chillers
- Performed maintenance repairs on forge air compressors and large tonnage air conditioners.

Maintenance Technician 1980-1984

Powers Regulator Company

- Perform maintenance and repairs on all central plant centrifugal compressors
- Perform maintenance and repairs on building a/c equipment
- Install and service factory/installations of pneumatic controls
- Perform service on boilers and control systems

Maintenance Technician 1984-1986

Barber Coleman

- Perform maintenance service and repairs on centrifugal compressors
- Install and service pneumatic and electric controls

Maintenance Technician 1986-1986

Honeywell

- Service and maintain central plant chillers and compressors
- Maintain and service building control systems throughout the Los Angeles area
- Install building control system and retrofit existing systems

Business Owner 1989-Present

Harbor Pointe A/C & Control Systems Inc

- Service and maintain hospital central plants and refrigeration systems
- Service and maintain data processing, operating and isolation rooms
- Service and install process chillers for anodizing dietary operations
- Service and maintain building automated control systems
- Service and maintain large H.P. screw air compressors

Education

Cypress College 1974-1976

Associate Science degree in air conditioning and refrigeration

Long Beach State 1976-1978

Electrical and mechanical classes

Local 250 1980-Present

- Certified Journeyman and pipe certified
- Certified Carrier chiller mechanic on 19D, 19DG, 19DH, 19XR and screw chillers
- Certified carrier controls on VVT and CCN controls
- Certified in Johnson Metasys controls
- Certified in Yasakawa VFD speed drives
- Certified Ray Pak boiler controls

Chris Butler

Summary of Qualifications

- Experienced, dedicated, hardworking professional with solid project management, planning, and organizational skills.
- Successful background in assessing customer needs and building solid client relationships
- Strong ability to lead others and communicate effectively
- Works independently and is a key contributor to a team's success
- Willing to accept challenges and committed to growth and development

Business Experience

1975-1979 Leak Siegler Incorporated (LSI)

- Tradesman in Local Union 250
- Company built ground support air conditioning for aircraft, MTBA (Massachusetts Bay Transit Authority), CTA (Chicago Transit Authority)
- While working in the air conditioning branch of company, responsible for installation, testing, repair of units

1979-1997 Commercial Refrigeration Company (CRC)

- Completed 5 years in Union Apprenticeship Program
- Serviced following refrigeration: cold storage, blast freezers, small refrigeration and large storage, process cooling, 1 ton to 300 tons refrigeration
- Serviced following air conditioning from small package units, split systems, large built up systems, chill water systems, direct expansion, double duct systems, variable air volume, electric and pneumatic control, tonnage up to 400 tons

1997-Present Harbor Pointe Air Conditioning & Control Systems Inc

- Troubleshoot electrical, air flow, and refrigeration cycles, air flow zone balance
- Service hospital equipment: chillers, air handlers, VAV, double duct systems, dietary refrigeration, package units, cold storage refrigeration, anodizing refrigeration, computer rooms, clean room, operating rooms, test and balance air flow
- Equipment serviced; screw machines, centrifugal, scroll, ice storage, ammonia refrigeration, air handlers, air-cooled condenser, evaporative condenser, water-cooled condenser, cooling towers, pneumatic controls, Jonson Metasys Controls, Carrier VVT, rebuilt reciprocating compressor steam boilers and hot water boilers

Education

Cypress College 1973-1975

- Associates in Science degree in Air Conditioning/Refrigeration

Certified Journeyman 1985-1997

2007-Present

Lifetime Journeyman Certification 2011

Certificate Classes:

- Johnson Metasys
- Data Aire
- Yasakawa Speed Drive
- CFC certified since 1994
- Raypak Boilers
- Lochinvar

David Rasmussen, Certified Journeyman

Qualifications

Experienced, dedicated to problem solving, hard-working professional.

Background in assessing customer needs and providing solutions

Works independently and key contributor in team success

Willing to accept challenges, growth and development

Experience

Installation and repair of control systems - electric, Carrier VVT, and Metasys

Hospital Service and Installation includes small package units, split systems, large built up systems, process cooling, chill water systems, direct expansion systems, VAV, large tonnage units up to 500 ton, Computer room systems, Operating room systems, and Clean room systems application.

Equipment Service includes screw machines, centrifugal, scroll chillers ammonia refrigeration, air handlers, air-cooled condenser, cooling towers, reciprocating compressors, steam boilers, and hot water boilers.

Education

1982-1983	Universal Tech Institute
1991	Carrier Tech Course
1992	HVAC Certificate ROP Level 2
1994	CFC Certification
1996	Graduate JJATC Apprentice School Local Union 250
1997	Trane Large Tonnage Package Unit Class
2001	Carrier VVT Certification Class
2002	UA Star Certification
2008	Frequency Drives Certification
2009	Metasys- Johnson Controls
2013	VFD Certification Class

Also has attended over 50 individual 1-day training classes in the last 20 years for various pieces of equipment repairs including Liebert Control upgrades and product training.

Certified Journeyman since 1997 (Lifetime Journeyman)

Harbor Pointe	2007 to present
Air Management Systems West	2006-2007
Capistrano Unified School District	2004-2006
Building Systems Technologies	2003-2004
Ram Air	1994-2003

Robert Christensen

Skills

- Punctual
- EPA-types 2&3
- Boilers
- Installation
- Sheet Metal fabrication
- Bidding
- Beginner welding
- Leadership
- Organized
- Problem solving
- High energy
- Good communication
- Recip chillers
- Customer relations
- 410A certified
- Yasakawa drive certified
- Comfort air balancing
- Read wire, schematics, diagrams
- VVT certified
- CCN certified
- Use of comprehensive multi-meter OHM meter refrigeration gauges

Education

JJATC Apprenticeship Program: August 2007-September 2012

- Graduated to Journeyman
- UA Star Certified

San Juan Continuation School July 2007

- GED Certificate

Work Experience

Harbor Pointe AC & Controls May 2007-Present

- Service Technician
- Project Manager

Economy Air January 2003-May 2007

- Service Technician
- Installer

Ceritos Valley Heating & Air April 2001-January 2003

- Installer

Blockbuster Video April 2001-June 2002

- Customer service rep

SMW Construction April 2001-September 2001

- Construction

SIMON KANG

EDUCATION

Brownson Technical School, Anaheim, CA *Graduated Sept 2010*

Master Commercial/Domestic, Refrigeration & Air Conditioning

Certificates of Completion in Basic Electronics, Diagnostics, Troubleshooting, and Customer Service

Valedictorian – Graduation class of Nov 2010

Certificate of Academic Achievement Award – maintaining 99% overall grade

Certificate of Perfect attendance

Orange Coast College, Costa Mesa, CA *Sept 2001 – June 2003*

CERTIFICATIONS

- ACCA Certified Universal Refrigerant handling EPA Approved
- R410A Certified
- OSHA (10 Hour Card)

Harbor Pointe

Service Technician, Jan/2011 – Present

- Thorough practices in installing, maintaining and repairing heating and air conditioning equipment including controls.
- Experienced training in electrical circuits, schematics and equipment controls.
- Hands on experienced ability to diagnose, repair and maintain heating, air conditioning and refrigeration systems.
- Highly skilled in the proper use and maintenance of HVAC tools.
- Excellent communication and human relation skills.

Art Caps n' Designs

Account Manager, Jan/2007 – Jan/2010

- Secured new and existing clients by providing highest level of workmanship and customer service.
- Earned high recognition within industry and with clients for exceptional workmanship and timely fulfillment of all required deadlines.
- Initiated and conducted sales meeting with new and existing clients to clearly interpret their needs, expectations and presented proposals.
- Increased annual profit by 10-15% year after year.

EXPERIENCE

Apollo Embroidery

Operations Manager, Jan/2004 – Nov/2006

- Distributor for promotional companies associated with ASI and PPAI. Providing high quality merchandise and embroidery with low competitive prices.
- Responsibilities include coordination of meetings with potential clients and educating them on products and merchandise as well as contract embroidery pricing.
- Applied marketing skills to increase sales and productivity including but not limited to embroidery and digitization of client
- Consistently reached and exceeded monthly sales quota. Monthly sales averaging \$50,000 and up.

SKILLS

- Use/Comprehensive multi-meter, OHM Meters and Refrigeration gauges
- Read & Wire Schematics & Ammeters
- System Diagnosis, Electric Motors, and Knowledgeable in equipment/tools
- Strong organizational, analytical, and problem solving skills
- Bilingual: Fluent in English and Korean

Christopher Perez

Summary

Skilled Maintenance Professional of 15 years with a strong background in Welding and Fabrication. Evaluations and commendations show outstanding record in production efficiency, leadership, safety, and reliability seeking a challenging mechanical position in a production environment with continuing opportunity for education on advancement.

Relevant Skills

- DWS 1.1 Certified Welder
- CPR first aid training
- Mobile Equipment Certified
- Pipeline lay-out, fabrication and installation
- Heavy equipment maintenance and operation
- Experience working on asphalt plants, rock plants, power plants.
- G6 unlimited welding certification (pipe and structural)
- ASME Engineering unlimited welding certification (arc and wire)
- Environmental Protection Agency (EPA) Certified
- Sheet metal and ductwork welding and fabrication
- Accredited HVAC Schooling and technical training
- Current MSHA 2014 trained
- Unit and system modification and retrofits including split systems, package units, exhaust and ventilation systems
- Effectively oversee projects from concept to completion within time and budget
- Unit troubleshooting and repair Chiller, cooling tower and boiler maintenance and repair
- Pump repair and replacement.
- Blueprint reading and interpretation
- Specialty welding, fabrication and installation
- Experience working on asphalt plants, rock plants and power plants
- New structure installation
- Mechanical and electrical trouble shooting and repair

Experience

Field Mechanic 9/2012-Current

Harbor Pointe Air Conditioning & Controls Systems Inc.- Lake Forest, Ca

- Perform preventative maintenance tasks to residential, commercial, and industrial mechanical systems.
- Respond to and implement customer requests for upgrades and modifications to existing systems.
- Oversee projects and repairs to assure efficient progress throughout and access any variables as necessary
- Respond to emergency service calls regarding process cooling equipment Ductwork welding, fabrication, and installation Cooling tower, boiler, and chiller modification, maintenance and installation

- Perform facility shutdown repairs and modifications Electrical and mechanical troubleshooting and repairs
- Experience in working within Medical and Production facilities

Field Mechanic 12/2010-9/2012

Trinity Construction Company-Blue Jay, Ca

- Work in field environment performing numerous repairs and improvements including new installations and demo pertaining to production plants
- Perform repairs during time sensitive plant shutdown
- Work on multiple mechanical components associated with production plants
- Fabricated large and small parts per drawing and assembled [parts as required
- Responsible for achieving production requirements with coordinating a crew of 3 or more
- Employed by different welding techniques to assemble parts and components
- Coordinated procedures for facility and equipment maintenance or modification, including the replacement of machines

Field Mechanic 12/2005-12/2010

NuWest Fabrication-Riverside, Ca

- Perform plant shutdown preventative maintenance and repairs
- Actively suggested operational improvements to enhance quality, improve production times and reduce costs.
- Coordinated procedures for facility and equipment maintenance or modification, including the replacement of machines.
- Completed all repairs and maintenance work to company and customer standards to ensure a safe and efficient jobsite.

Plant Mechanic 12/2004-12/2005

Hanson Aggregates-Eagle Valley

- Serviced mining equipment repaired and replaced parts as necessary. Operated front end loader and haul trucks in a surface mine operation.
- Performed preventative maintenance repairs to rock plant during off hours to increase production time.
- Scheduled routing dye and liner changes on jaw and cone crushers.

Facility Mechanic, 07/2002 - 12/2004

Merical VitaPak —Anaheim, Ca

- Actively suggested operational improvements to enhance quality, improve production times and reduce costs.
- Adjusted alignment of drills, cutters, dies, guides, and holding devices.
- Adjusted machine feed and speed if machine malfunctioned.

References available upon request

Juan Joseph Jennings

On the Job Accomplishments:

- * Five Years Experience of HVAC on the job training
- * Proven track record of accomplishment in positions where maturity, professionalism and Level-headed, rational thinking are critical to performance.
- * Strong Communicator & Team Oriented
- * Prepared, eager & experienced in handling Priority Projects
- * Fast learner, work well under pressure, and enjoy assisting clients

Education

Bronson Technical school ~ HVAC R Technician Certification Program

Professional Experience:

Sep 2012~ Current	Harbor Pointe AC & Controls	Lake Forest, CA	Tradesman
* Preventative Maintenance		* Unit Installation Ducting	
*Installations		* HVAC	
*Service Tech			
Jan. 2011 ~ Jan 2012	Trinity Construction ~Borax Mine	Bluejay, CA	Demolition Worker
* Hot Work		* Demolition Plants	
* General Labor		* Reconstructed Conveyors	
July 2007~ August 2011	Kott Construction	Laguna Niguel, CA	General Construction Worker
* Sewer Drainage		*Framing	
* Hot & Cold Water Supply		*Painting	
*Project Management		*Drywall	
*Electrical		*Plumbing	
July 2004 ~ 2007	Custom Refinishing	Mission Viejo, CA	Owner
*Bathtub, Tile and Fiberglass refinishing			

Certifications

MSHA safety training 72 hour
OSHA 10 safety training
EPA universal license 608

Affiliations

Local 250 Steamfitter Pipefitters Union
Gardena California



APPENDIX B - REFERENCES

Describe fully at least three contracts performed by your firm that demonstrate your ability to provide the services included with the scope of the specifications. Attach additional pages if needed. OCFA reserves the right to contact each of the references listed for additional information regarding their experience with your company.

Customer Agency Name: Fountain Valley Hospital Regional Hospital & Medical Center
Contact Individual & Title: Mr. John Ruppert, Director
E-mail Telephone number: John.Ruppert@Tenethealth.com , (714)966-7251
Date of Project & Description of services provided including contract amount: Since 2005, continuous service as needed including maintenance, controls, chiller repairs, HVAC repairs. Prepare hospital for joint commission and accreditation inspection. Over \$175,000 in services in 2013
Customer Agency Name: St Joseph Medical Center
Contact Individual & Title: Mr. Bob Waters, Plant Ops.
E-mail Telephone number: Bob.Waters@stjoe.org (714)981-5239
Date of Project & Description of services provided including contract amount: Since 2009, Repairs and install of chillers, install HVAC units, duct work, valve replacement and repairs, and humidifiers. Over \$110,000 in services in 2013
Customer Agency Name: Garfield Medical Center
Contact Individual & Title: Mr. Mario Sais, Director
E-mail Telephone number: Mario.sais@ahmchealth.com (626)573-2222
Date of Project & Description of services provided including contract amount: Since 2005, Coil replacement, AHC refurbishing, installs, controls maintenance, repairs, service calls, chiller service and repairs. Over \$221,000 in services in 2013.
Customer Agency Name: Santa Monica Bus
Contact Individual & Title: Mr. Mark McCullough, Facilities Manager
E-mail Telephone number: Mark.mccullough@smgov.net (310)451-5444
Date of Project & Description of services provided including contract amount: Since 1989 to present, HVAC maintenance, Bac-net controls, repairs, installation, duct work. \$30,000 in services in 2013.
Customer Agency Name: Orange County Fire Authority
Contact Individual & Title: Mr. Steve Klein, Facilities Manager (714)720-6067
E-mail Telephone number: SteveKlein@OCFA.org
Date of Project & Description of services provided including contract amount: Since 2002 to present, HVAC maintenance, repairs, installs, Metasys, Pneumatics, carrier VVT, ducting, Boiler repairs, and Chillers. Over \$260,000 in services in 2013.

APPENDIX C - PRICING PAGE

Proposal Costs - The fee information is relevant to a determination of whether the fee is fair and reasonable in light of the services to be provided. This section shall include five sub sections; 1) proposed costs of quarterly service and annual service which includes belts, pan tablets and coil cleaning only, 2) bi-monthly service, 3) programming systems pricing, 4) emergency response pricing, and 5) materials pricing as described in your proposal. Proposed cost points will be based on the bi-monthly, quarterly and annual service costs for the PM Services. These services were based on the prior year and will assist in the pricing analysis in the evaluation process. Programming systems pricing, emergency response pricing, and materials pricing are performed on an as needed basis only and will not be part of the pricing score analysis. Any additional fees outside the scope of the agreement must be approved by the OCFA in writing before commencing services for said fees.

MAINTENANCE FIXED PRICE:

LOCATION	QUARTERLY SERVICE	ANNUAL SERVICE WITH BELTS, PAN TABLETS AND COIL CLEANING ONLY
RFOTC	\$4,082.70	\$7,672.70
FS #02	\$80.89	\$100.89
FS #04	\$216.71	\$298.27
FS #05	\$124.72	\$198.72
FS #06	\$195.81	\$240.81
FS #07	\$161.87	\$198.80
FS #08	\$78.79	\$96.79
FS #09	\$119.96	\$156.96
FS #10	\$78.79	\$98.79
FS #11	\$82.96	\$102.96
FS #13	\$78.18	\$98.18
FS #14	\$79.64	\$99.64
FS #15	\$120.80	\$157.80
FS #16	\$115.57	\$135.57
FS #17	\$240.23	\$314.23
FS #18	\$180.73	\$291.73
FS #19	\$229.60	\$303.60
FS #20	\$170.16	\$207.16
FS #21	\$175.93	\$212.93
FS #22	\$78.79	\$115.79
FS #23	\$155.89	\$192.89
FS #24	\$118.89	\$155.89
FS #25	\$79.47	\$116.47
FS #26	\$78.79	\$116.47
FS #27	\$78.63	\$115.63
FS #28	\$127.44	\$167.44
FS #29	\$299.65	\$373.65
FS #30	\$82.94	\$125.75
FS #31	\$120.94	\$160.80
FS #32	\$119.83	\$156.83
FS #34	\$164.21	\$219.71
FS #35	\$79.56	\$116.53
FS #36	\$122.29	\$177.79
FS #37	\$120.49	\$157.49

LOCATION	QUARTERLY SERVICE	ANNUAL SERVICE WITH BELTS, PAN TABLETS AND COIL CLEANING ONLY
FS#38	\$165.66	\$221.16
FS#39	\$165.87	\$221.37
FS #40	\$167.17	\$222.67
FS #41	\$148.00	\$203.50
FS #42	\$176.19	\$213.19
FS #43	\$87.79	\$124.79
FS #44	\$78.79	\$115.79
FS #45	\$185.67	\$241.17
FS #46	\$194.47	\$268.47
FS #47	\$170.26	\$225.76
FS #48	\$302.60	\$461.50
FS #49	\$120.59	\$157.59
FS #50	\$185.66	\$241.16
FS #51	\$126.12	\$163.12
FS #53	\$174.86	\$211.86
FS #54	\$157.59	\$194.59
FS #55	\$161.24	\$216.74
FS #57	\$183.31	\$238.81
FS #58	\$187.77	\$243.20
FS #59	\$180.18	\$254.18
FS #60	\$223.00	\$297.00
FS #61	\$204.96	\$278.96
FS #62	\$119.94	\$156.94
FS #63	\$124.25	\$179.75
FS #64	\$201.60	\$326.66
FS #65	\$174.48	\$229.98
FS #66	\$160.11	\$215.61
FS #70	\$80.72	\$100.72
FS #71	\$183.76	\$239.26
FS #72	\$78.90	\$98.90
FS #73	\$78.90	\$98.90
FS #74	\$246.09	\$320.09
FS #75	\$183.51	\$256.01
FS #76	\$179.70	\$240.74
FS #77	\$124.79	\$161.79
FS #78	\$80.72	\$100.72
FS# 79	\$231.50	\$287.00
Grand Total	\$14,438.57	\$21,485.31

BI-MONTHLY SERVICE PRICING:

LOCATION	SERVICE COST
FS#61	204.96 INCLUDING COIL CLEANING EACH TIME

PROGRAMMING SYSTEMS PRICING

RFP MD1913-HVAC MAINTENANCE

LOCATION	SYSTEM	HOURLY RATE
RFOTC	2.0 Metasys Johnson Control	\$ 94.00/\$110.00 Mechanic/ Programming
FS #17	5.0 Metasys Johnson Control	\$ 94.00/ \$110.00 Mechanic/ Programming
FS#46	5.0 Metasys Johnson Control	\$ 94.00/ \$110.00 Mechanic/ Programming
FS58	VVT Controls by Carrier	\$ 94.00
FS#61	Metasys Hot Deck, Cold Deck, Johnson Controls and Pneumatic Controls	\$ 94.00
FS#71	VVT Controls by Carrier	\$ 94.00

EMERGENCY RESPONSE PRICING:

LABOR	HOURLY RATE
Standard Rate, Monday - Friday, 7:30am - 5:30pm	\$ 74.00/ \$94.00 Stations/ HQ
Overtime Rate,, Monday - Friday, 7:30am - 5:30pm	\$ 107.30/ \$136.30 Stations/ HQ
Overtime Rate, Saturday, Sundays, and Holidays (if charged)	\$ 107.30/ \$136.30 Stations/ HQ
Minimum Call Out Charge (if charged)	\$ 00.00
Trip Charge (if charged)	\$ 5.00/hr max \$25.00

MATERIALS PERCENTAGE PRICING:

DESCRIPTION:	PERCENTAGE
Please indicate your percentage discount from list price for parts and materials	5% to 30%

Notes:

- Labor hours shall be charged on the basis of actual time spent on each job, not on a portal-to-portal basis, and shall be computed to the nearest one-quarter (1/4) hour.
- Overtime will not be paid on non-emergency response requests unless specifically authorized by the Contract Administrator at the time the request for service is initiated.
- Minimum Call Out charge is applicable only when the actual job cost is below the established minimum. It is not a separate or additional charge.
- Trip charge is not applicable to additional responses immediately following first response if the distance between subsequent locations is less than twenty (20) miles.

Major material items will be paid on the basis of actual invoice cost to the contractor plus the discount quoted on the bid and copies shall be attached for each location.

Provide details of what is included in the total cost listed above. Direct and indirect, prevailing wage rate requirements, truck, all necessary equipment, tools, overhead, travel, depreciation, other expensed and all profit should be included in the total cost.

Foreman – Direct (Union package/prevailing wage) \$ 66.18 Journeyman – Direct (Union package/prevailing wage) \$60.01
Apprentice – Direct (Union package/prevailing wage) \$39.59 Truck (payment and maintenance, repairs) \$6.00 Insurances \$6.53 - \$8.67, Indirect
Costs \$10.47, Profit \$4.82 – \$10.99

Any additional information you would like OCFA to consider.

Harbor Pointe wants to thank you for the honor of serving OCFA for the past 12 years

We know your stations and headquarters, their operations concerns and their history.

Term of Offer: It is understood and agreed that this offer may not be withdrawn for a period of **one hundred eighty days (180)** from the Proposal Submittal Deadline, and at no time in case of successful Offeror.

APPENDIX D - CERTIFICATION OF PROPOSAL

In responding to RFP MD1913 for HVAC Maintenance, the undersigned Offeror(s) agrees to provide services for OCFA per the specifications. Offeror further agrees to the terms and conditions specified herein the following terms and conditions that are a part of this proposal and any resulting contract. If there are any exceptions they must be stated in an attachment included with the offer.

- A. The Offeror hereby certifies that the individual signing the submittal is an authorized agent for the Offeror and has the authority to legally bind the Offeror to the Contract. Signature below verifies that the Offeror has read, understands, and agrees to the conditions contained herein and on all of the attachments and agenda.
- B. The submission of the offer did not involve collusion or other anti-competitive practices.
- C. The Offeror has not given, offered to give, nor intends to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, meal or service to a public servant in connection with the submitted offer.
- D. The Offeror shall not discriminate against any employee or applicant for employment in violation of Federal or State law.
- E. The Offeror complies fully with the Federal Debarment Certification regarding debarment suspension, ineligibility and voluntary exclusion.

Independent Price Determination: I certify that this offer is made without prior understanding, arrangement, agreement, or connection with any corporation, firm or person submitting an offer for the same services, and is in all respects fair and without collusion or fraud. I certify that I have not entered into any arrangement or agreement with any Orange County Fire Authority public officer. I understand collusive bidding is a violation of State and Federal law and can result in fines, prison sentences, and civil damage awards. I agree to abide by all conditions of this offer and certify that I am authorized to sign this agreement for the Offeror.

TO THE ORANGE COUNTY FIRE AUTHORITY:

The Undersigned hereby offers and shall furnish the services in compliance with all terms, scope of work, conditions, specifications, and amendments in the Request for Proposal which is incorporated by reference as fully set forth herein. The representations herein are made under penalty of perjury.

Harbor Pointe Air Conditioning & Control Systems, Inc.

Name of Firm

20914 Bake Parkway, Unit 110

Address

Lake Forest CA 92630

City

State

Zip

Signature of Person Authorized to Sign

Greg Perez

Printed Name

March 3, 2014

Date

President

Title

APPENDIX D - CERTIFICATION OF PROPOSAL

In responding to RFP MD1913 for HVAC Maintenance, the undersigned Offeror(s) agrees to provide services for OCFA per the specifications. Offeror further agrees to the terms and conditions specified herein the following terms and conditions that are a part of this proposal and any resulting contract. If there are any exceptions they must be stated in an attachment included with the offer.

- A. The Offeror hereby certifies that the individual signing the submittal is an authorized agent for the Offeror and has the authority to legally bind the Offeror to the Contract. Signature below verifies that the Offeror has read, understands, and agrees to the conditions contained herein and on all of the attachments and agenda.
- B. The submission of the offer did not involve collusion or other anti-competitive practices.
- C. The Offeror has not given, offered to give, nor intends to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, meal or service to a public servant in connection with the submitted offer.
- D. The Offeror shall not discriminate against any employee or applicant for employment in violation of Federal or State law.
- E. The Offeror complies fully with the Federal Debarment Certification regarding debarment suspension, ineligibility and voluntary exclusion.

Independent Price Determination: I certify that this offer is made without prior understanding, arrangement, agreement, or connection with any corporation, firm or person submitting an offer for the same services, and is in all respects fair and without collusion or fraud. I certify that I have not entered into any arrangement or agreement with any Orange County Fire Authority public officer. I understand collusive bidding is a violation of State and Federal law and can result in fines, prison sentences, and civil damage awards. I agree to abide by all conditions of this offer and certify that I am authorized to sign this agreement for the Offeror.

TO THE ORANGE COUNTY FIRE AUTHORITY:

The Undersigned hereby offers and shall furnish the services in compliance with all terms, scope of work, conditions, specifications, and amendments in the Request for Proposal which is incorporated by reference as fully set forth herein. The representations herein are made under penalty of perjury.

Harbor Pointe Air Conditioning & Control Systems, Inc.

Name of Firm

20914 Bake Parkway, Unit 110

Address

Lake Forest

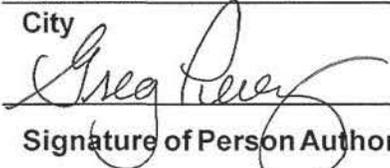
CA

92630

City

State

Zip


Signature of Person Authorized to Sign

March 3, 2014

Date

Greg Perez

President

Printed Name

Title



**REQUEST FOR BEST AND FINAL OFFER
RFP MD1913 HVAC MAINTENANCE & REPAIR**

DATE BEST AND FINAL OFFERS REQUESTED: MARCH 10, 2014

DUE DATE FOR BEST AND FINAL OFFER: MARCH 11, 2014 AT 9:00 A.M.

Your company submitted a proposal in response to the above referenced Request for Proposal (RFP) issued by the Orange County Fire Authority.

The Orange County Fire Authority is exercising the right to request a best and final offer from the top ranking firms for further evaluation and consideration.

The purpose of the Best and Final Offer is to provide an opportunity for both OCFA and your firm to consider any modifications to the terms prior to finalizing the contract. As per our telephone discussion on March 7, 2014, pricing is a very important aspect in the award of this contract. The RFP requested pricing for one year with optional four year terms. Harbor Pointe submitted a combined total for bi-monthly, quarterly and annual PM cost in the amount of \$65,210.94. OCFA is requesting the pricing based on the total for the additional four one-year options:

Four additional one-year contract terms		PM Cost
April 1, 2015 through March 31, 2016	1%	\$65,863.05
April 1, 2016 through March 31, 2017	0%	\$65,863.05
April 1, 2017 through March 31, 2018	1%	\$66,521.68
April 1, 2018 through March 31, 2019	1%	\$67,186.90

**Note that the contract will begin April 1, 2014, so the future years have been adjusted to reflect this.*

Please provide any additional information on HVAC pricing for future years:

The Union has negotiated a labor agreement for the next three years. The mechanics labor

rate will be increasing approximately \$1.00 - \$1.35 an hour for each of the next three years beginning in September of each year.

BEST AND FINAL PRICING OFFER

PROGRAMMING SYSTEMS PRICING

LOCATION	SYSTEM	HOURLY RATE
RFOTC	2.0 Metasys Johnson Control	\$94 mechanic / \$110 programming
FS #17	5.0 Metasys Johnson Control	\$94 mechanic / \$110 programming
FS #46	5.0 Metasys Johnson Control	\$94 mechanic / \$110 programming
FS #58	VVT Controls by Carrier	\$94/hr
FS #61	Metasys Hot Deck, Cold Deck, Johnson Controls and Pneumatic Controls	\$94/hr
FS #71	VVT Controls by Carrier	\$94/hr

REPAIR RESPONSE PRICING:

LABOR	HOURLY RATE
Standard Rate, Monday – Friday, 7:30 am – 5:30 pm	\$74 station / \$94 HQ
Overtime Rate, Monday – Friday, 5:30 pm – 7:30 am	\$107.30 Station / \$136.30 HQ
Overtime Rate, Saturday, Sundays, and Holidays (if charged)	\$107.30 Station / \$136.30 HQ
Minimum Call Out Charge (if charged)	\$0
Trip Charge (if charged)	\$3.15/hr max \$25

MATERIALS PERCENTAGE PRICING:

DESCRIPTION	PERCENTAGE
Please indicate your percent discount from list price for parts and materials	5 – 30%

Please provide details on your offer to the percentage discount from listed prices and provide a breakdown of percentages/products that would apply to this section:

It is difficult to put an exact amount on the discount on any item other than the equipment due to the fact that even at wholesale houses our own discount varies by manufacturer. The only confirmed amount I can firmly commit to is a 5% discount off list for replacement equipment-furnaces; condensing units or heat pumps. I called our 5 main suppliers and each of them told me the same- "discount off list varies by manufacturer". Our pricing to OCFA in the past has reflected a 5% to 30% discount – i.e. motors 5-20%; coils 5-30%; replacement equipment (FAU, condensing units, package units) 5%; Compressors 10-25%.

BEST AND FINAL PRICING OFFER

Please provide details on your offer to the items listed and any additional items that you would like OCFA to consider in this best and final offer

Harbor Point provides a quality service with Union Mechanics at lower prices than union shops. Our Mechanics have the same quality education, perform the same work and provide the quality service OCFA demands. Harbor Pointe has held labor prices for more than ten years at \$72.50 an hour. We were fortunate that the Union held wages during the economic down turn of 2006-2013 as did our suppliers. We anticipate costs to continue to rise as we have seen a minimum of two price increases in materials basic to our industry in the last 18 months. We cannot control all price increases, it is for that reason we are requesting what should be considered reasonable increase each year over the next five years.

Best and Final Offers must be received by the Orange County Fire Authority Purchasing Section, no later than Tuesday, March 11, 2014 at 9:00 a.m. This response shall be sent via e-mail to: monicadorfmeyer@ocfa.org

Sincerely,



Monica Dorfmeier
Purchasing Agent

CONSENT CALENDAR – AGENDA ITEM NO. 6
EXECUTIVE COMMITTEE MEETING
March 27, 2014

TO: Executive Committee, Orange County Fire Authority

FROM: Janet Wells, Interim Human Resources Director

SUBJECT: **Management Physicals**

Summary:

This item is submitted in response to a question posed by the Executive Committee during a discussion regarding the extension of the UCI contract for Occupational Medical Services. The current contract provides for “Management Physical Examination (non-firefighters)”. The Executive Committee inquired as to how many of these physicals were conducted and how often these physicals uncover undiagnosed health issues.

Recommended Action:

Receive and file the report.

Background:

The current contract for Occupational Medical Services with UCI provides for “Management Physical Examination (non-firefighter).” Individual examinations cost approximately \$1,350 and include the following:

Management Physical Examination (non-firefighters)

Management physicals shall be provided to OCFA non-fire administrative managers, pursuant to OCFA’s Personnel & Salary Resolution. This exam includes a traditional comprehensive medical evaluation. The goal of the examination is to detect medical conditions at an early stage, to identify health risk factors and habits which can negatively impact health, and to refer the individual to appropriate community health care providers for additional testing or follow-up for identified problems. This evaluation includes:

History: Review of medical/occupational history
Computerized health risk assessment questionnaire

Physical: Core physical examination

Testing: Spirometry
Vision testing (Snellen)
Fitness Treadmill

Labs: CBC with differential
Comprehensive Metabolic Panel
Lipid Profile
For males > 40 years of age: Prostate Specific Antigen (PSA)
Urinalysis (microscopic)

Optional: For women: breast exam
For men over 40 years of age: digital rectal exam

Health Risk Assessment: This assessment consists of a detailed questionnaire that assesses the individual’s risk factors such as family history, life style factors, weight, and the results of certain tests and measurements such as cholesterol and waist-hip ratios and other factors. The results and interpretation will be discussed with the participant.

Dr. Leslie Israel, Clinical Professor, UC Irvine, Center of Occupational and Environmental Health reports that there have been 15 Management Physicals conducted since 2009, as listed below. OCFA has 40 administrative managers eligible to obtain the annual physical exam per year; therefore, utilization is averaging at only 7.5% per year of the total managers eligible.

Year	Number of Physicals Conducted
2009	4
2010	3
2011	2
2012	4
2013	2
Total	15

Dr. Israel further stated that at least 9 of the Management Physicals resulted in a recommendation for the patient to seek follow-up medical attention from their personal physician or a specialist. These Management Physicals allow individuals to have a confidential comprehensive review of their health so that identified issues may be brought to their personal doctor for follow-up testing and treatment if indicated. Examples of common issues according to Dr. Israel include: elevated lipids, elevated glucose, and musculoskeletal conditions. There are several benefits to these physicals, and an important benefit is the promotion of a workplace culture that values good health and well-being.

What would it take to modify the P&SR to eliminate this benefit?

Since this provision of the P&SR is applicable to unrepresented administrative managers, the benefit could potentially be eliminated through a Board-approved amendment to the P&SR at any time. However, OCFA has traditionally only modified the P&SR impacting unrepresented administrative managers at dates that work in harmony with amendments being made to the OCFA's represented employees' MOUs. This practice has ensured that managers' benefits are modified in a manner similar to others, and avoids disparate treatment of this very important portion of OCFA's workforce.

Impact to Cities/County:

None

Fiscal Impact:

None

Staff Contact for Further Information:

Janet Wells, Interim Human Resources Director

janetwells@ocfa.org

(714) 573-6801

Attachments:

None.

CONSENT CALENDAR - AGENDA ITEM NO. 7
EXECUTIVE COMMITTEE MEETING
March 27, 2014

TO: Executive Committee, Orange County Fire Authority

FROM: Dave Thomas, Assistant Chief/Operations Department

SUBJECT: **Blanket Order Contract Increases and Extensions**

Summary:

This agenda item seeks approval for blanket order increases to various contracts used in support of OCFA’s Planning & Development Services Section and “Ready, Set, Go!” Program.

Recommended Actions:

1. Approve and authorize the Purchasing Manager to increase the following annual blanket orders for plan review consultants:

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

2. 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.

Background:

Plan Checking Services

The OCFA’s Planning and Development Services Section (P&D) utilizes consultants for plan review services to assist with workload when the workload exceeds current full-time staff capacity. Due to a significant increase in building activity this fiscal year, existing staffing levels are inadequate to keep up with the increase in P&D activity. Therefore, it’s necessary to send plans out to consultants for review to prevent lengthy delays in processing these service requests.

P&D began FY 2013/14 with \$33,000 authorized in blanket orders for Professional Services. As a result of increased construction activity, the blanket orders have been depleted. From all indications, this upward trend will continue well into the foreseeable future. Staff estimates that the additional requested blanket order funds should be sufficient to bridge the gap until we have completed recruiting and hiring of additional staff.

The firms listed above were selected as a result of a competitive Request for Proposal process (RFP MD1836). The initial term of each contract was one year, beginning March 11, 2013. There are two optional one-year contract extensions remaining, which would extend the contracts through February 2016.

Staff calculated the requested contract increase amounts based on consideration of current activity and the ability/capacity of the firms to meet service demands.

Green Waste Disposal

Ware Disposal was selected in a formal bid process (RO1905) in January 2014 to provide green waste dumpster services for the removal of green waste from the vegetation reduction program in Cowan Heights and Peter’s Canyon. The original contract was estimated at \$15,000 for the project. As a result of a greater need of green waste removal than staff had originally anticipated, an additional \$8,000 is being requested. The removal of this green waste has greatly reduced the fire risk to the residents of Cowan and surrounding areas.

Vendor & Blanket Order	Contract End Date	Original BO Amount	Proposed Increase	New Total
Ware Disposal BO1484	12/31/14	\$15,000	\$8,000	\$23,000

Impact to Cities/County:

The requested increase for plan review consultants is needed to continue meeting our turnaround goal of 10 days for plan submittals.

The requested increase for Ware Disposal is part of our “Ready, Set, Go!” vegetation risk reduction program.

Fiscal Impact:

Plan Review consultant funding is available in the current fiscal year budget for P&D. Ware Disposal funding is also available in the budget, and is funded by the California Fire Safe Council Grant.

Staff Contact for Further Information:

Pete Bonano, Deputy Fire Marshal
petebonano@ocfa.org
(714) 573-6101

Attachments:

None.

DISCUSSION CALENDAR – AGENDA ITEM NO. 8
EXECUTIVE COMMITTEE MEETING
March 27, 2014

TO: Executive Committee, Orange County Fire Authority

FROM: Lori Zeller, Assistant Chief
Business Services Department

SUBJECT: **Orange County Employees’ Retirement System – Direct Lending**

Summary:

This agenda item is submitted to provide an update on a recent article in the Orange County Register on the Orange County Employees’ Retirement System’s (OCERS) Direct Lending Program.

Committee Action:

At its March 12, 2014, meeting, the Budget and Finance Committee reviewed this agenda item and recommended that staff include the item on the agenda for the Executive Committee and Board of Directors concurrently, for the Board’s consideration to direct staff to send a letter to OCERS expressing concern with the Direct Lending Program.

Recommended Action:

Review the agenda item and 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.

Background:

On January 23, 2014, an article appeared in the Orange County Register entitled, *Pension Board for Public Employees Takes \$450 Million Risk* (Attachment 1). It reported that OCERS will be directing 4% of their \$10.9 billion in assets or \$450 million to eight investment firms that manage loan funds in the hopes of earning a higher yield than traditional bond funds. These loans are made to companies in the US, Europe and the Asia Pacific region that are unable to obtain a loan from a bank.

Director Bressette, Laguna Hills, contacted staff regarding the article and inquired if there was any concern regarding this type of investment. Upon request, OCERS’ Chief Investment Officer (CIO), Girard Miller, provided the following information:

“Direct lending or private lending is provided to companies that cannot access the investment-grade bond market. This does not mean they are bad credits, they usually are smaller and mid-size firms that are not large enough to issue bonds that would be rated like Fortune 500 companies. Hence, they pay a higher interest rate. Most of the loans funded by OCERS through the managers we retain to perform this work are senior or even senior secured debt that stands above ordinary creditors in bankruptcy, and usually

have advantageous terms in events of technical default which work to the investor's advantage in times of stress. Thus, the creditworthiness of this debt is actually higher than so-called junk bonds which are issued by lower-rated national and multi-national corporations, or bank loans which are purchased in the secondary market. Interest rates are typically floating rate, so that investors are protected from inflation and rising interest rates, which makes them good diversifiers in the overall credit portfolio and a hedge against inflation. The firms that OCERS selected to perform this work for us all have lending teams with a decade or more experience in these markets, and have successfully worked through the Great Recession, and often multiple business cycles, so they understand credit even better than most conventional bankers, and most of them have owner capital at risk in the funds they operate.

Loan term (length) varies, but most of these are 3-5 years, not long- long term debt. So there is no duration risk. The direct lending funds through which we invest typically wind down in 6-7 years or less, after an initial 2 year investment period. Some of the capital comes back sooner as loans get prepaid for a variety of reasons. So the best comparable would be intermediate term corporates”.

In addition, the CIO also provided a staff report to OCERS’ Investment Committee that describes the loan program in more detail (Attachment 2) as well as a presentation made by one of the investment firms, Tennebaum Capital Partners LLC (Attachment 3), that OCERS selected.

Some of the information contained in the attached materials that is worth highlighting for the Committee includes:

1. The loans are typically floating rate and for 3-5 years.
2. The loans are usually senior and/or senior secured debt.
3. The loans are a higher credit quality than junk bonds.
4. The staff report states that there is growing conviction at the staff and consultant level that OCERS’ commitment to Direct Lending might be expanded over time.
5. The staff report has a footnote which discloses that the OCERS’ CIO does have an investment interest in Tennebaum Capital which is one of the investment firms OCERS’ is using for the Direct Lending program.

Staff will continue to monitor the investment performance of OCERS including the Direct Lending program and update OCFA’s Budget and Finance Committee.

Impact to Cities/County:

Not applicable.

Fiscal Impact:

Not applicable.

Staff Contacts for Further Information:

Lori Zeller, Assistant Chief/Business Services Department
LoriZeller@ocfa.org
(714) 573-6020

Tricia Jakubiak, Treasurer
TriciaJakubiak@ocfa.org
(714) 573-6301

Attachments:

1. Orange County Register article, *Pension Board for Public Employees Takes \$450 Million Risk*, January 24, 2014
2. Staff report to OCERS' Investment Committee on the Selection of Direct Lending Managers, May 29, 2013
3. Presentation by Tennebaum Capital Partners LLC, May 29, 2013

BY MIKE REICHER / STAFF WRITER

Published: Jan. 23, 2014 Updated: Jan. 24, 2014 9:35 a.m.

PENSION BOARD FOR PUBLIC EMPLOYEES TAKES \$450 MILLION RISK

[Related article »](#)

QUICK FACTS

Retirees / beneficiaries / survivors: **13,947**

Members not yet receiving benefits: **25,671**

As of Dec. 31, 2012: **Total Assets \$9.5 billion**

Unfunded liability: **\$5.7 billion**

In the past year, the Orange County Public Employees Retirement System board has agreed to loan \$450 million to companies in the U.S., Europe and the Asia-Pacific region, mostly little-known companies with poor credit ratings that need cash.

Officials are hoping the loans, made through investment managers, will supercharge earnings. But they acknowledge some of the investments are risky and each loan's principal could be lost.

Retirement boards across the U.S. are exploring more exotic investments – well beyond stocks and bonds – to keep pace with promised pension benefits and large unfunded liabilities. Experts vary on the wisdom of chasing high-return investments, but most agree they should be limited in a public pension fund.

OCERS has invested more and sooner in direct lending than most other large public pension funds. Direct lending accounts for slightly more than 4 percent of the assets in the \$10.9 billion OCERS fund.

“There's no such thing as a 15 percent safe investment ... There are reasons banks aren't doing these loans,” said John Shoven, director of the Stanford Institute for Economic Policy Research. “It would be risky in the extreme if this became a large part of the portfolio. But at the 5 percent level, I (would be) willing to take the risk.”

Direct lending is part of the “shadow banking sector,” as one Standard & Poor's report described it, which boomed after banks slowed their lending. Regulators tightened banks' requirements, hoping to avert another credit crisis like the one that triggered the Great Recession. With demand for loans outstripping supply, specialized lending funds stepped in and courted institutional investors such as OCERS.

In 2013, pension funds committed \$2.4 billion to direct lending, compared with \$611 million in 2012, according to iiSEARCHES, an investment database run by the publisher Institutional Investor. Roughly 30 U.S. funds, small and large, have entered the market, including the Los Angeles County Employees Retirement Association, which earmarked \$400 million, and the Detroit General Retirement System, which set aside \$5million.

Some are skeptical that members of the OCERS board, most of whom are not finance professionals, can effectively oversee these investments.

“Does the investment committee have the fundamental knowledge to monitor this and all the other little things they put the money into?” asked Peer Swan, an Irvine Ranch Water District board member and former director of Southern California Bank. Swan was one of the first to question the risky investments that caused Orange County's 1994 bankruptcy.

LOWER CREDIT RATINGS

Most of the borrowers are midsize companies with “non-investment grade” credit that cannot get traditional sources of capital. OCERS' managers will be making loans typically from \$10 million to \$50 million.

Compared with fixed-interest bonds, these loans are attractive, experts say, because they have a “floating” interest rate typically tied to international bank lending rates. A floating rate could be beneficial when the Federal Reserve stops its quantitative easing, and interest rates rise. It's less attractive if interest rates fall.

Bonds saw terrible returns in 2013, and pension funds have been searching for better alternatives.

“It's a very creative niche,” said county Supervisor John Moorlach. “If you're doing all the proper analysis to determine if your borrower is a good risk, this seems like an appropriate investment.”

Orange County has invested in loan funds with eight investment firms that vet companies and negotiate terms. Beginning in April 2013, the OCERS board voted to invest \$240million in U.S. lending, \$150 million in Europe and \$60 million in the Asia-Pacific market. Ultimately, the pension fund is on the hook for the loans.

The companies might need to open a line of credit, to buy some new equipment, or to finance a leveraged buyout. In Asia, officials expect to lend for natural resource development.

OCERS' direct loans will typically be secured by collateral – real estate, equipment, inventory and the like – but there are no guarantees investors will get paid in the event of a default. Most of the loans are “senior,” meaning OCERS would be first in line among creditors during a bankruptcy.

“You're putting a lot of faith in these brokers that they're operating in your interest,” said Shoven, the Stanford economist. “This is really a tough thing to do – sorting through some companies that by definition are not strong enough to access traditional credit markets.”

OCERS officials are confident they hired the best investment managers after months of evaluation and research.

“Consistent with best practices for pension board governance,” CEO Steve Delaney wrote in an email, “the OCERS board does not micromanage our money managers. We hire competent professionals with proven track records.”

The lure of direct lending is high returns. Typically, the underlying loan interest rate is in the high single-digits. With other fees and interest, OCERS expects at least one firm's annualized returns to top 15 percent. Taken as a whole, officials expect all their direct lenders to return in the high single digits. Its Asian manager boasts a 27 percent annualized return since 2004, before taking its management fees, according to a memo by Orange County's general investment consultant, NEPC.

“You can't afford to avoid opportunities that are there, so you have to push somewhat in order to get the return,” said Robert Griffith, a retired county employee and former OCERS board member who voted to invest in direct lending before his term expired in December.

CERTAIN DISADVANTAGES

Early returns from two funds are low. During the month of November, the most recent for which figures are available, one of the direct lenders earned 1.4 percent, and the other lost 1.5 percent. OCERS officials say some of the loss is due to that fund's startup costs. They cautioned against judging performance based on short-term returns.

To date, about \$150 million has been transferred to the investment managers, out of the \$450 million allocated to direct lending. OCERS officials point out the fund's broader credit investments – the larger umbrella that will cover direct loans – account for its highest-earning asset class over the past five years.

For all its potential high returns, direct lending comes with significant downsides.

Nearly 3 percent of borrowers on average couldn't make payments between 1995 and 2012, according to a presentation by NEPC, the consultant for OCERS, on leveraged loans, a comparable investment. Also, lenders were unable to recover the value of collateral in 35 percent of these loan defaults, the presentation said. Both measures were better than those for high-yield, or junk bonds.

Another disadvantage with the loans, officials say, is the relatively long time an investment is “locked in” – some managers want commitments up to five or six years. If banks loosen lending, experts say, direct funds might not command such high interest rates.

Tightened banking regulations – specifically the requirement for more capital – forced many European banks to withdraw from these types of loans.

European managers will lend OCERS money in the United Kingdom, Germany, France and other developed countries. Some money is going to pan-European companies based in Spain.

Asian-Pacific borrowers are spread throughout developed and developing economies: China, Indonesia, India, Australia, Singapore, Malaysia, South Korea and Japan.

Only two other public pension systems had invested with the Asia-Pacific manager as of late last year, according to OCERS – the Missouri Department of Transportation and another fund that couldn't be disclosed publicly. OCP Asia, the investment firm, offered OCERS discounted fees because it was one of the first investors.

After Chief Investment Officer Girard Miller returned from a due-diligence trip to Hong Kong and Singapore, the board unanimously approved the \$60million allocation to OCP Asia.

Any potential losses there would be “negligible in the big picture,” Miller wrote in a memo to the board. He called this investment a “high-income cash-flow generator.”

“Anything like this that's new requires significant due diligence and research, and I felt Girard Miller had done that,” Supervisor Moorlach said. “It's a business decision. You're being compensated for taking the risk.”

Contact the writer: mreicher@ocregister.com

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

MEMORANDUM

DATE: May 29, 2013

TO: Members of the Investment Committee

FROM: Girard Miller CFA, Chief Investment Officer

SUBJECT: Direct Lending Managers - Selection of Tennenbaum Capital

Recommendation:

1. Approve the selection of Tennenbaum Capital for funding in the Direct Lending sub-allocation of the Diversified Credit portfolio, with a commitment of \$50 million, to be funded in lieu of one-half of OCERS' European Opportunities "earmark" in the Diversified Credit portfolio.
2. As part of a mid-year portfolio strategy review, request our consultants at NEPC to research and report the feasibility and advisability of expanding OCERS' commitment to the Direct Lending opportunities in the U.S. and globally, and provide tactical or strategic recommendations for portfolio adjustments if appropriate.

Background:

In May 2012, the Investment Committee approved an allocation of 7% of the total OCERS portfolio to Diversified Credit, with a sub-allocation of 15% of that amount (presently \$110 million) to Direct Lending managers, and an equal sub-allocation or "earmark" for European credits, which was approved during the July 2012 meeting.

During January 2013, the Committee approved a search for managers in this sector, and in early April 2013, the Committee approved a short list of potentially qualified managers screened and vetted by NEPC. The short list included four domestic direct lenders and three European direct lenders.

On April 24, 2013, the Committee approved hiring three managers in the Direct Lending sub-allocation for a total of \$110 million, with \$50 million allocated to Monroe Capital and \$30 million each to Crescent Capital and NXT.

As a reminder, direct lending is the investment discipline in which advisory firms provide investment capital to borrowers as an alternative to bank lending and marketable securities (bonds and notes) in the public markets. These private transactions often carry favorable *floating* interest rates, typically as a spread over LIBOR, making them attractive alternatives to traditional fixed income investments – especially in scenarios of rising interest rates. Many times, the loans are "senior secured" or "uni-tranche," putting them at the highest level on the capital stack and first in line for payout in the event of a default, before subordinated lenders and equity investors. As a result, the actual default history for many of the premiere direct lenders is very low, in the

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

order of magnitude of 25 basis points or less over full market cycles - even including the very real-world stress test of the Great Recession.

The Committee also approved a search for credits and direct lenders in Europe, which was another sub-allocation under the Diversified Credit bucket. Our recommendation at this time is to redirect half of the European Opportunities earmark to the U.S. focused Direct Lending sub-allocation. Although the Euro-crisis will undoubtedly open strong opportunities in this space, it may be a bit early to enter this area. One of our immediate concerns is currency risk, and the potential that the Euro could erode persistently or fall dramatically against the dollar (i.e. Germany withdraws from the currency bloc). Although it is possible to hedge currency risk, the cost of such protection makes returns from Euro lending less appealing to us at this time. Currency hedges are usually rolling hedges that must be reinstated periodically and thus cannot fully cover the risks of chronic Euro depreciation beyond each contract period. Although we are working with NEPC on this issue, and expect to bring one or more finalists to the Committee in coming months to make a selection for half of the originally anticipated allocation to that space, we believe it now to be more prudent to select a fourth domestically focused direct lender where opportunities remain attractive and economic risks less evident.

Analysis:

Today, we present one additional firm for inclusion within the Direct Lending portfolio: Tennenbaum Capital located in Santa Monica, CA. The firm was on the original short-list presented by NEPC. A key difference between Tennenbaum and the other three direct lending managers is the size of the companies to which their loans are originated. Tennenbaum typically lends to larger borrowers and across the entire middle-market space, whereas Monroe, Crescent and NXT typically are more focused on the lower-middle market. Tennenbaum's style is more opportunistic than the other three firms, and we believe they offer excellent diversification of strategies for our allocation. They are not raising a multi-investor fund at this time, so OCERS' best option is to invest through them in conjunction or partnership with another NEPC client in a customized "fund of two" as envisioned in the P5 collaborative procurement strategy. Therefore, the recommended action is as follows:

- OCERS can join with another public fund client of NEPC and existing investor of Tennenbaum (the State of Wyoming plan), in what would become a "fund-of-two" structure that would be able to receive \$50 million from OCERS to be invested through Tennenbaum Capital. The Wyoming pension fund has approved a commitment to Tennenbaum of \$65 million, subject to final due diligence and contract terms.
- This "fund-of-two" vehicle would allow a portion of the portfolio to employ leverage up to 1:1 and/or to invest up to 15% in second-tier loans. Diversification guidelines have been established to prevent imprudent concentrations in individual positions in such loans.

Staff did explore a second alternative with a smaller funding commitment to Tennenbaum, although we consider it a less-attractive and more complicated path at this point in time. To minimize confusion, that option is explained in an appendix to this memorandum.

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

Staff and NEPC continue to believe that direct lending offers more opportunities for OCERS than the present asset allocation plan provides, consequently we believe that this modest step-up is appropriate at this stage. We can gain some experience with the selected firms, iron out any issues, and “settle in” with them in our roster of managers with the potential to fund additional commitments at a later time if the Committee, Staff and NEPC become convinced that a larger investment position is warranted in this sector. For this to be kept in perspective, however, we should first evaluate our rationale and strategy in the core bond allocation, and also develop a better common understanding of our portfolio risks in the credit markets. We should also ponder next month whether these illiquid direct lending investments might outperform GTAA and/or Real Return commitments during 2013-2015, given the current stage of the business cycle. It is noteworthy that the Merrill Lynch U.S. High Yield bond index dropped to 5.1% recently, which could argue for a reallocation of some of that capital as an alternative also. We can also discuss at a later time this year -- not at this meeting -- the pros and cons of designating approved manager “pools” to provide tactical flexibility in portfolio strategy implementation, once we complete the task of populating the 2012 asset allocation plan with approved managers. However, for now at least, it makes more sense to appoint this particular manager in the “conventional way” with a fixed allocation to a specific vehicle.

It is noteworthy that this investment opportunity has been facilitated by our working relationship with our general consultant, NEPC. The co-investor is an NEPC client as well as a longer-term investor with Tennenbaum, and the terms we are receiving in this “cooperative procurement” are favorable in comparison with other investment terms or what we would enjoy on a standalone basis. Of particular value is the diversification benefit of investing in the “fund-of-two” with another public plan, so that the advisor can underwrite meaningful positions and still keep our exposure to any one borrower limited to the range of three to five percent of our total exposure. In this regard, we benefit from economies of scale without undue complexity or duplication of efforts. This is very similar to the kind of vehicle proposed in the P5 concept.

A due diligence summary of Tennenbaum is attached. The firm has completed a comprehensive due diligence questionnaire and provided supplemental information as required by that element of our process.

The second part of the CIO recommendation reflects a growing conviction at the staff and consultant level that our commitment to Direct Lending might be expanded over time. We would expect that NEPC could return with its findings and a recommendation on this issue in July, as part of their mid-year review.

Disclosure: CIO Girard Miller owns a security interest in the Tennenbaum Capital business development corporation at a level that would be treated as “less than reportable and material” under the proposed OCERS’ Staff Code of Conduct. This holding is mentioned here to provide full transparency of a personal investment interest in a “related security” even though the proposed policy is not effective, for reasons explained in the policy memo and draft Code document presented to the committee on April 24, 2013 and since referred to the Governance committee for review and recommendations.

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

Appendix: Alternative or second-stage investment strategy with Tennenbaum

OCERS can alternatively join with San Bernardino County's pension fund (SBCERA) and one other smaller institutional investor to invest in a structured financing vehicle created by SBCERA. This structure would enable OCERS to invest \$34 million in a three-party pool that has already begun investment operations. That operation has been live for about nine months and will soon begin making interest payments on loans already originated. By investing in a pre-existing mini-fund, OCERS would gain the immediate benefit of sharing with the other two investors, *pari passu*, for loans already made. The terms of this arrangement are different, however, in that leverage up to 1.6:1 would be allowed and the fund can continue operations for 10 years. The CIO considers both of these to be acceptable terms at the macro portfolio level, but they would be more aggressive than the first option. Given the more conservative nature of the "fund-of-two," the recommended strategy is preferred today, given that OCERS is new to this market sector.

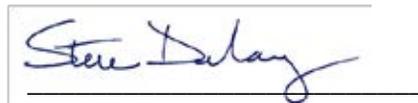
- If OCERS were to instead fund the second option, we would recommend that the Committee also approve additional allocations of \$10 million to Crescent Capital and \$5 million to NXT in order to bring our commitment to domestic direct lending to \$159 million and leave the \$60 million remainder of the allocated Diversified Credit allocation to a European direct lender to be presented and selected at a later meeting.
- A more probable and suitable scenario might be that OCERS could eventually increase our direct lending allocation and consider higher-leverage strategies as alternatives to more-traditional assets and unfilled asset classes. Then, if the "San Bernardino tranche" is still available to us, we could invest in it later, as a superior alternative to other asset classes over the investment horizon we now face. That decision should be deferred for several months, as explained previously.

Prepared by:

 **G.M. - Approved**

Girard Miller, CFA
Chief Investment Officer

Approved by:



Steve Delaney
Chief Executive Officer



Tennenbaum Senior Loan Strategy
Orange County Employees Retirement System
Board Presentation

May 29, 2013

Disclosure

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TCP Firm Overview & Advantage

Introduction

- Tennenbaum Capital Partners, LLC (“TCP”) proposes to manage a fund of par or near-par 1st lien debt instruments (primarily loans) which would include Orange County Employees Retirement System (“OCERS”)

- TCP is a unique alternative credit investment manager that has generated consistently strong performance and regular quarterly cash distributions since inception
 - Founded in 1999; predecessor entity commenced operations in 1996
 - Approximately \$4.6 billion of committed capital under management today
 - Invested more than \$11 billion in over 260 companies across 8 Opportunity Funds since inception
 - TCP has achieved a 15.8% annualized return on invested assets since inception across all Opportunity Funds⁽¹⁾
 - Owned by its employees; awards carried interests broadly to its staff
 - Approximately 70 employees, including 27 investment professionals
 - Senior investment staff has an average of 21 years of industry experience and 8 years working together at TCP

- Investment strategy used in TCP’s Opportunity Funds
 - Two complementary strategies: (i) Performing Credit Opportunities (which include 1st lien, 2nd lien and mezzanine) and (ii) Distressed or Stressed Debt/Special Situations
 - Primarily U.S. investments, with some exposure to European and Asia-Pacific middle-market companies
 - Broadly-diversified exposure for performing credit
 - More concentrated approach to special situation investments, including control and ownership
 - Emphasis on capital preservation
 - TCP’s ability to operate, improve and exit businesses undergoing significant change is one of its greatest competitive advantages

⁽¹⁾ Includes Special Value Bond Fund, Special Value Bond Fund II, Special Value Absolute Return Fund, Special Value Opportunities Fund, Special Value Expansion Fund, Special Value Continuation Fund, Tennenbaum Opportunities Fund V and Tennenbaum Opportunities Fund VI. The majority of these funds have typically employed a broad investment mandate commonly referred to as “credit opportunities”, primarily focused on stressed/distressed and special situation investing throughout the capital structure. Returns through 3/31/13. Past performance does not guarantee future returns. Return on Invested Assets does not include a deduction for fees, expenses or cost of leverage. Investment in a fund or account following the senior loan strategy will be subject to fees, expenses and possible cost of leverage. Advisory fees charged by TCP to its clients are described in Part 2A of TCP’s Form ADV which is available upon request

TCP's Credit Platform

DISTRESSED/SPECIAL SITUATIONS

PERFORMING CREDIT (Par/Near Par Credit)⁽¹⁾

Dedicated Senior Loan Vehicles (2012)

TCP Capital Corp. (NASDAQ:TCPC) (2012)⁽²⁾

Tennenbaum Opportunity Fund VI (2010)

DIP Fund (2009)

Tennenbaum Opportunity Fund V (2006)⁽³⁾

Special Value Continuation Fund (2006)*,⁽³⁾

Special Value Expansion Fund (2004)⁽³⁾

Special Value Opportunity Fund (2004)⁽³⁾

Special Value Absolute Return Fund (2002) – Closed⁽³⁾

Special Value Bond Fund II (2000) – Closed⁽³⁾

Special Value Bond Fund I (1999) – Closed⁽³⁾

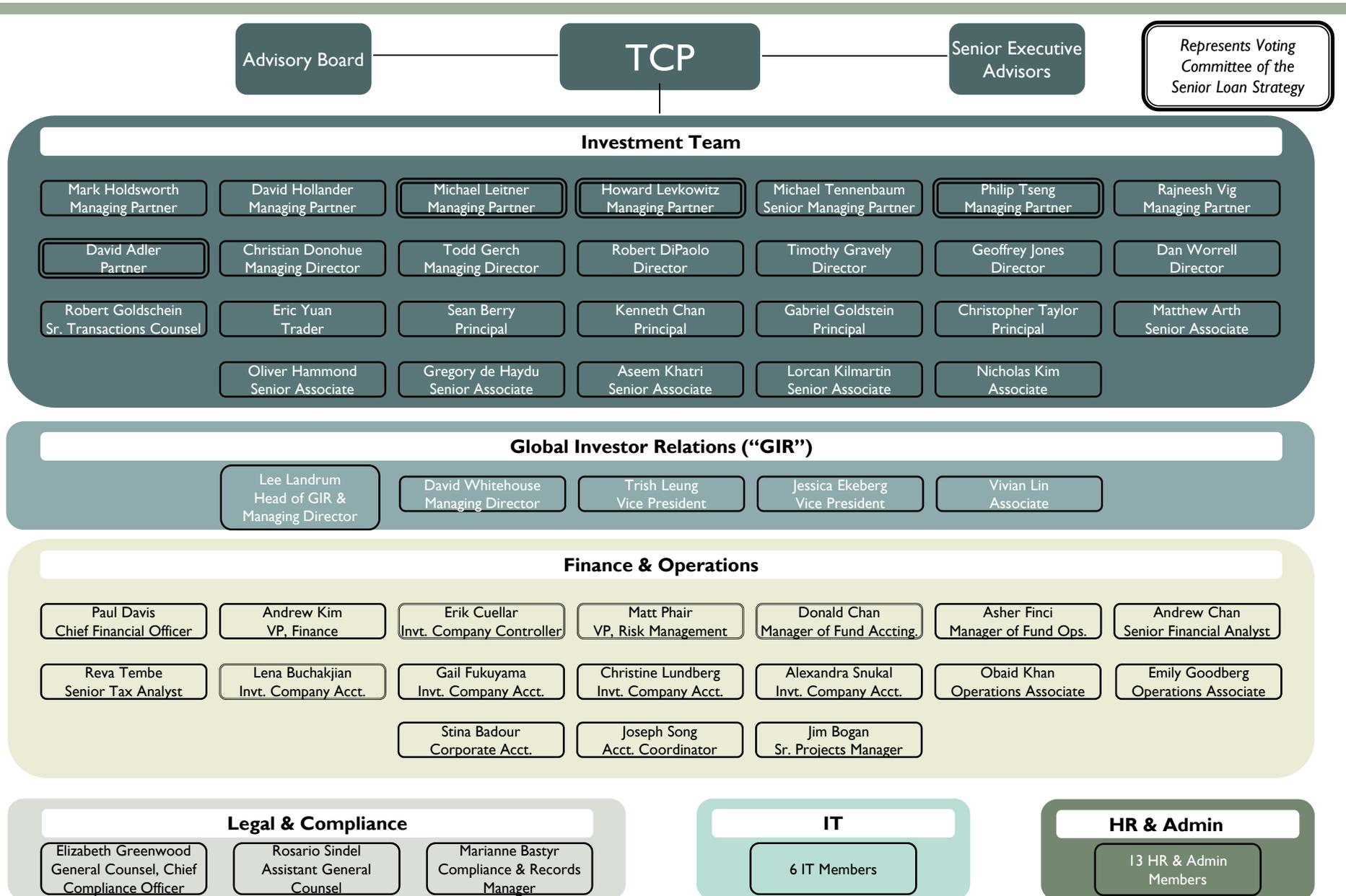
* SVCF was converted into TCPC in April 2012

⁽¹⁾ Excludes distressed/special situations

⁽²⁾ Fund is primarily focused on investment in debt securities of performing middle-market companies, but also may invest in distressed and special situations credits

⁽³⁾ Fund is primarily focused on stressed/distressed and special situation investing throughout the capital structure, but also may invest in performing credits

TCP Organization



TCP has an Excellent Track Record in Middle-Market 1st Lien Investing

- TCP has had a long and extensive track record in middle-market 1st lien leveraged loans⁽¹⁾
- Proprietary deals
- Returns resulted from creative structuring, superior underwriting and active portfolio management
- One payment default out of 75 investments - no realized or unrealized losses

1 st Lien Performance Since Inception through 3/31/13 ⁽²⁾			
(\$ in millions)	Realized	Unrealized	Total
Number of Investments	48	27	75
Amount Invested	\$2,184	\$951	\$3,135
Gross Multiple	1.22x	1.21x	1.21x
Gross IRR	14.4%	14.1%	14.4%



1 st Lien Performance of Investments Suitable for Loan Accounts Since Inception through 3/31/13 ⁽²⁾			
(\$ in millions)	Realized	Unrealized	Total
Number of Investments	26	25	51
Amount Invested	\$1,366	\$874	\$2,240
Gross Multiple	1.18x	1.21x	1.19x
Gross IRR	11.7%	14.1%	12.4%

1 st Lien Special Situations Performance Since Inception through 3/31/13 ⁽²⁾			
(\$ in millions)	Realized	Unrealized	Total
Number of Investments	22	2	24
Amount Invested	\$818	\$77	\$895
Gross Multiple	1.27x	1.20x	1.26x
Gross IRR	18.8%	14.1%	18.6%

⁽¹⁾ The performance results set forth above do not reflect a deduction for fees, expenses or cost of leverage. Returns to accounts or funds following the senior loan strategy described in this presentation will be subject to fees, expenses and possible cost of leverage. Advisory fees charged by TCP to the Opportunity Funds are described in Part 2A of TCP's Form ADV which is available upon request

⁽²⁾ Excludes secondary market purchases

TCP Advantage for Senior Loans

- **Extensive Experience & Track Record** – 17 year history investing in middle-market companies (1st lien through mezzanine) through several market cycles
- **Unique Organizational Platform** – Investment function focused on both industry specialization and cross-strategy investing expertise (i.e. focus on industries first and explore distressed and performing opportunities)
 - Senior Loan Strategy relies on rigorous underwriting and investment selection process utilized across all of our funds
 - Robust operational, trading, compliance, legal, global investor relations and risk management infrastructure
- **Superior Sourcing Capability** – Based on breadth of credit platform and the ability to work with company's, agents and advisors on a wide array of complex financing opportunities.
- **Structuring and Restructuring Capabilities** – Talented structuring and strong restructuring skill set based on TCP's long history of Distressed/Special Situations investing.
 - Strong proven track record in defending investments in the event of distress and/or restructuring
 - Essential competitive advantage for investors in an uncertain and volatile environment
- **Portfolio Management/Operating Skills** – Strong operational capabilities to turn businesses around based on a significant number of board roles and equity positions successfully managed by TCP
- **Tenured Management Team** – Senior TCP professionals have worked together for many years and have built a robust operational, trading, compliance, legal, global investor relations and risk management infrastructure
- **Advisory Board** – Over 16 ex-CEOs and other industry leaders supporting TCP's sourcing and diligence activities

TCP's Broad Sourcing Platform

- TCP is a large credit asset management platform with multiple lines of business and engages actively with many agents and partners to drive investment opportunities
 - Industry investment bankers for support for M&A, recapitalization and restructuring based originations
 - Commercial banks that work with TCP on joint financings
 - Credit funds/BDCs
 - Syndicate desks based on the significant volumes by TCP's broad businesses
 - Restructuring advisors for exit facilities
 - Sponsors (principally through board roles and joint "Opportunity" fund investment strategy) to finance M&A, growth and recapitalizations
 - Boards and management teams (through industry focus of investment organization)
- TCP has the ability to satisfy a broader array of financing situations for the borrower universe than most of our competitors (1st lien, 2nd lien, mezzanine and special situations)
 - Senior Loan strategy enjoys the synergy and benefit of our Distressed/Special Situations Platform and TCP's BDC (which have different investment objectives but make TCP a desired call to for most middle-market deal flow)
- We are known in the investing community for:
 - Our industry expertise (adding strategic value beyond the traditional "lender")
 - Willingness to create innovative financing solutions for complex situations
 - Unparalleled efficiency to get to underwriting commitments quickly to meet deadlines
 - Being an effective lead lender with the skill set and capabilities willing to defend creditor positions in the wake of a restructuring

Senior Loan Strategy Opportunity

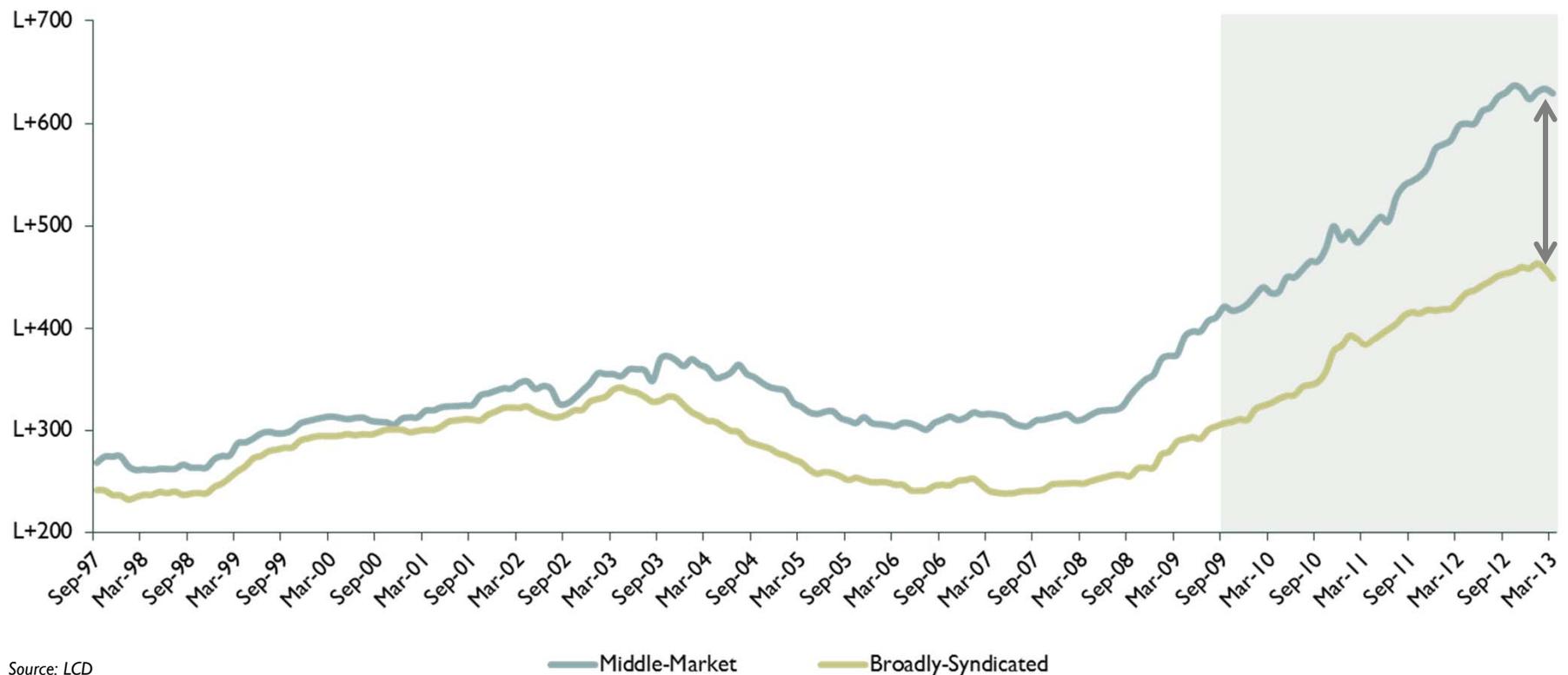
TCP Senior Loan Investment Strategy and Approach

- **Our investment focus follows our historical practice of originating, structuring and acquiring middle-market senior loans**
 - 1st lien senior secured only, with positive and negative covenants protecting structure and collateral
 - Conservative approach with an emphasis on deep fundamental credit analysis and collateral coverage
 - Issuer must be able to withstand a restructuring and a down market, or have assets strategic to other industry players
 - Sponsor and non-sponsored deals
 - TCP market segmentation includes middle-market businesses between \$15-\$75MM EBITDA and/or businesses with strong asset profiles (working capital or other assets)
 - Avoid lower middle-market names with EBITDA below \$15MM as this size business usually cannot withstand a restructuring or bankruptcy process
 - Seek out safe credits in complex transactions and situations for above average returns
 - Lead or participate along side a club or syndicate with like minded investors
 - Significant industry and issuer diversification
- **We expect a 4-5 quarter time frame to build up a portfolio**

U.S. Middle-Market Loans – Opportunity for Investors

- Limited capital supply from fewer lenders has created an opportunity for those with middle-market lending expertise (and available capital) to capture higher credit spreads and better overall lender returns
- Credit spread gap widening but absolute spreads starting to decline based on technical factors
- Attractive return opportunities continue to exist, and the relative appeal of middle-market loans v broadly syndicated continues to increase based on yield spread and more attractive credit structuring

Average Nominal Spread of Leveraged Loans



Source: LCD

Current Portfolio Metrics

- TCP currently manages \$400M of committed capital as part of our dedicated Senior Loan Strategy under two separate vehicles
 - The first vehicle is an unleveraged separate account and is 45% deployed under committed equity with a 9.0% YTM on first lien invested assets from inception July 2012 through May 10, 2013 ^(1,2,4)
 - The second vehicle is a leveraged vehicle and has roughly 47% of its committed equity deployed with a 8.7% YTM on first lien invested assets from inception December 2012 through May 10, 2013 ^(1,3,4)
- Our Senior Loan Strategy clients pay us only when funds are invested and not based on committed capital

Current Portfolio of 1 st Lien Investments for Dedicated Accounts	
Average YTM ⁽¹⁾	8.95%
Average Cash Spread	7.24%
Average Libor Floor	1.24%
Average Rating	Between B2-B3
Average Issue Price	98.2
Average Senior Net Leverage	3.7x

⁽¹⁾ Based on cost basis as of May 10, 2013

⁽²⁾ This account includes a bucket for 2nd lien. YTM for the account including 2nd lien is 9.2%

⁽³⁾ This vehicle does not permit investments other than 1st lien investments

⁽⁴⁾ Past performance does not guarantee future returns

TCP's Approach to our Investors

- **Flexibility to Create Tailored Approaches to Investment Format and Objectives**
 - Separate account or fund
 - Commingled fund with other investors with shared investment objectives
 - TCP is focused on fewer but larger more strategic investment clients
 - Employ modest leverage at our client's request
 - Investors can elect to have a small basket (<15%) for originated 2nd lien loans or other higher yield opportunities
 - We do not expect to raise in excess of \$1B in committed capital (including leverage) over the next 4 months – not a hard cap but the level TCP feels comfortable deploying within a reasonable time frame

- **Fee Structure Approach**
 - We only charge fees on the capital deployed, not committed
 - We choose hurdle rates that are high enough (but within the range of an expected return) that gives us incentives to outperform, but creates the right alignment of interests with our investors
 - We seek to align like-minded investors into commingled funds in order to bring costs down

Summary of Indicative Terms

Account	Commingled Fund (Delaware LP) (only other investor will be another NEPC client)
Leverage	Optional leverage available up to 1.0x maximum
Portfolio	Primarily 1 st lien leveraged loans Optional “Enhanced Yield” basket up to 15% maximum to the extent requested by investors
Investment Manager	Tennenbaum Capital Partners, LLC
Management Fee	90 bps on invested capital (including leverage)
Incentive Fee	10% after 7% hurdle (no catch-up)
Distributions	The fund intends to distribute net interest income quarterly, subject to terms of any leverage facility
Liquidity/Term	Fund term 7-9 years, but investors shall have election to terminate earlier. 2-3 year re-investment period
Target Net Cash IRR*	7-8% (unlevered) and 9-11% (levered, assuming 1x leverage)

* Based on current and past market conditions taking into account the volatility of expected returns. See additional disclosures on p.1

Active Portfolio Construction and Management

- **Underwriting Standards**

- Thorough bottoms up and industry analysis
- Visibility of cash flows/defensive industry positions/significant asset coverage, ability to weather economic cycles and adjust to changes in industry structure
- Familiarity with industry, sponsor, management or board
- Allocate capital between privately placed loans that are originated and purchased on the secondary market
- Manage underwriting risk through credit agreement structure and covenants

- **Credit/Portfolio Oversight**

- Constant “C level” dialogue with company management
- Diversification by issuer and industry (~3% - 5% of assets by issuer & no more than 20% by industry)
- Balance of spread and credit quality/rating to maximize return and minimize risk (e.g. spread vs. rating)
- Actively managed account with a focus on credits in the B to B3 ranges, with some allocation toward CCC exposures to take advantage of safe but opportunistic situations
- Expect rotation based on valuation and other macroeconomic changes

- **Workout Experience**

- Core competency for TCP and a critical part of our Distressed/Special Situations investment strategy
- TCP has been involved in over 45 restructurings based on our distressed/credit special situations investment history

Leveraged Loans vs. High Yield Bonds

As of 4/30/13

- Middle-market loans typically have better structural and credit protections than high yield bonds in addition to offering a superior yield in the current environment
- As a primarily floating rate instrument, loans also benefit from a yield perspective in an environment where interest rates are more likely to rise than to fall

Characteristic	Leveraged Loans	TCP SLS Accounts	High Yield Bonds
Security Position	Senior secured position in the capital structure	Senior secured position in the capital structure	Junior unsecured position in the capital structure
Rate	Typically Floating	Typically Floating	Typically Fixed
Current Yield ⁽¹⁾	4.88%	8.62%	7.24%
Coupon ⁽¹⁾	4.83%	8.48%	7.70%
Yield to Maturity ⁽¹⁾	5.84%	8.56% ⁽²⁾	6.28%
Years to Maturity ⁽¹⁾	4.82 years	4.78 years	6.56 years
Average Rating ⁽¹⁾	Split BB/B	Typically B2 or B3	B
Risks	Borrower-specific	Borrower-specific	Borrower and Market
Performance Drivers	Individual Credit Performance	Individual Credit Performance	Sector Rotation
Covenants	Extensive	Extensive	Flexible
Reporting	Extensive	Extensive	Moderate
Risk Mitigation	Covenants, Management and Sponsor Support	Covenants, Management and Sponsor Support	Research, Hedging

⁽¹⁾ Source: Credit Suisse Leveraged Loan Index and Credit Suisse High Yield Index II

⁽²⁾ Based on market value

Previously Submitted OCERS Investment Staff Questions

1. What differentiates you from the other three managers OCERS has selected?
2. What's your track record on loan defaults and recovery?
3. Explain how our investment and "fund" will fit into your overall business plan. E.g., what loans would go to the BDC vs. our fund vs. others?
4. When, if ever, do you expect to launch a larger fund for general investors, or will you continue to raise capital more along the lines of what you've done with us?
5. How has the increased number of participants impacted loan availability and pricing?
6. What is your expected investment pace and how will that impact management fees?

Appendix

Tennenbaum Waterman Fund Terms

- TCP raised \$145M of committed capital under a lock-up leveraged vehicle, with terms as specified below. TCP has the ability to add \$35M of new equity into the vehicle prior to 9/30/13, unless otherwise extended by the existing investors:
 - Fund initial closing date December 2012
 - 10-year equity term
 - Ability to raise additional \$35M of equity prior to 9/30/13, subject to having a pro-rata increase to the existing credit facility
 - 10-year total committed leverage facility of \$90M provided by Natixis
 - Leverage amounts to approx. 1.6:1 based on equity commitment
 - Current blended rate on debt is L+240
 - As the additional equity is drawn, the leverage commitments will be matched in the same proportions as the first closing. Based on current market conditions, Natixis has indicated an ability to price the new tranche at roughly L+180.
 - 3 year re-investment period
 - Fund is currently 30% deployed (equity is 47% deployed) as of May 2013
 - YTM for the Waterman Fund is 8.7% since inception through May 2013⁽¹⁾

⁽¹⁾ Past performance does not guarantee future returns

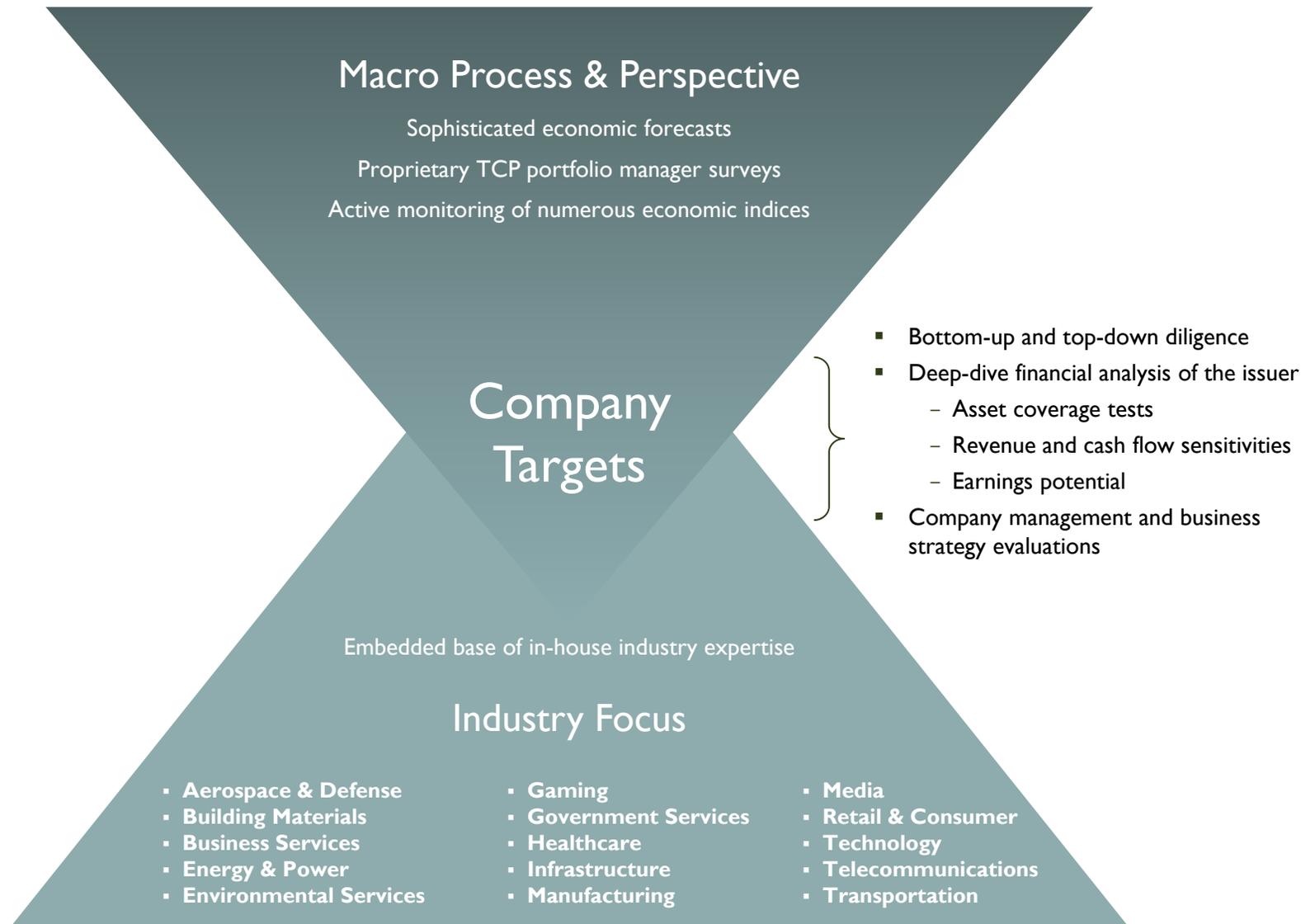
Current 1st Lien Portfolio Detail

- Representative 1st lien debt acquisitions since establishment of dedicated Senior Loan Strategy vehicles

Issuer	Invested		Spread	OID	LIBOR	Total	YTM ⁽¹⁾	Moody's Industry Classification
	Capital (\$MM)	Maturity			Floor	Coupon		
Refurbishment/remanufacturing services industry	4.0	05/2018	5.5%	1.0%	1.25%	6.8%	6.9%	Ecological services & equipment
Tubing and casing products	2.2	10/2017	9.5%	3.0%	1.50%	11.0%	11.9%	Energy: Oil & Gas
Reseller and integrator of communications solutions	11.5	05/2019	8.0%	1.5%	1.25%	9.3%	9.6%	Services: Business
Commercial touch screens	5.0	06/2018	6.5%	1.0%	1.50%	8.0%	8.2%	High Tech Industries
Outsourced transmission services for media companies	4.1	08/2017	5.5%	0.0%	1.25%	6.8%	6.8%	Media: Broadcasting & Subscription
Large Canadian steel producer	1.7	09/2014	7.5%	2.0%	1.25%	8.8%	10.3%	Metals & Mining
In-flight wireless	11.7	06/2017	9.8%	5.0%	1.50%	11.3%	12.8%	Telecommunications
TV broadcaster	2.3	05/2018	7.3%	1.0%	1.25%	8.5%	8.6%	Media: Broadcasting and Subscription
Integrated, specialized communications solutions	5.0	07/2017	6.5%	2.0%	1.25%	7.8%	8.3%	Banking, Finance, Insurance & Real Estate
Operator of mountain resorts	2.5	12/2017	5.8%	1.5%	1.25%	7.0%	7.4%	Hotel, Gaming & Leisure
Manufacturer of proprietary pipe coating	3.4	06/2018	9.5%	0.0%	0.00%	9.5%	9.5%	Energy: Oil & Gas
Printed circuit boards	10.0	09/2015	8.0%	0.0%	2.00%	10.0%	10.0%	Chemicals, Plastic & Rubber
Healthcare patient education	11.5	05/2018	6.8%	3.0%	1.25%	8.0%	8.7%	Media: Advertising, Printing & Publishing
Internet protocol-based enterprise telephony solutions	4.4	02/2019	5.8%	1.0%	1.25%	7.0%	7.2%	Telecommunications
Lithium-based battery pack solutions	11.5	12/2017	9.0%	2.0%	1.00%	10.0%	10.5%	Services: Business
Power plant	2.9	09/2018	7.5%	1.5%	1.50%	9.0%	9.4%	Utilities: Oil & Gas
Power plant	4.1	04/2019	6.0%	1.0%	1.25%	7.3%	7.5%	Utilities: Oil & Gas
Data center operator	4.0	10/2018	6.0%	3.0%	1.25%	7.3%	7.9%	Services: Business
Dental services organization	10.5	11/2018	7.0%	3.0%	1.25%	8.3%	8.9%	Healthcare
Packaged ice products	5.0	03/2019	5.5%	1.5%	1.25%	6.8%	7.0%	Beverage, Food & Tobacco
Performance rights organization	2.0	02/2019	4.8%	1.0%	1.25%	6.0%	6.2%	Healthcare
Metals producer	3.0	04/2020	5.5%	1.0%	1.25%	6.8%	6.9%	Nonferrous metals/minerals
New England-based hospital network	5.6	04/2018	8.9%	0.6%	0.00%	8.9%	9.0%	Metals & Mining
Provider of long-haul marine transportation services	6.3	04/2018	5.8%	1.0%	1.25%	7.0%	7.2%	Transportation: Cargo
Outsourced shelf-edge media solutions	7.5	12/2018	5.8%	1.5%	1.25%	7.0%	7.3%	Retail
Average/Weighted Average	5.7		7.2%	1.8%	1.24%	8.5%	8.9%	

⁽¹⁾ Based on cost basis. The list above includes all new 1st lien investments in dedicated funds following the Senior Loan Strategy since inception through May 10, 2013

Our Investment Approach



Case Study

The following case study provides an example of an investment made by TCP that demonstrates TCP's investment approach and is for illustrative purposes only. There can be no assurance that this investment or any future investments will be profitable.

Case Study: Overview



Borrower	Aircell Business Aviation Services, LLC, Gogo LLC and Gogo Intermediate Holdings LLC
Description	In-flight internet connectivity
Instrument	1 st Lien Senior Secured Term Loan
Tranche Size	\$135 million
Use of Proceeds	Domestic Commercial Aviation and International expansion
Deal Source	Ron LeMay, Chairman; Morgan Stanley; Ripplewood

Case Study: Highlighted Terms



Spread	L + 975																																										
OID / Purchase Price	96.00																																										
Libor Floor	150 bps																																										
Leverage ⁽¹⁾	4.1x																																										
Maturity	6/21/2017																																										
Call Protection	Year 1-2: Make-whole / Year 3: 103 / Thereafter: 100																																										
Amortization	2.5% per annum (paid quarterly)																																										
Estimated YTM	13%																																										
Historical Performance	<table border="1"> <thead> <tr> <th>(\$ in millions)</th> <th>Q4 2011</th> <th>Q1 2012</th> <th>Q2 2012</th> <th>Q3 2012</th> <th>LTM Q3 2012</th> </tr> </thead> <tbody> <tr> <td><u>Business Aviation</u></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Revenue</td> <td>\$20,177</td> <td>\$24,652</td> <td>\$24,872</td> <td>\$24,512</td> <td>\$94,213</td> </tr> <tr> <td>EBITDA</td> <td>5,940</td> <td>9,004</td> <td>9,740</td> <td>8,617</td> <td>33,301</td> </tr> <tr> <td><u>Consolidated</u> ⁽²⁾</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Revenue</td> <td>\$46,383</td> <td>\$54,273</td> <td>\$57,879</td> <td>\$57,840</td> <td>\$216,375</td> </tr> <tr> <td>EBITDA</td> <td>923</td> <td>4,053</td> <td>4,180</td> <td>583</td> <td>9,739</td> </tr> </tbody> </table>	(\$ in millions)	Q4 2011	Q1 2012	Q2 2012	Q3 2012	LTM Q3 2012	<u>Business Aviation</u>						Revenue	\$20,177	\$24,652	\$24,872	\$24,512	\$94,213	EBITDA	5,940	9,004	9,740	8,617	33,301	<u>Consolidated</u> ⁽²⁾						Revenue	\$46,383	\$54,273	\$57,879	\$57,840	\$216,375	EBITDA	923	4,053	4,180	583	9,739
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⁽¹⁾ Represents Business Aviation gross LTM 9/30/12 leverage

Case Study: Due Diligence included...



- Multiple in person diligence meetings with management supplemented by follow-up calls
- Research, cross-referencing and discussions with following industry contacts:
 - Airlines Industry:
 - Jerry Laderman, Treasurer of United Airlines
 - Ron Bauer, VP Fleet Planning for United Airlines
 - James Childs, Aircraft Transactions Manager for Delta
 - Satellite Industry (Competitors):
 - Gregg Falcowitz, Founder and former President of Row 44
 - Thomas Moore, Senior VP and President of WildBlue Communications, a subsidiary of ViaSat (oversight of Viasat's competitive in-flight offerings)
 - Erwin Hudson, CTO of Viasat's WildBlue Division
 - David Leonard, ex-CEO of Wild Blue
 - Ed Horowitz, ex-CEO of SES Americom (Ku partner now for Gogo)
 - Customers:
 - Bob Kahn, former CMO of Netjets
 - Vendors:
 - Clifford Topham, former executive at EMS (Honeywell's in-flight connectivity division)
 - Others:
 - Sanjay Swani, Welsh Carson (reference for CEO Michael Small)
 - Larry Levine, Ripplewood (sponsor of Gogo)
 - Oakleigh Thorne, Thorn Family Foundation (sponsor of Gogo)
 - Ron LeMay, Chairman; Morgan Stanley; Ripplewood

Case Study: Key Covenants & Structural Features



- Key Covenants & Structural Features included:
 1. Financial Covenants
 - A. Maximum Capex
 - B. Restrictions on Subsidiary Distributions
 - C. Minimum Cash Balances
 2. Use of proceeds restrictions
 3. Scheduled Amortization: 2.5% per annum paid quarterly
 4. Non-prepayable for 2 years (Make Whole) and 3% premium for optional redemptions in year 3
 5. 50% Excess Cash Flow Sweep for Business Aviation
 6. Collateral: Secured by a first priority security interest in and lien on the following subsidiaries:
 - A. Aircell Business Aviation Services LLC
 - B. Gogo LLC
 - C. AC BidCo LLC
 - D. Aircell International, Inc.

Contact Us

Tennenbaum Capital Partners, LLC

2951 28th St., Suite 1000

Santa Monica, CA 90405

Main: 310-566-1000

www.tennenbaumcapital.com

Michael E. Leitner

Managing Partner

Direct: 310-566-1039

michael.leitner@tennenbaumcapital.com

Lee R. Landrum

Managing Director

Direct: 310-899-4949

lee@tennenbaumcapital.com

TCP Biographies

Mark K. Holdsworth, Managing Partner

Prior to joining Mr. Tennenbaum in founding TCP, Mr. Holdsworth was a Vice President, Corporate Finance, of US Bancorp Libra, a high-yield debt securities investment banking firm. He also worked as a generalist in Corporate Finance at Salomon Brothers, Inc., and as an Associate at a Los Angeles real estate advisory firm. He is a former member of the boards of directors of Alabama Aircraft Industries, Inc. and Anacomp, Inc., and a former Chairman of the Board of Directors of the International Wire Group. Mr. Holdsworth currently serves as Chairman of RM Holdco, LLC, WinCup, Inc., Vice Chairman of EP Management Corporation and as a Director of the Parsons Corporation, one of the largest engineering, design and construction companies in the world. He is also a member of TCP's Management Committee and a National Trustee of the Boys and Girls Club of America

- M.B.A. from the Harvard Business School
- B.S. (honors) in Engineering and Applied Science from the California Institute of Technology
- B.A. in Physics from Pomona College

David A. Hollander, Managing Partner

As Managing Partner at TCP, Mr. Hollander focuses on the firm's private placements and DIP lending and heads the special situations investment group. Prior to joining TCP in 2002, Mr. Hollander was an attorney for sixteen years at O'Melveny & Myers. While at O'Melveny, Mr. Hollander specialized in leveraged finance, insolvency, and mergers and acquisitions, and represented debtors and creditors in numerous multi-billion dollar transactions. Mr. Hollander has also represented boards of directors and has served on various creditor committees.

- J.D. from Stanford Law School, Associate Editor of the Stanford Law Review
- B.S. (highest honors) in Economics from The Wharton School of the University of Pennsylvania

Michael E. Leitner, Managing Partner

Prior to joining TCP in 2005, Mr. Leitner served as Senior Vice President of Corporate Development for WiTel Communications, and before that as President and Chief Executive Officer of GlobeNet Communications, leading the company through a successful turnaround and sale. Previously, he was Vice President of Corporate Development of 360networks and served as Senior Director of Corporate Development for Microsoft Corporation, managing corporate investments and acquisitions in the telecommunications, media, managed services, and business applications software sectors. Prior to Microsoft, he was a Vice President in the M&A group at Merrill Lynch. He currently serves as a representative for TCP on the board of Integra Telecom and is a board observer to Primacom GmbH. Mr. Leitner is active in community events, serving on several non-profit boards and committees.

- M.B.A. from the University of Michigan
- B.A. in Economics from the University of California at Los Angeles

TCP Biographies

Howard M. Levkowitz, Managing Partner

Prior to joining Mr. Tennenbaum in founding TCP, Mr. Levkowitz was an attorney specializing in real estate and insolvencies with Dewey Ballantine LLP. He is Chairman of TCP's Management Committee and President of TCP's Opportunity Funds. Mr. Levkowitz is also Chairman and Chief Executive Officer of TCP Capital Corp. He has served as a director of both public and private companies, and he has also served on a number of formal and informal creditor committees.

- J.D. from the University of Southern California
- B.S. (Magna Cum Laude) in Economics (concentration in finance) from The Wharton School of the University of Pennsylvania
- B.A. (Magna Cum Laude) in History from the University of Pennsylvania

Michael E. Tennenbaum, Senior Managing Partner

Prior to founding TCP in 1999, and its predecessor entity in 1996, Mr. Tennenbaum was a Wall Street executive where he managed various departments of a major investment bank including Investment Banking, Risk Arbitrage and Options. Mr. Tennenbaum has served on the boards of a number of both public and private companies. His board service has included the chairmanship of all significant board committees as well as of the boards themselves. Currently, Mr. Tennenbaum is a member of the Secretary of the Navy Advisory Panel and a recipient of the Department of Defense Distinguished Civilian Service Award; a Board member of The RAND Center for Asia Pacific Policy and of the Smithsonian Institution National Board and Founder of the Tennenbaum Marine Observatories; a member of the Los Angeles Philharmonic Board of Overseers; a member of the UCLA School of Medicine Board of Visitors; and Founder of the Tennenbaum Interdisciplinary Center at the Neuropsychiatric Institute at UCLA and of the Michael E. Tennenbaum Family Endowed Chair in Creativity Research. He was a Commissioner on the Intercity High-Speed Rail Commission for California and was Chairman of the California High-Speed Rail Authority. He served as Chairman of the Special Financial Advisory Committee to the Mayor of Los Angeles. He is a member of the Committee on University Resources (COUR) at Harvard University; a previous member of the Board of Associates of Harvard Business School and was a member of its Visiting Committee; and a previous Vice Chairman of the Board of Governors of the Boys & Girls Clubs of America and Chairman of its Investment Committee, and is now a Life Member of the Board of Governors. In addition, he served as a member of the National Advisory Board of Georgia Tech and as a Trustee of the Georgia Institute of Technology Foundation, Inc., where he was Chairman of its Investment Committee, and currently is Trustee Emeritus. He is a member of the Academy of Distinguished Engineering Alumni of Georgia Tech's College of Engineering and Founder of the Tennenbaum Institute for Enterprise Transformation at the Georgia Tech School of Industrial and Systems Engineering. Also, he is a Member National of The Explorers Club.

- M.B.A. with honors from the Harvard Business School
- B.S. in Industrial Engineering from Georgia Institute of Technology

Philip M. Tseng, Managing Partner

Prior to joining TCP, Mr. Tseng was a member of the Credit Suisse First Boston technology investment banking group focusing on technology and business services. While at CSFB, he advised on and executed M&A, public and private equity and structured debt transactions for a broad range of small and large cap companies. He also spent time covering technology services companies as an equity research analyst. Prior to that, he spent time in investment banking at Deutsche Banc Alex Brown, where he managed equity and debt offerings for telecommunications companies, both emerging and incumbent carriers. Mr. Tseng currently serves as a Director on the boards of First Advantage, Shopzilla Inc., Anacomp, Inc., and also as a Director on the board of the United States Tennis Association (USTA) Southern California section.

- M.B.A. from the Harvard Business School
- A.B. (honors) in Economics from Harvard College

TCP Biographies

Rajneesh Vig, Managing Partner

Prior to joining TCP, Mr. Vig worked for Deutsche Bank in New York as a member of the its Principal Finance Group. Prior to that, Mr. Vig was a Director in Deutsche Bank's Technology Investment Banking group in San Francisco. Prior to his time at Deutsche Bank, Mr. Vig was a Manager in Price Waterhouse's Shareholder Value Consulting group, after beginning his career in Arthur Andersen's Financial Markets/Capital Markets group. He is a member of TCP's Management Committee and President and Chief Operating Officer of TCP Capital Corp. He is currently on the Board of Dialogic Inc. and on the Los Angeles Advisory Board of the Posse Foundation.

- M.B.A. in Finance from New York University
- B.A. (highest honors) in Economics and Political Science from Connecticut College

David J. Adler, Partner

Mr. Adler is responsible for sourcing and initiating new investments as well as managing existing portfolio positions primarily in the retail/consumer, restaurant, and oil production/service sectors. Prior to joining TCP, Mr. Adler held positions at Focus Capital Group, and the Alternative Investments Group at TCW. He is a board observer of Woodbine Acquisition LLC, and is an advisory committee member of a non-profit organization that mentors and introduces at-risk youth to board sports.

- M.B.A. from The Wharton School of the University of Pennsylvania
- B.A. (high honors) in Business/Economics from University of California at Los Angeles
- CFA Charterholder

Christian G. Donohue, Managing Director

Prior to joining Tennenbaum Capital, Mr. Donohue was a Vice President in GE Capital's Global Media & Communications Group. He held various positions within GE, including Vice President in the Distressed Portfolio Group and Execution Leader within the Sponsor Coverage Group. Before GE Capital, Mr. Donohue worked at Sprint/Global One as a Project Manager, implementing the installation of telecom systems and services in Eastern Europe, the Middle East, Africa, and the Indian Subcontinent. He oversaw the installation of the first high-speed data network into Egypt and India and the first Internet network into Namibia and Botswana. Currently, Mr. Donohue is a board member at Envirotest and Hanley Wood.

- M.B.A. (with distinction) from the Yale School of Management
- B.A. from Georgetown University

Todd R. Gerch, Managing Director

Prior to joining TCP, Mr. Gerch worked at Ares Management LLC, a private equity and leveraged finance investment management firm, where he focused on credit investments across multiple industries. He also worked as a generalist in investment banking at Credit Suisse First Boston where he was involved in mergers and acquisitions advisory, restructurings, and equity and debt financings. Mr. Gerch currently serves as Chairman of Revere Industries, LLC.

- M.B.A. from The Wharton School of the University of Pennsylvania
- B.B.A. (high honors) from the University of Notre Dame in Finance and Business Economics

TCP Biographies

Lee R. Landrum, Managing Director

Prior to joining TCP, Mr. Landrum was a Principal with The Carlyle Group and a member of their Global Market Strategies team. Before Carlyle, he served as a Managing Director with Babson Capital Management LLC where he focused on buyout and special situation fund investments as well as direct junior capital investments in middle-market buyout transactions. Mr. Landrum began his career with Wachovia Securities, Inc. and served in multiple roles over a ten-year period including capital raising for middle-market companies, leveraged buyout financings and institutional sales and trading. In addition to his undergraduate and graduate degrees, Mr. Landrum also studied at Oxford University in England.

- M.B.A. from Vanderbilt University
- B.A. from The University of Georgia

David Whitehouse, Managing Director

Prior to joining TCP, Mr. Whitehouse was a Managing Director at Apollo Global Management in New York in the fundraising and investor relations group where he focused on selling the firm's platform of products. Prior to that, he was Partner and Head of North American Investor Relations for Apax Partners. Mr. Whitehouse's previous experience also includes that as a Managing Director in Merrill Lynch's Private Equity Funds Group, and at Morgan Stanley.

- M.S. in Business Management from Massachusetts Institute of Technology
- B.S. (cum laude) from Virginia Polytechnic Institute

Elizabeth Greenwood, General Counsel & Chief Compliance Officer

Prior to joining TCP, Ms. Greenwood served as General Counsel & Chief Compliance Officer at Strome Investment Management, L.P. Prior to that, Ms. Greenwood served as in-house counsel to companies funded by Pacific Capital Group and Ridgestone Corporation. She has diverse experience having worked in hedge funds, venture capital, private equity, and portfolio companies. She began her legal career as an associate in the Century City office of Stroock & Stroock & Lavan. Ms. Greenwood serves on the Board of the Association for Women in Alternative Investing and on the California Council of the Humane Society of the United States.

- J. D. from Stanford Law School
- B.A. (highest honors) in Business Administration from The University of Texas at Austin

Paul Davis, Chief Financial Officer

Mr. Davis previously served as Chief Compliance Officer and Vice President, Finance of TCP. Prior to joining TCP, Mr. Davis was Controller of a Beverly Hills-based securities broker-dealer. Mr. Davis began his career as an auditor at Arthur Andersen LLP where he supervised audits of alternative investment companies, banks, and other financial institutions.

- B.A. (high honors) in Business and Economics from the University of California at Los Angeles
- Certified Public Accountant in the State of California

TCP Biographies

Sean Berry, Principal

Prior to joining TCP, Mr. Berry worked in UBS Investment Bank's Growth Capital and Restructuring group, where he was involved in a variety of transactions including leveraged buyouts, private placements and debt financings across various industries. Mr. Berry is currently involved in the L.A. Works Let's Read volunteer organization. In addition to being a weekly participant in the Let's Read program where volunteers read to underprivileged children, he helped spearhead the organization's fundraising and recruiting efforts.

- B.A. (honors) in Business Administration from the Richard Ivey School of Business at the University of Western Ontario

Kenneth Chan, Principal

Prior to joining TCP, Mr. Chan worked as a financial analyst at UBS Investment Bank in Los Angeles for two years, where he executed debt financings, leveraged buyouts, mergers & acquisitions and minority investment transactions for financial sponsors and corporate clients primarily in the Media, Technology and Business Services sectors.

- B.A. (highest honors) in Economics from the University of Pennsylvania
- B.S. (highest honors) in Economics from The Wharton School of the University of Pennsylvania

Gabriel Goldstein, Principal

Prior to joining TCP, Mr. Goldstein was an Associate at CIBC World Markets in the Corporate and Leveraged Finance Group where he was involved in a variety of transactions including leveraged buyouts, private placements and debt financings. Prior to that, Mr. Goldstein was an Analyst at Barrington Associates where he worked on numerous merger and acquisition assignments. Mr. Goldstein is a mentor South Central Scholars, an organization dedicated to assisting highly motivated, talented students from disadvantaged communities of Los Angeles County achieve academic and personal success in college and beyond.

- B.A. in History from Yale University, member of the varsity tennis team

Timothy Gravely, Principal

Prior to joining TCP, Mr. Gravely was an Associate at RBC Capital Markets in the Leveraged and Syndicated Finance Group where he executed acquisition debt financing for financial sponsors and corporate clients. Mr. Gravely's experience also includes restructuring and DIP financing. Prior to that, Mr. Gravely was an Associate with Macquarie Capital Advisors in Toronto where he focused on private equity investments predominantly in the Communications, Media, Technology and Entertainment industries. Prior to joining Macquarie Mr. Gravely was an analyst at RBC Capital Markets in the Mergers & Acquisitions Group. Mr. Gravely is actively involved with the Pediatric Oncology Group of Ontario (POGO), a charity organization that works to ensure that all of Ontario's children have equal access to state-of-the-art diagnosis, treatment and required ancillary services

- Bachelor of Commerce degree with an Honors in Finance (First Class Honors with Distinction) from Mount Allison University in New Brunswick, Canada

Chris Taylor, Principal

Prior to joining TCP, Mr. Taylor worked as an analyst in Credit Suisse Investment Bank's Los Angeles office where he was involved in a variety of transactions including debt financings and leveraged buyouts. Among the transactions he completed was the debt financing of Centaur Gaming Inc. and leveraged buyout of ECI Telecom by Ashmore Investment Management and the Swarth Group. Prior to Credit Suisse, Mr. Taylor worked for Goldman Sachs Investment Bank in Los Angeles as a summer analyst. Mr. Taylor is currently a mentor with the Fulfillment Fund, an organization that provides guidance and college preparatory services to underprivileged high school students in Los Angeles.

- B.S. (high honors) in Business Administration with an emphasis in Financial Analysis and Valuation from the University of Southern California

DISCUSSION CALENDAR - AGENDA ITEM NO. 9
EXECUTIVE COMMITTEE MEETING
March 27, 2014

TO: Executive Committee, Orange County Fire Authority

FROM: Lori Zeller, Assistant Chief
Business Services Department

SUBJECT: **FY 2013/14 Mid-year Budget Adjustments**

Summary:

This item is being submitted to the Executive Committee as an informational item and to Board of Directors to request approval to adjust revenue, expenditures, and fund balance to reflect changes identified after adoption of the 2013/14 budget. Budgeted beginning fund balances have been revised based on the FY 2012/13 audited financial statements.

Committee Action:

At its March 12, 2014, meeting, the Budget and Finance Committee reviewed and recommended approval of this item and directed staff to include this report on the Executive Committee's agenda concurrently with the Board of Directors.

Recommended Action:

Review the proposed FY 2013/14 Mid-year Budget Adjustments and recommend that the Board of Directors approve the adjustments.

Background:

A comprehensive mid-year financial review was presented to the Budget and Finance Committee and the Board of Directors in January highlighting proposed mid-year changes that are needed to the FY 2013/14 budget based on events that have occurred since the budget was adopted last May. This staff report is being submitted to request approval of the technical budget adjustments following the mid-year review. The following is a summary of the significant changes being requested (See Attachment 1 for the total proposed adjustment for each Fund):

FY 2013/14 General Fund

- **Overall:** Overall the proposed General Fund changes result in a total revenue increase of \$7.9 million and a total expenditure increase of approximately \$3.5 million. Additional expenditure adjustments of approximately \$9 million, discussed in the Mid-Year Review, were completed in January, including use of prior year unencumbered fund balance for accelerated paydown of pension liability and the Irvine equity payment.

Revenue Adjustments

- **Property Tax Revenues:** Based on the County tax ledger initial billing and current receipts, property tax revenues are estimated to exceed the budget by approximately \$2.4 million. This includes Secured, Supplemental, Unsecured, and Homeowners Property Tax Relief categories.

- **Assistance-by-Hire (ABH):** OCFA is reimbursed for expenses incurred when our personnel are deployed to assist with out-of-county and State Responsibility Area emergencies. Current year ABH reimbursements are approximately \$3.1 million greater than budget due to various out-of-county responses.
- **Planning & Development (P&D) Fees:** P&D Fees are estimated at \$1.8 million over the adopted budget. This is due to an increase in construction plans submitted for OCFA review. As discussed in the Chapman forecast, there was a 23.5 percent increase in permit valuation in early 2013.
- **Inspection Services:** An increase of approximately \$558,000 is estimated for inspection services fees to account for last fiscal year inspections billed in the current fiscal year. Inspections have been traditionally performed and tracked on a calendar year basis, but beginning with FY 2014/15, annual inspections will be revised to be performed on a fiscal year basis to align these revenues with the fiscal year.
- **Miscellaneous Revenue Adjustments:** A net total of approximately \$28,000 reduction in revenue adjustments is included in this budget adjustment request. These adjustments are comprised of: \$68,000 increase for the FY 2013/14 portion of Seasonal Ambulance Services to the City of San Clemente; approximately \$93,000 for increased CRA pass-through revenue; an increase of \$123,658 for the Fullerton Hangar lease; a reduction of \$405,000 for Santa Ana S&EB, and an approximately \$93,000 increase for categories ranging from insurance settlements to the RFOTC cell tower lease.

Expenditure Adjustments

- **Assistance-by-Hire (ABH):** As stated above in regards to Revenue Adjustments, OCFA is reimbursed for expenses incurred when our personnel are deployed to assist with out-of-county emergencies. Estimated current year ABH expenditures require an increase of \$2.4 million.
- **Finance:** This Section is experiencing increased workload associated with responding to bulk data requests from the District Attorney and completing the HMD refund process. Two extra help / temporary employees are needed to help retrieve and organize the requested data, and to assist in processing vouchers for HMD customers that are due a refund. The estimated cost of temporary services is \$50,000.
- **Emergency Medical Services Consultant:** A contract for an Emergency Medical Services consultant was approved by the Executive Committee in December 2013. With the transfer of the Ambulance RFP responsibility to the County of Orange, only the expended portion of the contract, \$23,435, needs to be included in this budget adjustment.
- **Labor Negotiator:** In December 2013 the Board approved the appointment of the firm, Liebert Cassidy Whitmore, to perform employee MOU negotiations on behalf of the OCFA. The services require a budget adjustment of \$125,000.
- **Strategic Communications/Management Analysis:** Purchase orders with Management Partners and SAE Communications were approved by the Board in November 2013. The combined costs of approximately \$150,000 cannot be absorbed in the budget and are included in this Mid-Year budget adjustment request.

- **Executive Recruitment:** As a result of the recent retirement of the Assistant Chief/Fire Marshall, the OCFA is conducting a nationwide search to recruit the best qualified individuals. In order to facilitate this process, the OCFA will be using an executive recruitment firm which is experienced at recruiting for positions of this level. This service will cost approximately \$25,600 and is included in this budget adjustment.
- **Workers Compensation Actuarial Update:** The most recent actuarial report from July of 2013 indicates that an additional \$62,496 is required to maintain the 50% confidence level in the current fiscal year. The funding will be increased to a 60% confidence level in future years.
- **Reclassification of CIP Expenditures:** An approximate \$523,000 increase in General Fund expenditures is proposed for expenditures originally budgeted in CIP Funds 124 and 133 (Communications/Information Systems Replacement and Vehicle Replacement). This is to properly account for projects which have recently transitioned from Capital Improvements (purchase, installation and testing of new business systems) to ongoing operating maintenance. In the case of Fund 133, expenditures for a required helicopter inspection and rescue hoist overhaul were reclassified as maintenance.
- **Budgeted beginning Fund Balance:** General Fund beginning fund balance will be adjusted in accordance with the 2012/13 year-end audit. This increase resulted primarily from salary savings due to vacancies as well as S&S savings.
- **Miscellaneous Expenditure Adjustments:** A net expenditure increase of approximately \$116,000 is included in this adjustment request. These adjustments are comprised of the following: reimbursable S&S increases of \$160,000 for fire incident activity; funding of \$56,000 for hand-crew position changes; internal control/procurement audits of \$15,000; funding of \$10,000 for increased staff travel costs; and an addition of the FY 2013/14 portion of Seasonal Ambulance Services to the City of San Clemente of \$68,000; and S&EB will be decreased by \$193,000 for reconciliation of funding to the approved number of fire pilot positions.
- **Operating Transfer for Community Risk Reduction Fee Funded Capital Needs:** Staff has completed the reconciliation of FY 2012/13 Fee Funded Programs. Based on the volume of activity in FY 2012/13 and the corresponding fee-component which provides for automation and vehicle replacement, staff recommends a transfer of \$251,180 to the CIP Funds. Of this amount, \$165,775 is for Planning and Development (P&D) business system software replacement and program-specific vehicles. The remaining amount of \$85,405 is for Safety and Environmental Services (S&ES) business system software replacement and program-specific vehicles.
- **Operating Transfer for ALS and BLS Fee Funded Capital Needs:** Staff has completed the reconciliation of FY 2010/11 through 2012/13 Fee Funded Programs. Based on the reconciliation and the corresponding ALS and BLS fee-component which provides for Defibrillators and Paramedic vehicle (squads and vans) replacement, staff recommends a transfer of \$621,348 to CIP Fund 133 – Vehicle Replacement.

FY 2013/14 Capital Improvement Funds/Other Funds

- Facilities Maintenance & Improvements (Fund 122) – Revenues are increasing by approximately \$24,000 due to adjusted facility maintenance charges to Cities. Expenditures need to be adjusted by \$100,000 relating to a fire at Fire Station 62. As a result of the fiscal year 2012/13 annual audit, the budgeted beginning fund balance will increase by approximately \$300,000.
- Facilities Replacement (Fund 123) – Revenues are increasing by approximately \$1.3 million primarily due to developer station contributions. As a result of the fiscal year 2012/13 annual audit, the budgeted beginning fund balance will increase by approximately \$2.7 million.
- Communications & Information Systems Replacement (Fund 124) – Revenues are increasing by approximately \$140,000 due to the receipt of bankruptcy proceeds. Expenditures are decreasing by \$321,000 to accommodate their transfer to the General Fund. As a result of the fiscal year 2012/13 annual audit, the budgeted beginning fund balance will increase by approximately \$3 million.
- Vehicle Replacement (Fund 133) – Revenues are increasing by approximately \$80,000, primarily as a result of bankruptcy proceeds. Expenditures are decreasing by approximately \$125,000 to accommodate their transfer to the General Fund. As a result of the fiscal year 2012/13 annual audit, the budgeted beginning fund balance will increase by approximately \$3.9 million.
- Structural Fire Fund Entitlement Fund (Fund 171) – Revenues are increasing by approximately \$3,000 due to an interest adjustment. Expenditures are increasing by \$163,000 to fund projects in the City of Irvine. As a result of the FY 2012/13 annual audit, the budgeted beginning fund balance will increase by approximately \$1.2 million.
- Self Insurance Fund (Fund 190) – There is a net revenue decrease of approximately \$23,000 due to an estimated interest reduction. An expenditure increase of approximately \$648,000 is needed for outgoing payments from this fund as a result of the updated actuarial estimate for this fiscal year. As a result of the FY 2012/13 annual audit, the budgeted beginning fund balance will increase by approximately \$3.4 million.

Schedule of Fund Balance

The Schedule of Fund Balance (Attachment 3) updates the amounts and classifications of fund balance to include all mid-year adjustments.

Impact to Cities/County:

None.

Fiscal Impact:

Not Applicable.

Staff Contacts for Further Information:

Deborah Gunderson, Budget Manager
deborahgunderson@ocfa.org
(714) 573-6302

Tricia Jakubiak, Treasurer
triciajakubiak@ocfa.org
(714) 573-6301

Attachments:

1. FY 2013/14 Mid- year Budget Adjustments
2. Combined Budget Summary
3. Schedule of Fund Balance

FY 2013/14 Mid-Year Budget Adjustments

The following adjustments to the 2013/14 budget are requested:

General Fund (Fund 121)

Revenue - \$7,966,320 increase
Budgeted Beginning Fund Balance - \$4,433,649 increase
Appropriations - \$3,474,813 increase
Operating Transfer Out - \$872,528 increase

Facilities Maintenance and Improvement Fund (Fund 122)

Revenue - \$24,210 increase
Budgeted Beginning Fund Balance - \$284,997 increase
Appropriations - \$100,000 increase

Facilities Replacement (Fund 123)

Revenue - \$1,273,949 increase
Budgeted Beginning Fund Balance - \$2,661,815 increase
Appropriations – No Change

Communications and Information Systems Replacement Fund (Fund 124)

Revenue - \$142,537 increase
Operating Transfer In - \$214,986 increase
Budgeted Beginning Fund Balance - \$3,009,169 increase
Appropriations - \$321,000 decrease

Vehicle Replacement Fund (Fund 133)

Revenue - \$79,804 increase
Operating Transfer In - \$657,542 increase
Budgeted Beginning Fund Balance - \$3,873,855 increase
Appropriations - \$125,820 decrease

Structural Fire Fund Entitlement Fund (Fund 171)

Revenue - \$3,193 increase
Budgeted Beginning Fund Balance - \$1,198,222 increase
Appropriations - \$163,000 increase

Self-Insurance Fund (Fund 190)

Revenue - \$22,787 decrease
Budgeted Beginning Fund Balance - \$3,387,294 increase
Appropriations - \$647,643 increase

**ORANGE COUNTY FIRE AUTHORITY
COMBINED BUDGET SUMMARY
2013/14**

	<i>CIP Funds</i>					<i>Other Funds</i>		Total
	121 General Fund	122 Facilities Maint & Improvement	123 Facilities Replacement	124 Communications & Info Systems Repl	133 Vehicle Replacement	171 SFF Entitlement	190 Self Insurance	
FUNDING SOURCES								
Property Taxes	\$189,412,501	\$0	\$0	\$0	\$0	\$0	\$0	\$189,412,501
Intergovernmental								
State Reimbursements	6,855,398	-	-	-	-	-	-	6,855,398
Federal Reimbursements	3,289,006	890,000	-	-	-	-	-	4,179,006
Community Redevelopment Pass-thru	7,242,493	-	-	-	-	-	-	7,242,493
Charges for Current Services								
Contracts	83,643,150	240,388	-	920,000	1,362,214	-	-	86,165,752
HMS Revenue	-	-	-	-	-	-	-	-
Fees - Community Risk Reduction	7,903,810	-	-	-	-	-	-	7,903,810
Other Charges for Services	171,085	-	-	-	-	-	-	171,085
ALS Reimbursements, Supplies	4,570,574	-	-	-	-	-	-	4,570,574
Charges for Workers' Comp	-	-	-	-	-	-	62,496	62,496
Use of Money and Property								
Interest	128,487	10,238	50,111	63,073	112,554	3,489	170,481	538,433
Other								
Developer contributions	-	-	5,253,050	-	-	-	-	5,253,050
Sales and Settlements	121,014	-	-	-	-	-	-	121,014
Miscellaneous	1,351,617	-	76,949	129,909	722,825	-	12,763,412	15,044,712
Other Funding Sources								
Total Revenues & Other Financing Sources	304,689,135	1,140,626	5,380,110	1,112,982	2,197,593	3,489	12,996,389	327,520,324
Operating Transfer In	-	1,078,745	-	2,449,115	1,842,515	-	-	5,370,375
Beginning Fund Balance	52,525,839	2,577,414	16,683,531	17,305,595	28,816,498	1,268,159	53,230,384	172,407,420
TOTAL AVAILABLE RESOURCES	\$357,214,974	\$4,796,785	\$22,063,641	\$20,867,692	\$32,856,606	\$1,271,648	\$66,226,773	\$505,298,119
EXPENDITURES								
Salaries & Emp Benefits	\$270,532,280	\$0	\$0	\$0	\$0	\$0	\$0	\$270,532,280
Services & Supplies	34,775,845	1,347,614	-	1,934,465	86,958	699,758	10,503,824	49,348,464
Capital Outlay	172,400	890,000	12,956,900	10,774,152	9,203,940	-	-	33,997,392
Debt Service	-	-	-	-	2,531,723	-	-	2,531,723
Total Expenditures	\$305,480,525	2,237,614	12,956,900	\$12,708,617	11,822,621	699,758	10,503,824	356,409,859
Appropriation for Contingencies	3,000,000	-	-	-	-	-	-	3,000,000
Operating Transfer Out	5,370,375	-	-	-	-	-	-	5,370,375
Ending Fund Balance	43,364,074	2,559,171	\$9,106,741	8,159,075	21,033,985	571,890	55,722,949	140,517,885
TOTAL FUND COMMITMENTS & FUND BALANCE	\$357,214,974	\$4,796,785	\$22,063,641	\$20,867,692	\$32,856,606	\$1,271,648	\$66,226,773	\$505,298,119

ORANGE COUNTY FIRE AUTHORITY
Schedule of Fund Balance
2013/14

	General Operating Fund 121	Facilities Maint & Improv Fund 122	Facilities Replacement Fund 123	Comm & Info Sys Repl Fund 124	Vehicle Replacement Fund 133	SFF Entitlement Fund 171	Self Insurance Fund 190	Total
Projected Fund Balance 6/30/14	\$43,364,074	\$2,559,171	\$9,106,741	\$8,159,075	\$21,033,985	\$571,890	\$55,722,949	\$140,517,885
Components of Fund Balance								
• Donations	14,815							14,815
• Stn 18 CDF Contribution			533,232					533,232
• SFF - Irvine						571,242		571,242
• SFF - Laguna Niguel						144		144
• SFF - Villa Park						23		23
• SFF - Aliso Viejo						79		79
• SFF - Dana Point						133		133
• SFF - Rancho Santa Margarita						47		47
• SFF - San Juan Capistrano						15		15
• SFF - County Unincorporated						207		207
• Capital Improvement Programs		2,559,171	8,573,509	7,944,089	20,111,716			39,188,485
• Community Risk Reduction Fee Funded Capital Needs				214,986	922,269			1,137,255
• Workers Comp							55,722,949	55,722,949
• General Fund Operating (a)	25,962,818							25,962,818
• Cash Flow Needs	17,386,441							17,386,441
Total	\$43,364,074	\$2,559,171	\$9,106,741	\$8,159,075	\$21,033,985	\$571,890	\$55,722,949	\$140,517,885

(a) Reflects \$3 million reduction for Appropriation for Contingencies

DISCUSSION CALENDAR - AGENDA ITEM NO. 10
EXECUTIVE COMMITTEE MEETING
March 27, 2014

TO: Executive Committee, Orange County Fire Authority

FROM: Lori Zeller, Assistant Chief
Business Services Department

SUBJECT: **Implementation of Audit Recommendations - Purchasing**

Summary:

This item was submitted to the Budget and Finance Committee pursuant to the direction at the October 24, 2013, Executive Committee meeting to provide clarification to professional service contracts and consulting services per the Auditor's recommendations in the Agreed-Upon Purchasing Procedures. Staff is submitting this report to the Executive Committee for its review; and to the Board of Directors to change this section in the Roles/Responsibilities/Authorities and to modify the matrix accordingly.

Committee Action:

At its March 12, 2014, meeting, the Budget and Finance Committee reviewed and unanimously recommended approval of this item and directed staff to include this report on the Executive Committee's agenda concurrently with the Board of Directors.

Recommended Action:

Review the proposed changes to the attached Roles/Responsibilities/Authorities matrix and recommend that the Board of Directors approve the revised matrix effective July 1, 2014.

Background:

The auditors, Lance, Soll & Lunghard, LLP (LSL), noted in Observation 1 of the purchasing audit report that the roles and responsibilities matrix distinguished different Board approval levels for service and consulting contracts; \$100,000 for service and \$25,000 for consulting. LSL recommended that these contracts be better defined or that the approval levels be consistent so that both service and consulting contracts would require the same approvals. Staff was further directed by the Executive Committee to consider requiring the same approvals.

A survey has shown that other agencies do not differentiate approval levels for professional and consulting services. In addition, most large regional agencies, such as the County of Orange, Orange County Sanitation District, and the Orange County Transportation Authority require approval at \$100,000 for all services contracts.

The current Executive Committee approval level for the purchase of commodities and fixed assets is \$100,000 per unit cost. As a result, purchases below the \$100,000 unit price, but with an annual aggregate total exceeding \$100,000, do not require Executive Committee approval.

In addition, the current emergency purchasing threshold requiring Executive Committee approval is \$75,000. Staff is recommending that the Executive Committee approval be established at an annual aggregate amount of \$100,000 for commodities, fixed assets, all service contracts including both professional and consulting services, and increasing the emergency purchasing threshold to \$100,000. This change would provide a consistent level regardless of the type or classification of purchase and would insure approval by the Executive Committee based on the aggregate annual amount regardless of the unit price. A consistent approval threshold will simplify administration. This is the first step of a comprehensive revision to the Purchasing Ordinance as recommended in the Purchasing Audit. Purchasing staff anticipates submitting the ordinance revision to the Budget and Finance Committee and Board of Directors for review by July 2014.

Impact to Cities/County:

Not Applicable.

Fiscal Impact:

Not Applicable.

Staff Contact for Further Information:

Debbie Casper, C.P.M., CPPB, Purchasing & Materials Manager

debbiecasper@ocfa.org

(714) 573-6641

Attachment:

Roles/Responsibilities/Authorities Matrix

ORANGE COUNTY FIRE AUTHORITY Roles/Responsibilities/Authorities

All authority rests with the Board of Directors unless it is delegated by statute or board action. When delegated, these authorities are further defined by contracts, resolutions, policies, or other board actions. The following chart defines OCFA's levels of authority. The Board of Directors has the authority to change these delegations within the parameters of legal and contractual restrictions.

	Authority Management	Claims Settlement Committee	Executive Committee	Board of Directors
Levels of Service	Develop and implement programs to provide the identified "Levels of Service."		Approve temporary changes in "Levels of Service."	Approve "Levels of Service" for the Authority.
Resource Deployment	Establish policy/deployment that maintains the approved "Levels of Service."			
Standard Operating Procedures (SOPs) and General Orders (GOs)	Develop and implement SOPs and GOs consistent with Board policies.			
Budget Adoption	Develop the budget.		Budget & Finance Committee - Review the budget; make recommendations.	Approve the budget prior to June 30 each year (JPA Agreement, Article IV.1)
Budget Execution	Authorize expenditures within approved budget appropriations (JPA Agreement, Article IV.2)			
Budget: Intra- and inter-fund transfer; increases and decreases to appropriation.	Approve intra-fund transfers within adopted budgets			Approve inter-fund transfers between budgets; Approve increases and decreases to appropriations.

**ORANGE COUNTY FIRE AUTHORITY
Roles/Responsibilities/Authorities**

	Authority Management	Claims Settlement Committee	Executive Committee	Board of Directors
Fire Station 41, Air Operations Maintenance Facility - Leases	Negotiate, approve and execute leases and/or lease amendments for Hangers Nos. 1, 2, 3, and 4			
Fund Balance - Assigned	Assign amounts for workers' compensation and the capital improvement program within requirements of the <i>Assigned Fund Balance Policy</i>		Budget & Finance Committee – Review calculations used to determine assignments for workers' compensation and the capital improvement program for consistency with <i>Assigned Fund Balance Policy</i>	Assign and un-assign fund balance for any specific purposes other than workers' compensation and the capital improvement program, within the guidelines of GASB Statement No. 54
Fund Balance – Committed				Commit and un-commit fund balance via minutes action, within the guidelines of GASB Statement No. 54
Contingency Planning and funding	Develop plan; administer budget in a manner consistent with plan and policies.		Budget & Finance Committee - Review contingencies and spending for compliance with plan and policies.	Establish plan and policies. Transfer of Appropriation for Contingencies requires prior approval of the Chair or the Vice Chair, in the absence of the Chair, and must be reported to the Board immediately in writing.

**ORANGE COUNTY FIRE AUTHORITY
Roles/Responsibilities/Authorities**

	Authority Management	Claims Settlement Committee	Executive Committee	Board of Directors
Debt obligation	Develop and recommend financing plans.		Budget & Finance Committee – Review of recommended financing plans.	Approve all debt obligations. (Note: long-term bonded indebtedness requires approval by 2/3 rd vote of the members.)
Purchase of commodities and fixed assets	Approve purchase of commodities and fixed assets with a unit cost up to \$100,000 aggregate per contract year.		Approve purchase of commodities and fixed assets with a unit cost over \$100,000 aggregate per contract year.	
Emergency Purchases/Contracts	Approve emergency purchases up to \$75,000 \$100,000.		Purchases in excess of \$75,000 \$100,000 require prior approval of Chair or Vice Chair and must be reported at the next Executive Committee meeting.	
Purchasing Service Contracts	Approve all service contracts up to \$100,000 per contract year. Approve Sole Source Service Contracts up to \$50,000 per contract year.		Approve all service contracts over \$100,000 per contract year. Approve Sole Source Service Contracts over \$50,000 per contract year.	
Purchasing – Consultant Contracts	Approve consultant contracts up to \$25,000.		Approve all consultant contracts over \$25,000.	

**ORANGE COUNTY FIRE AUTHORITY
Roles/Responsibilities/Authorities**

	Authority Management	Claims Settlement Committee	Executive Committee	Board of Directors
Public Works	Approve all public works contracts in amounts up to the statutory limits authorized by Section 22032 of the Public Contract Code.			Approve all public works contracts in amounts at or above the statutory limits authorized by Section 22032 of the Public Contract Code.
Change Orders/ Modifications (excludes Public Works contracts in excess of the formal limit set forth in Section 22032 of the Public Contract Code)	Approve change order/modifications, within the original scope of work, up to 15% but not to exceed a total value of \$50,000.		Approve change order/modifications, not within the original scope of work, or-over 15%, or exceeding a total value of \$50,000.	
Change Orders/ Modifications for Public Works contracts in excess of the formal limit set forth in Section 22032 of the Public Contract Code	Approve change order/modifications up to 10%, but not to exceed a total value of \$50,000.		Approve change order/modifications over 10%, or exceeding a total value of \$50,000.	
Investment Practices	Provide financial data to Budget & Finance Committee, Executive Committee and Board of Directors. Develop draft policy.		Budget & Finance Committee - Review Treasury/Investment actions to insure compliance with policy. Executive Committee – review monthly reports.	Adopt investment and Treasury policies.

**ORANGE COUNTY FIRE AUTHORITY
Roles/Responsibilities/Authorities**

	Authority Management	Claims Settlement Committee	Executive Committee	Board of Directors
Setting of salaries/benefits and other terms and conditions of employment	Identify issues, recommend negotiations approach; negotiate with labor organizations as approved by the Board of Directors.		Review management recommendations; make recommendations to the Board of Directors.	Provide direction to chief negotiator on negotiations; adopt resulting MOUs and changes in the PSR.
Grievances	Administer procedures pursuant to MOU and PSR provisions.			
Disciplinary Actions	Implement disciplinary actions within legal and MOU requirements.			
Hire/Terminate	Hire/terminate Authority staff.		Make recommendations to the Board of Directors on General Counsel legal services contract and Fire Chief employment contract, and compensation of General Counsel and the Fire Chief.	Hire/terminate Fire Chief and General Counsel. Approve service contract for General Counsel. Approve employment contract for Fire Chief.
Appointments				Appointment of clerk, auditor, and treasurer (JPA Agreement Articles II.9 and II.13)
Classification and Salary Ranges	Administer classification system within existing classes and budget.		Adopt and approve new or modified classes and corresponding salary ranges.	
Settlement of Employee Complaints and Grievances	Approve settlements up to \$10,000 within existing PSR parameters.		Approve settlements up to \$50,000.	Approve settlements over \$50,000.

**ORANGE COUNTY FIRE AUTHORITY
Roles/Responsibilities/Authorities**

	Authority Management	Claims Settlement Committee	Executive Committee	Board of Directors
File Legal action				Authorize filing of legal action.
Respond to legal action				Authorize response to legal action.
Settlement of Claims and Litigation	Approve settlements of claims and litigation up to \$50,000. in accordance with Board of Directors Rules of Procedure.	Approve settlements of claims and litigation over \$50,000 not to exceed \$250,000. in accordance with Board of Directors Rules of Procedure.		Approve settlements of claims and litigation over \$250,000.
Level of risk/coverage/exposure	Recommend risk management policies; administer risk management program within established Board of Directors and legal requirements.			Establish policies.
Write-Off for Uncollectible Accounts	Approve write-off of uncollectible accounts up to \$15,000.		Approve of Write-off of uncollectible accounts over \$15,000. Budget and Finance Committee review annual report of uncollectibles and make a recommendation to Executive Committee for final decision.	
Accept Real Property Interests	Accept interest in real property if the Board of Directors or Executive Committee has previously approved.			Approve Secured Fire Protection Agreements and Purchase Agreements for the acquisition of real property.

**ORANGE COUNTY FIRE AUTHORITY
Roles/Responsibilities/Authorities**

	Authority Management	Claims Settlement Committee	Executive Committee	Board of Directors
Accept Grants	Accept all grants except: (1) when the grantor requires approval by the governing body, or; (2) when an adjustment is immediately needed to appropriations to expend the grant, or; (3) when a contract award is needed, requiring approval by the Executive Committee or Board.		Accept all grants in which the grantor requires approval by the governing body.	

DISCUSSION CALENDAR - AGENDA ITEM NO. 11
EXECUTIVE COMMITTEE MEETING
March 27, 2014

TO: Executive Committee, Orange County Fire Authority

FROM: Lori Zeller, Assistant Chief
Business Services Department

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

Summary:

This agenda item is submitted for approval of two contracts for Third Party Workers' Compensation Administration (TPA) and Managed Care (MC) Services and the additional administration of the Insurance Run-off Claims based on the results of two formal Request for Proposals (RFP).

1. Award to CorVel Corporation, the number one ranked firm for TPA and Managed Care Services (DC1857)
2. Award to Cannon Cochran Management Services, Inc. (CCMSI), the number one ranked firm for administration of Insurance Run-Off Claims (DC1898)

Committee Actions:

The Executive Committee reviewed this item at its meeting of November 21, 2013, and directed staff to: (1) extend the existing contract with York through May 31, 2014, (2) review the matter with the Budget and Finance Committee to obtain its recommendation, and (3) return to the Executive Committee for final action prior to May 31, 2014.

At its February 5, 2014, meeting, the Budget and Finance Committee reviewed and unanimously recommended approval of this agenda item.

Recommended Actions:

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).

Background:

In March 2002, the OCFA became self-insured for Workers' Compensation and the Executive Committee awarded a contract to Southern California Risk Management Associates (SCRMA), now York Insurance Services Group, to provide Third Party Administration Services. Since 2002, the contract with York has been extended periodically, with approval by the Executive Committee, resulting in a total contract term of 12 years to-date. The Third Party Administration of the self-insured Workers' Compensation program consists of administration of claims, utilization review and bill review. The program contract is supervised by the OCFA Risk Manager and Risk Analyst.

2013 RFP Process – Third Party Administration and Managed Care

In April 2013, a comprehensive RFP was launched for Third Party Administration (TPA) and Medical Managed Care (MC) services for the OCFA workers' compensation program. As a result of the RFP process, CorVel Corporation was the number one ranked firm. Staff prepared a detailed report recommending award of the contract to CorVel and upon review by the Executive Committee; staff was directed to review the proposal details with the Budget and Finance Committee to obtain its recommendation first, prior to the Executive Committee taking action.

Specific areas of discussion with the Executive Committee focused on the Committee's desire for a detailed vetting process with the Budget and Finance Committee, including review of the concerns raised by Todd Priest of Curt Pringle & Associates, a public relations firm speaking on behalf of York. Input provided by Mr. Priest included the following:

- York's appeal had not been addressed; no response was provided to York's latest letter;
- York believed they provided statistical proof of bias by one of the evaluators;
- CorVel was not authorized by Traveler's Insurance to handle pre-2002 indemnity claims;
- York believed CorVel pricing would be higher in future years compared to year one; and,
- Concern regarding an email from OCFA's Purchasing Manager.

Responses to these concerns are outlined below.

Responses to York's Letters and Appeals

Following completion of the RFP evaluation process, the OCFA received 12 letters from York between August 8, 2013 and February 5, 2014. Thorough analysis was undertaken prior to responding to the content of York's letters and appeals, and in the interim, responses were sent to York to acknowledge receipt of the letters and to keep them informed of progress with our review. The OCFA sent a total of 9 letters to York to keep them informed of the progress and to

respond to their appeals. In particular, formal responses to the appeals were sent to York on October 9, 2013 and October 31, 2013. Following the February 5, 2014, Budget and Finance Committee meeting, an additional letter was received on behalf of York in regards to discussions held at the Committee meeting. This latest letter and related correspondence are provided as Attachment 1.

York's Assertion of Bias

York has repeatedly asserted bias by one of the RFP evaluators based on the fact that one evaluator ranked York lower than the other evaluators. OCFA has responded to York that a mathematical deviation in the scoring does not demonstrate a bias. It simply demonstrates that one evaluator found the proposals received by the other firms to be more complete or responsive than the proposal submitted by York. York has not submitted any evidence supporting the claim for bias by this particular evaluator.

Handling of Pre-2002 Claims

After learning that Traveler's Insurance (the commercial carrier responsible for the pre-2002 indemnity claims) only has six authorized TPA firms to administer claims on its behalf, the OCFA explored alternative options for handling the claims. The analysis included consideration of self-administration (workload, cost of staff time, capacity) and/or selecting a firm from an RFP process issued to the six firms authorized by Traveler's. It should be noted that although Traveler's limits the number of authorized TPA firms they elect to work with, this does not mean that CorVel is inferior to the other TPA firms authorized by Traveler's.

In completing the analysis to consider self-administration, Traveler's concluded that they would not authorize OCFA to self-administer these claims. Therefore, staff narrowed focus to an RFP process with the six firms authorized by Traveler's (Attachment 2).

Based on initial results from the RFP, on January 29, 2014, a letter was sent to York advising them that the evaluation committee was recommending the award of the contract for Run-Off Claims to York to begin on June 1, 2014. However, staff received a letter from York a few hours prior to the Budget and Finance Committee meeting on February 5, 2014, that stated "*after careful consideration, we have decided to respectfully decline the Authority's award of the contract to York.*" Therefore, the Budget and Finance Committee directed staff to finalize a contract with the next highest ranked firm. Following review of Best and Final Offers, the evaluation committee recommended contract award to CCMSI, the top ranked firm, for an annual cost of \$36,248.

In regards to the cost for handling these pre-2002 claims, CorVel has offered to reduce their pricing for TPA services to cover OCFA's cost for handling these claims in honor of the intent of their submitted proposal. CorVel has agreed to reduce the first year contract amount by \$36,248 and to base future years on a percentage increase from this reduced base year amount.

The table below provides CorVel’s adjusted claims administration pricing.

Year	Original Pricing	Amended Pricing Includes full cost reduction for Insurance Claims	% Increase
2014-15	\$565,000*	\$528,752*	-
2015-16	\$581,950	\$544,614	3%
2016-17	\$599,409	\$560,952	3%
2017-18	\$611,397	\$572,171	2%
2018-19	\$623,624	\$583,614	2%
2019-20	\$636,096	\$595,286	2%
2020-21	\$642,456	\$601,238	1%
2021-22	\$648,880	\$607,250	1%

*Additional cost of \$15,000 in the first year to transition the claim files.

Pricing

York has asserted that CorVel’s MC pricing will be higher after the first year of service, as a result of the discount pricing offered for year one. It should be noted that this RFP was not graded on pricing alone, and pricing was not the deciding factor that resulted in CorVel being the highest ranked firm. Future costs will be based on actual activity, which is anticipated to continuously change moving forward due to program modifications that OCFA wishes to pursue. Any attempts to estimate costs for years 2-8 would be based on speculative assumptions.

Budget and Finance Committee has directed staff to return to both the Budget and Finance and the Executive Committees after one year of service to provide a status report and after two years of service to evaluate performance and the resulting contract costs under the new contract with CorVel Corporation. In the event that performance or costs are not meeting OCFA expectations, the option exists to terminate the contract early and perform a new RFP process.

E-Mail from Purchasing Manager

York discussed their concern regarding an email from OCFA’s Purchasing Manager, which we have provided as Attachment 3. As evidenced by the e-mail, the Purchasing Manager was simply confirming that the two top-ranked firms should be interviewed, and that in order to include the incumbent provider (York), the panel would be required to interview 6 firms.

Prior to the e-mail, discussion had occurred as to whether York could be included in the interview group, based on the fact that they were the incumbent provider. However, with York being ranked sixth, staff concluded OCFA would have been out-of-compliance with its RFP procedures to have interviewed the top two-ranked firms and the sixth-ranked firm, while skipping over the third, fourth, and fifth-ranked firms. In order to include the incumbent provider (York) in the interview group, the panel would have been required to interview 6 firms.

Summary

Based on the information provided in this report and previous reports, staff believes OCFA has addressed all of the concerns that York has presented. Staff is requesting the Executive Committee to proceed in awarding this contract. CorVel is recommended for selection as the OCFA's primary TPA because they were the highest ranked firm in that RFP process. CCMSI is recommended for selection as the OCFA's administrator for the Traveler's claims because they were the highest ranked provider for that particular RFP process. In both cases, a thorough process was completed, the processes were followed, and it is staff's practice to recommend the firm ranked highest in the applicable competitive solicitation process.

Impact to Cities/County:

Not Applicable.

Fiscal Impact:

Costs are already included in the budget for TPA services.

Staff Contacts for Further Information:

Lori Zeller, Assistant Chief/Business Services

lorizeller@ocfa.org

(714) 573-6020

Janet Wells, Interim Human Resources Director

janetwells@ocfa.org

(714) 573-6801

Rhonda Haynes, Risk Analyst, Workers' Compensation Program Manager

Human Resources Department

rhondahaynes@ocfa.org

(714) 573-6833

Debbie Casper, Purchasing Manager

Business Services Department

debbiecasper@ocfa.org

(714) 573-6641

Attachments:

1. Correspondence from Todd Priest on behalf of York dated February 7, 2014 and related follow-up Correspondence
2. RFP Evaluation Results for Run-Off Insurance Claims
3. OCFA E-Mail dated July 9, 2013
4. Professional Service Agreement – CorVel Corporation
5. Professional Service Agreement - CCMSI



February 7, 2014

Chief Keith Richter
Orange County Fire Authority
1 Fire Authority Road
Irvine, CA 92602

Via Email

RE: Budget and Finance Committee RFP DC 1857 for Third Party Workers' Compensation Administration

Dear Chief Richter,

During this week's Budget and Finance Committee, staff provided inaccurate information to the Committee prior to their vote on Item #5 – Third Party Workers Compensation Administration and Managed Care Services.

Both OCFA staff and a representative from your recommended vendor on this Item, CorVel, stated that they are currently administering the workers compensation program for the County of Los Angeles, including Alternative Dispute Resolution (ADR).

CorVel Corporation is not, and has never been, a Third Party Workers Compensation Administrator for the County of Los Angeles. Corvel has a contract with the County of LA limited to medical bill re-pricing and medical utilization review services. They do not adjust claims or manage the ADR process.

Since York Risk Services Group (York) is in fact a Third Party Workers Compensation Administrator for the County of Los Angeles, it is important to their reputation and the integrity of their client's programs, that OCFA notify the Budget and Finance Committee that information provided to them at their February 5, 2014 meeting was inaccurate.

We also believe OCFA should also notify Firefighter's Union Local 3631 that false information was provided to their representative regarding their workers compensation program.

For years I have seen firsthand how seriously York takes their obligation to employee health and medical treatment when administering worker's compensation programs for government agencies. And because of the importance of the decision to OCFA and its workforce, we ask that you correct this false information.

Best Regards,

Todd Priest



ORANGE COUNTY FIRE AUTHORITY

P.O. Box 57115, Irvine, CA 92619-7115 • 1 Fire Authority Road, Irvine, CA 92602

Keith Richter, Fire Chief

(714) 573-6000

www.ocfa.org

February 20, 2014

Mr. Todd Priest, Vice President
Curt Pringle & Associates
2400 East Katella Avenue, Suite 350
Anaheim, CA 92806

Dear Mr. Priest:

I've researched the concerns outlined in your letter regarding statements made at the Budget & Finance Committee meeting held on February 5, 2014 (Attachment 1). In addition, Committee Chair Beth Swift forwarded the email communication that you sent to her, for my follow-up.

Your email communication indicated that you believe OCFA intentionally misled the Committee when they stated that CorVel is currently managing the ADR and workers compensation program for the County of Los Angeles. This is a serious allegation, and one which required prompt attention.

To investigate this matter, we have listened to the audio recording of the B&FC meeting to determine the precise content of statements made, and we've contacted LA County's Chief Executive Office Risk Management Branch to obtain independent information about services being provided by CorVel. Our findings are outlined below:

- The OCFA staff member who spoke about LA County was Ken Gabrielson, representing the Orange County Professional Firefighters Association. During the B&FC meeting, Mr. Gabrielson stated:

"We've been working on this ADR, Alternative Dispute Resolution, for over 3 years and recently we're making a great amount of headway in getting this done with Rhonda and Janet and sitting down. We have monthly meetings. Every meeting we're moving the ball down the road, which, in the long-term is going to save the Fire Authority millions of dollars. We support a third party workers' comp administration that is supportive and motivated to see the ADR succeed. That's our number one priority. Many of our members have had complaints dealing with York and these issues have led to delays in treatment, rehab, and more importantly have inflated the employees' time off, which increases the cost to both the Fire Authority and the taxpayers. So again, our support is to get a third party administrator that is excited and willing to push the ADR program forward and I think it's going to be a huge success for this organization."

Further, when Mr. Gabrielson was asked by a member of the B&FC if he's on board with moving towards ADR, he stated:

"Absolutely, it's an expeditious way, from time of injury to the time the injured worker comes back to work. In a lot of cases, it's a 50% reduction in 4850 time and huge savings to the Fire Authority,

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RESIDENTIAL SPRINKLERS AND SMOKE ALARMS SAVE LIVES

February 20, 2014

Mr. Todd Priest

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‘cause our people want to come back. They don’t want to sit at home and go through all the dog and pony show that they’re dealing with now. This will fast track disputed cases, and it’s been proven to work in cities like Long Beach and more and more you’re seeing the larger organizations, LA County just went to it, Kern County is going to it, Huntington Beach is going to it. More and more cities are realizing the benefit of doing business that way.”

- The CorVel representative who spoke about services being provided to LA County was Debbie Fredericks, Area Vice President. Ms. Fredericks stated:

“The Orange County Fire Authority’s staff recommendation for contract award was based on CorVel’s superior and overall competency in partnering with the Orange County Fire Authority. We’re committed to continuously improving and enhance your program as we do on a daily basis with other municipal and fire clients. Although the contract approval, and therefore implementation, has been delayed based on disputes and technicalities, we absolutely look forward to partnering with the OCFA. One of the areas that we do excel in is the ADR, the Alternative Dispute Resolution. We actually have that program in place with a long standing client that we have, the County of Los Angeles. We partnered with them since 1998. That program has been implemented and approved by the State and has been very successful. So not only are we interested in assisting the Orange County Fire Authority, we have extensive experience in creating this program. One of the other areas we can help improve the Orange County Fire Authority’s overall costs is our medical provider network. All aspects of CorVel’s products are integrated and proprietary. One of our strongest products is our medical provider network which will allow us to partner with occupational medicine clinics that will allow your injured firefighters to go for initial treatment to an occupational medical clinic rather than emergency rooms which they are currently going which we estimate will save about \$1.5 M per year in medical costs. CorVel also is fully integrated with our medical management services. This allows us to create and implement medical plans that allow the adjusters more authority to approve treatment which will expedite treatment for your injured firefighters that will decrease your costs and get the firefighters back to work sooner. Our in-house medical bill review services utilize certified professional coders along with our state of the art bill review system and it’s our experience based on our statistics that CorVel actually achieves 10% more in savings than your current vendor. So that will also add to savings for the Fire Authority. So in closing, CorVel is one of many vendors that responded to the Orange County Fire Authority’s RFP and we ranked #1 and we are looking forward to partnering with the Orange County Fire Authority and manage your claims.”

- LA County’s Chief Executive Office Risk Management Branch provided the attached letter to verify the services being provided by CorVel (Attachment 2). The letter confirms that CorVel has served LA County’s workers’ compensation program for over 13 years, including bill review, utilization review, PPO/Medical Provider Network management, nurse case management, and 24/7 telephonic injury reporting. In addition, the letter confirms that CorVel assisted with the implementation of LA County Fire Department’s Carve-Out program, and that CorVel continues to assist with the ongoing administration of the Carve-Out. (Note: A “Carve-Out program is another term used for an Alternative Dispute Resolution, or ADR Program.)

February 20, 2014
Mr. Todd Priest
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While the LA County letter confirms that CorVel provides a variety of services to their workers' compensation and ADR programs, it also confirms that a provider other than CorVel (Intercare Insurance Services) is the administrator for the Fire Department's worker's compensation claims. We have noted from our review of the audio recordings that OCFA staff and CorVel representatives did not say that CorVel is serving as the "administrator" for LA County, but instead, they said that: 1) the County of Los Angeles has been CorVel's long-standing client since 1998; 2) CorVel has an ADR program in place with them; and 3) the ADR program has been implemented, approved by the state and has been very successful.

Furthermore, while your letter states that "York is in fact a Third Party Workers Compensation Administrator for the County of Los Angeles", we note that the letter provided by LA County states that a different provider, Intercare Insurance Services, is the Third Party Administrator for LA County's Fire Department. This is not to say that York doesn't provide TPA services to some portion of LA County, but they are not the TPA for the Fire Department, according to this letter. I highlight this point to reflect on how a small difference in wording can potentially result in a reader or audience drawing a different conclusion than intended.

Based on the findings of my review, I am confident that there was no effort or action taken by OCFA staff to intentionally mislead the B&FC. I also did not find any evidence that false or inaccurate information was provided to the Committee. I appreciate the opportunity to address your concerns.

Sincerely,



Keith Richter
Fire Chief

cc: OCFA Budget & Finance Committee
Lori Zeller, Assistant Chief/Business Services
Janet Wells, Interim HR Director
Dave Rose, President, Orange County Professional Firefighters Association
Kenny Gabrielson, Orange County Professional Firefighters Association
Jody Gray, York Risk Services Group
Debbie Fredericks, CorVel Corporation

Attachments:

1. Letter from Todd Priest dated February 7, 2014
2. Letter from County of Los Angeles Risk Management Branch dated February 14, 2014



February 7, 2014

Chief Keith Richter
Orange County Fire Authority
1 Fire Authority Road
Irvine, CA 92602

Via Email

RE: Budget and Finance Committee RFP DC 1857 for Third Party Workers' Compensation Administration

Dear Chief Richter,

During this week's Budget and Finance Committee, staff provided inaccurate information to the Committee prior to their vote on Item #5 – Third Party Workers Compensation Administration and Managed Care Services.

Both OCFA staff and a representative from your recommended vendor on this Item, CorVel, stated that they are currently administering the workers compensation program for the County of Los Angeles, including Alternative Dispute Resolution (ADR).

CorVel Corporation is not, and has never been, a Third Party Workers Compensation Administrator for the County of Los Angeles. Corvel has a contract with the County of LA limited to medical bill re-pricing and medical utilization review services. They do not adjust claims or manage the ADR process.

Since York Risk Services Group (York) is in fact a Third Party Workers Compensation Administrator for the County of Los Angeles, it is important to their reputation and the integrity of their client's programs, that OCFA notify the Budget and Finance Committee that information provided to them at their February 5, 2014 meeting was inaccurate.

We also believe OCFA should also notify Firefighter's Union Local 3631 that false information was provided to their representative regarding their workers compensation program.

For years I have seen firsthand how seriously York takes their obligation to employee health and medical treatment when administering worker's compensation programs for government agencies. And because of the importance of the decision to OCFA and its workforce, we ask that you correct this false information.

Best Regards,

A handwritten signature in blue ink that reads 'Todd Priest'.

Todd Priest



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles
CHIEF EXECUTIVE OFFICE
Risk Management Branch

3333 Wilshire Boulevard, Suite 820, Los Angeles, California 90010
(213) 351-5346 • Fax (213) 252-0404
<http://ceo.lacounty.gov>

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Fourth District

MICHAEL D. ANTONOVICH
Fifth District

February 14, 2014

Jonathan Wilby
Orange County Fire Authority
1 Fire Authority Road
Irvine, CA 92602

Dear Mr. Wilby:

VERIFICATION OF CORVEL CORPORATION SERVICES

As requested, this letter verifies that CorVel Corporation (CorVel) has provided medical management and cost containment services to the County of Los Angeles (County) Workers' Compensation Program for over 13 years. Currently, these services include bill review, utilization review (UR), PPO/Medical Provider Network management, nurse case management, and 24/7 telephonic injury reporting. The Fire Department's workers' compensation claims are administered by Intercare Insurance Services, the County's third party administrator.

In 2012, CorVel assisted with the implementation of the County of Los Angeles Fire/1014 Carve-Out program (Carve-Out). CorVel's involvement focused on the development and coordination of UR notification and UR dispute resolution processes unique to the Carve-Out. Additionally, CorVel assisted in developing and establishing medical legal rates to pay Carve-Out independent medical examiners. CorVel continues to assist with the on-going administration of the Carve-Out.

If you have any questions regarding this letter or the Carve-Out program, please do not hesitate to contact me at (213) 738-2154.

Sincerely,

Alex Rossi, Manager, CEO
Workers' Compensation Division

STR:AR:rm

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"To Enrich Lives Through Effective And Caring Service"

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Intra-County Correspondence Sent Electronically Only**



**ORANGE COUNTY
PROFESSIONAL FIREFIGHTERS ASSOCIATION
IAFF LOCAL 3631**

1900 East Warner Avenue, Suite G • Santa Ana, California 92705-5549
Office: (949) 486-3631 • Fax: (949) 486-3636 • Website: www.ocfirefighters.org



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Emeritus

February 21, 2014

Sent via email and USPS

Dear Chief Richter,

I must tell you, as a proud firefighter that serves OCFA and the residents of Orange County with honor, I am so outraged you are using my name in your effort to cover-up internal problems your office. The letter you sent to Todd Priest, uses my name to hide that fact that OCFA staff has not been honest regarding our workers compensation program. You of all people know how critical that program is to the health and safety of every firefighter.

To portray that I was somehow the staff person at OCFA that was pushing for the authority to change vendors is false.

Please immediately stop using my name as a way to manipulate our program. I would never do anything that would jeopardize the health and welfare of my fellow fire fighters.

You have a responsibly to clear-up the problem you have created. You know we have been wanting ADR for many years. Your staff told me their vendor set-up the program for Los Angeles County and York has been against it. Since that is false, please do not use me as your scapegoat.

Even the letter from Los Angeles County states that your vendor is not in charge of the firefighters ADR program, but they just assist in the program. While you may think you are being clever in your wording, your staff's efforts can have an enormous negative impact on our workers compensation.

Please notify everyone that received your letter that I don't speak on behalf of your OCFA staff.

Please send me a copy of that letter.

Thank you,

Ken Gabrielson, Vice President

Orange County Professional Firefighters Association Local 3631

Representing Professional Firefighters protecting the cities of:

Buena Park • Cypress • Dana Point • Irvine • Laguna Beach • Laguna Hills • Laguna Niguel • Laguna Woods • Lake Forest • La Palma • Los Alamitos
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ORANGE COUNTY FIRE AUTHORITY

P.O. Box 57115, Irvine, CA 92619-7115 • 1 Fire Authority Road, Irvine, CA 92602

Keith Richter, Fire Chief

(714) 573-6000

www.ocfa.org

February 21, 2014

Ken Gabrielson, Vice President
Orange County Professional Firefighters Association, Local 3631
1900 East Warner Avenue, Suite G
Santa Ana, CA 92705

Dear Ken:

This is to follow-up on your letter regarding use of your name in our response to Todd Priest. Mr. Priest's letter addressed concerns about comments made at the Budget & Finance Committee meeting *by OCFA staff and a representative from CorVel*, in regards to services provided to the workers compensation program for the County of Los Angeles, including Alternative Dispute Resolution.

As stated in my response to Mr. Priest, we have listened to the audio recording of the B&FC meeting to determine the precise content of statements made. The fact is that during the B&FC meeting, only two individuals spoke about services provided to LA County, including you and Debbie Fredericks of CorVel. Our response to Mr. Priest documents the precise statements that were made by you and Ms. Fredericks.

My response to Mr. Priest did not indicate that you were "the staff person at OCFA that was pushing for the authority to change vendors". My response did indicate that you were "representing the Orange County Professional Firefighters Association". I acknowledge that you do not speak on behalf of OCFA staff, and I have no intention of using you as a scapegoat. It is the outcome of a comprehensive Request for Proposal process that resulted in a recommendation to change vendors, with CorVel being the highest-ranked provider.

Sincerely,

A handwritten signature in black ink that reads "Keith Richter".

Keith Richter
Fire Chief

cc: OCFA Budget & Finance Committee
Lori Zeller, Assistant Chief/Business Services
Janet Wells, Interim HR Director
Dave Rose, President, Orange County Professional Firefighters Association
Kenny Gabrielson, Orange County Professional Firefighters Association
Jody Gray, York Risk Services Group
Debbie Fredericks, CorVel Corporation

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RESIDENTIAL SPRINKLERS AND SMOKE ALARMS SAVE LIVES

**Orange County Fire Authority
RFP Process for Run-Off Insurance Claims**

A solicitation for the Run-off Insurance Claims (RFP DC1898) was issued on December 5, 2013 in accordance with alternatives staff had presented in the November 21, 2013 Executive Committee Report. The six TPA firms authorized by Traveler's were invited to participate in the process, and proposals were received from the following three firms:

York Risk Services Group, Inc	\$25,000
CCMSI	\$55,402
Tristar Risk Management	\$56,553

The criteria and weighting used in evaluating the proposals were as follows:

- Method of Approach (10 points)
- Communication and Resources (15 points)
- Proposed Cost (75 points)

The results of the evaluation process are provided below.

	York			TriStar			CCMSI		
Cost Proposal	\$25,000			\$55,402			\$56,553		
Evaluators	1	2	3	1	2	3	1	2	3
A. Method of Approach (10)	6	7	7	9	10	8	7	10	8
B. Comm. & Resources (15)	10	15	12	15	15	12	12	15	13
C. Proposed Costs (75)	75	75	75	33	33.8	33.8	33.2	33.2	33.2
Sum of Proposal Ratings	91	97	94	57	58.8	53.8	52.2	58.2	54.2
Ranking	1	1	1	2	2	3	3	3	2
Sum of Ranking	3			7			8		

On January 29, 2014, a letter was sent to York advising them that the evaluation committee was recommending the award of the contract for Run-Off Claims to York to begin on June 1, 2014. However, staff received a letter from York a few hours prior to the Budget and Finance Committee meeting on February 5, 2014, that stated "*after careful consideration, we have decided to respectfully decline the Authority's award of the contract to York.*" Therefore, the Budget and Finance Committee directed staff to finalize a contract with the next highest ranked firm.

At the Budget and Finance meeting, Risk Management provided updated information that the pre-2002 claims had been reduced from 49 to 32. Based on this reduction in claims and the small variance in rankings between the remaining two firms, staff determined it would be

prudent to send a Best and Final request to both remaining firms for further consideration. The results of the Best and Final request are provided below.

	TriStar			CCMSI		
Cost Proposal	\$36,500			\$36,248		
Evaluators	1	2	3	1	2	3
A. Method of Approach (10)	9	10	8	7	10	8
B. Comm. & Resources (15)	15	15	12	12	15	13
C. Proposed Costs (75)	74.5	74.5	74.5	75	75	75
Sum of Proposal Ratings	98.5	99.5	94.5	94	100	96
Ranking	1	2	2	2	1	1
Sum of Ranking	5			4		

Based on the results, the evaluation committee recommended contract award to CCMSI, the top ranked firm.

Wentz, Sherry

From: Casper, Debbie
Sent: Tuesday, July 09, 2013 9:40 AM
To: Haynes, Rhonda; Jakubiak, Tricia; 'PWilliams@surfcity-hb.org'
Subject: OCFA Workers Comp - RFP Ratings.xlsx
Attachments: Workers Comp - RFP Ratings.xlsx

Good Morning,

Here are the results from the evaluations. There were a few errors in addition on the sheets, they have been corrected in the worksheet. Based on the results, I think the best thing to interview the top two firms, otherwise we need to interview 6 companies to include York.

Let me know your thoughts. I am available any day next week July 15-18 and July 22-24 to schedule the presentations.

Debbie Casper, C.P.M., CPPB
Purchasing & Materials Manager
Orange County Fire Authority
Tel. (714) 573-6641
Fax (714) 368-8845
debbiecasper@ocfa.org

**ORANGE COUNTY FIRE AUTHORITY
PROFESSIONAL SERVICES AGREEMENT**

THIS AGREEMENT FOR PROFESSIONAL SERVICES ("Agreement") is made and entered into this 27th day of March, 2014, by and between the Orange County Fire Authority, a public agency, hereinafter referred to as "OCFA", and CorVel Enterprise Comp, Inc, a Delaware corporation, hereinafter referred to as "CorVel".

RECITALS

WHEREAS, OCFA requires the services of a qualified firm for third party workers' compensation administration and managed care services, RFP #DC1857, hereinafter referred to as "Project"; and

WHEREAS, CorVel has submitted to OCFA a proposal dated May 30, 2013, a copy of which is on file with the Clerk of the Board, and is incorporated herein by this reference; and

WHEREAS, based on its experience and reputation, CorVel is qualified to provide the necessary services for the Project and desires to provide such services; and

WHEREAS, OCFA desires to retain the services of CorVel for the Project.

NOW, THEREFORE, in consideration of the promises and mutual agreements contained herein, OCFA agrees to employ and does hereby employ CorVel and CorVel agrees to provide professional services as follows:

AGREEMENT

1. PROFESSIONAL SERVICES

1.1 Scope of Services.

In compliance with all terms and conditions of this Agreement, CorVel shall provide those services specified in the Scope of Services, attached hereto as Exhibit "A" and incorporated herein by reference. The Scope of Services includes by reference and by addendum: (1) OCFA's Request for Proposal, RFP #DC1857, dated April 29, 2013 ("RFP"); (2) CorVel's response to OCFA's RFP dated May 30, 2013; (3) CorVel's updated pricing offer Exhibit "C" (4) All terms and conditions as set forth in this Agreement; and (5) any amendments, addendums, change orders, or modifications mutually agreed upon by the parties hereto. In the event of any inconsistency between the terms contained in Exhibit "A" and the terms set forth in the main body of this Agreement, the terms set forth in the main body of this Agreement shall govern. CorVel warrants that it shall perform all services under this Agreement in a competent,

professional and satisfactory manner in accordance with all standards prevalent in the industry.

1.2 Online Services.

During the term of this Agreement, OCFA shall be entitled to access and use CorVel's CareMC Application, a proprietary software application that provides online access to certain managed care services. As pertains to OCFA's utilization of the CareMC Application, both parties agree to be bound by the provisions of the CareMC License Agreement, attached hereto as Exhibit "B" and incorporated herein by this reference. In the event of any inconsistency between the terms contained in Exhibit "B" and the terms of this Agreement, the terms of this Agreement shall govern.

1.3 Compliance with Law.

All services rendered hereunder by CorVel shall be provided in accordance with all laws, ordinances, resolutions, statutes, rules, and regulations of OCFA and any federal, state or local governmental agency of competent jurisdiction.

1.4 Licenses and Permits.

CorVel shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement.

1.5 Care of Work.

CorVel shall adopt and follow reasonable procedures and methods during the term of the Agreement to prevent loss or damage to materials, papers or other components of the work, and shall be responsible for all such damage until acceptance of the work by OCFA, except such loss or damages as may be caused by OCFA's own negligence.

1.6 Additional Services.

CorVel shall perform services in addition to those specified in the Scope of Services when directed to do so in writing by the Contract Officer, provided that CorVel shall not be required to perform any additional services without compensation. Any additional compensation not exceeding ten percent (10%) of the original Agreement sum must be approved in writing by the Contract Officer. Any greater increase must be approved in writing by Fire Chief upon approval from the Executive Committee.

2. TIME FOR COMPLETION

The time for completion of the services to be performed by CorVel is an essential condition of this Agreement. CorVel shall prosecute regularly and diligently the work of

this Agreement according to the schedules set forth in the Scope of Services. CorVel shall not be accountable for delays in the progress of its work caused by any condition beyond its control and without the fault or negligence of CorVel. Delays shall not entitle CorVel to any additional compensation regardless of the party responsible for the delay.

3. COMPENSATION

3.1 Contract Pricing.

For the services rendered pursuant to this Agreement, OCFA shall compensate and reimburse CorVel in accordance with the terms set forth in the Pricing Schedule, attached hereto as Exhibit "C" and incorporated herein by reference.

3.2 Method of Payment.

In any month in which CorVel wishes to receive payment, CorVel shall no later than the first working day of such month, submit to OCFA in the form approved by OCFA's Director of Finance, an invoice for services rendered prior to the date of the invoice. OCFA shall pay CorVel for all expenses stated thereon which are approved by OCFA consistent with this Agreement, within thirty (30) days of receipt of CorVel's invoice.

3.3 Changes.

In the event any change or changes in the services is requested by OCFA, the parties hereto shall mutually agree in writing and execute an addendum to this Agreement, setting forth with particularity all terms of such addendum, including, but not limited to, any additional fees. Addenda may be entered into:

A. To provide for revisions or modifications to documents or other work product or work when documents or other work product or work is required by the enactment or revision of law subsequent to the preparation of any documents, other work product or work;

B. To provide for additional services not included in this Agreement or not customarily furnished in accordance with generally accepted practice in CorVel's profession.

3.4 Appropriations.

This Agreement is subject to and contingent upon funds being appropriated therefore by the OCFA Board of Directors for each fiscal year covered by the Agreement. If such appropriations are not made, this Agreement shall automatically terminate without penalty to OCFA. In any such event, OCFA shall notify CorVel in writing of the Board of Director's decision not to appropriate funds. CorVel shall be entitled to compensation for all services rendered prior to the receipt of such notice.

4. PERFORMANCE SCHEDULE

4.1 Time of Essence.

Time is of the essence in the performance of this Agreement.

4.2 Schedule of Performance.

All services rendered pursuant to this Agreement shall be performed within the time periods prescribed in CorVel's Scope of Services, attached hereto as Exhibit "A". The extension of any time period specified in Exhibit "A" must be approved in writing by the Contract Officer.

4.3 Force Majeure.

The time for performance of services to be rendered pursuant to this Agreement may be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the CorVel, including, but not restricted to, acts of God or of a public enemy, acts of the government, fires, earthquakes, floods, epidemic, quarantine restrictions, riots, strikes, freight embargoes, and unusually severe weather if the CorVel shall within ten (10) days of the commencement of such condition notify the Contract Officer who shall thereupon ascertain the facts and the extent of any necessary delay, and extend the time for performing the services for the period of the enforced delay when and if in the Contract Officer's judgment such delay is justified, and the Contract Officer's determination shall be final and conclusive upon the parties to this Agreement.

4.4 Term.

This Agreement shall commence on June 1, 2014 and continue for a period of five (5) years, ending on May 31, 2019, unless earlier terminated as provided herein or as otherwise agreed to in writing by the parties. OCFA shall have the sole option to extend this Agreement for three (3) additional periods of one (1) year after the expiration of the initial five-year term of this Agreement.

5. COORDINATION OF WORK

5.1 Representative of CorVel.

The following principal of the CorVel is hereby designated as being the principal and representative of CorVel authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith: Michael Saverien.

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principal is a substantial inducement for OCFA to enter into this Agreement. Therefore, the foregoing principal shall be responsible during the term of this Agreement for directing all activities of CorVel and devoting sufficient time to personally supervise the services hereunder. The foregoing principal may not be changed by CorVel without the express written approval of OCFA.

5.2 Contract Officer.

The Contract Officer shall be Rhonda Haynes, Risk Analyst, Workers' Compensation Program Manager, unless otherwise designated in writing by OCFA. It shall be the CorVel's responsibility to keep the Contract Officer fully informed of the progress of the performance of the services and CorVel shall refer any decisions that must be made by OCFA to the Contract Officer. Unless otherwise specified herein, any approval of OCFA required hereunder shall mean the approval of the Contract Officer.

5.3 Prohibition Against Subcontracting or Assignment.

The experience, knowledge, capability and reputation of CorVel, its principals and employees, were a substantial inducement for OCFA to enter into this Agreement. Therefore, CorVel shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of OCFA. In addition, neither this Agreement nor any interest herein may be assigned or transferred, voluntarily or by operation of law, without the prior written approval of OCFA. Notwithstanding anything to the contrary in the foregoing, CorVel may assign its interest in this Agreement without prior written approval if seventy-five (75) percent or more of its equity securities, assets or business related to the subject matter of this Agreement is acquired by another entity or persons. CorVel shall notify OCFA in writing within five (5) days of any such acquisition. CorVel shall then provide any additional information concerning the acquisition, and the acquiring party, as may be requested by the Contract Officer. Any attempted assignment in violation of this Agreement shall be void and without effect.

5.4 Independent Contractor.

Neither OCFA nor any of its employees shall have any control over the manner, mode or means by which CorVel, its agents or employees, perform the services required herein, except as otherwise set forth herein. CorVel shall perform all services required herein as an independent Contractor of OCFA and shall remain at all times as to OCFA a wholly independent contractor with only such obligations as are consistent with that role. CorVel shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of OCFA.

6. INSURANCE AND INDEMNIFICATION

6.1 Insurance.

CorVel shall procure and maintain, at its costs, for the duration of this Agreement, insurance against claims for injuries to persons or damages to property which may arise from or in connection with CorVel's performance under this Agreement. CorVel shall also carry workers' compensation insurance in accordance with California worker's compensation laws. Such insurance shall be kept in effect during the term of this Agreement and shall not be cancelable without thirty (30) days written notice to OCFA of any proposed cancellation. OCFA's certificate(s) signed by a person authorized to issue said certificate(s), evidencing the foregoing and designating OCFA as an additional named insured for general liability and automobile liability coverage shall be delivered to and approved by OCFA prior to commencement of the services hereunder. Insurance shall be of the type, in the amounts, and subject to the provisions set forth in Section III of RFP #DC1857, incorporated herein by reference. The procuring of such insurance and the delivery of policies or certificates evidencing the same shall not be construed as a limitation of CorVel's obligation to indemnify OCFA, its officers, officials, employees and agents.

6.2 Indemnification.

To the fullest extent permitted by law, CorVel shall defend (at CorVel's sole cost and expense with legal counsel reasonably acceptable to OCFA), indemnify, and hold harmless OCFA, its officers, officials, employees and agents (collectively, the "Indemnified Parties") from and against any and all third-party actions, suits, proceedings, claims, demands, losses, costs, and expenses, including legal costs and attorneys' fees, for injury to or death of person or persons, for damage to property, including property owned by OCFA, arising out of or in any way connected with any negligent acts, errors, omissions, willful misconduct or fraud committed by CorVel, its officers, employees or agents in performance of this Agreement, except for such loss as may arise from the sole negligence or willful misconduct of the Indemnified Parties.

CorVel's indemnification obligations under this Section 6.2 are contingent upon: (i) OCFA giving prompt written notice to CorVel of any claim under this Section (provided, however, that failure to give such notification shall not affect the indemnification provided hereunder except to the extent, and only to the extent, that CorVel shall have been actually prejudiced as a result of such failure); and (ii) at CorVel's request and sole expense, OCFA cooperating in the investigation and defense of such claim(s). In any instance where CorVel defends a claim pursuant to its indemnification obligations, OCFA shall be entitled, but not obligated to, participate in (but not control) such defense and to retain its own counsel, at its own expense. Neither party shall settle or consent to an adverse judgment in any such claim that adversely affects the rights or interests of the other party or imposes additional obligations on the other party without the prior express written consent of the other party.

7. RECORDS AND REPORTS

7.1 Reports.

CorVel shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement as the Contract Officer shall require.

7.2 Records.

CorVel shall keep such books and records as shall be necessary to properly perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. The Contract Officer shall have full and free access to such books and records at all reasonable times, including the right to inspect, copy, audit and make records and transcripts from such records.

7.3 Ownership of Documents.

All drawings, specifications, reports, records, documents and other materials prepared by CorVel specifically for the benefit of OCFA in the performance of this Agreement shall be the property of OCFA and shall be delivered to OCFA upon request of the Contract Officer or upon the termination of this Agreement at no cost to OCFA, and CorVel shall have no claim for further employment or additional compensation as a result of the exercise by OCFA of its full rights or ownership of the documents and materials hereunder. CorVel may retain copies of such documents for its own use. CorVel shall have an unrestricted right to use the concepts embodied therein.

7.4 Release of Documents.

CorVel shall not release publicly any drawings, specifications, reports, records, documents or other materials prepared by CorVel in the performance of services under this Agreement without the prior written approval of the Contract Officer.

8. ENFORCEMENT OF AGREEMENT

8.1 California Law.

This Agreement shall be construed and interpreted both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Orange, State of California, or any other appropriate court in such county, and CorVel covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

8.2 Waiver.

No delay or omission in the exercise of any right or remedy of a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. No consent or approval of OCFA shall be deemed to waiver or render

unnecessary OCFA's consent to or approval of any subsequent act of CorVel. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

8.3 Rights and Remedies are Cumulative.

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

8.4 Legal Action.

In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain injunctive relief, a declaratory judgment, or any other remedy consistent with the purposes of this Agreement.

8.5 Termination Prior to Expiration of Term.

OCFA reserves the right to terminate this Agreement at any time, with or without cause, upon thirty (30) days written notice to CorVel, except that where termination is due to the fault of the CorVel and constitutes an immediate danger to health, safety and general welfare, the period of notice shall be such shorter time as may be appropriate. Upon receipt of the notice of termination, CorVel shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. CorVel shall be entitled to compensation for all services rendered prior to receipt of the notice of termination and for any services authorized by the Contract Officer thereafter.

CorVel may terminate this Agreement, with or without cause, upon thirty (30) days written notice to OCFA.

8.6 Termination for Default.

If either party (the "non-breaching party") determines that the other party (the "breaching party") has failed to fulfill its obligations under this Agreement, it shall notify the breaching party in writing of such default. The breaching party shall have thirty (30) days, or such longer period as the non-breaching party may designate, to cure the default by rendering satisfactory performance. In the event that the breaching party fails to cure the default within such period of time, or if the default constitutes an immediate danger to health, safety or general welfare, then the non-breaching party shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice. Upon termination

pursuant to this Section 8.6, OCFA may take over the work and prosecute the same to completion by contract or otherwise, and the CorVel shall be liable for any costs incurred by OCFA in connection with its selection and retention of another third-party administrator to replace owing to CorVel's breach and subsequent termination, and to the extent that the total cost for performance of the services required hereunder exceeds the compensation herein stipulated, provided that OCFA shall use reasonable efforts to mitigate damages.

9. OCFA OFFICERS AND EMPLOYEES; NON-DISCRIMINATION

9.1 Non-Liability of OCFA Officials, Officers and Employees.

No official, officer or employee of either party shall be personally liable to the the other party, or any successor-in-interest, in the event of any default or breach by the breaching party or for any amount which may become due to the the non-breaching party or its successor, or for breach of any obligation of the terms of this Agreement.

9.2 Covenant Against Discrimination.

CorVel covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination or segregation in the performance of or in connection with this Agreement regarding any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry. CorVel shall take affirmative action to insure that applicants and employees are treated without regard to their race, color, creed, religion, sex, marital status, national origin, or ancestry.

10. MISCELLANEOUS PROVISIONS

10.1 Confidentiality.

During the term of this Agreement each party may obtain, be exposed to, or disclose to the other party proprietary or confidential information including, but not limited to trade secrets, copyrights, patent rights and other proprietary or restricted information, and sensitive personal information, including without limitation, claimant identification and medical records, all of which are not generally known by the public ("Confidential Information").

To the extent allowed by law, both parties shall take all necessary action to protect the confidentiality of the Confidential Information of the other party, shall hold it in strict confidence, and shall not disclose or publish or permit the disclosure or publication of it to any person or entity except for the purpose of performance under this Agreement, and only with the other party's prior written consent. Without limiting the generality of the foregoing, each party agrees to use at least the same degree of care to

avoid unauthorized disclosure, use or publication of the Confidential Information as it employs with respect to its own Confidential Information.

Notwithstanding the foregoing, CorVel has been advised and is aware that all reports, documents, information and data including, but not limited to, computer tapes, discs or files furnished or prepared by CorVel, or any of its subcontractors, and provided to OCFA may be subject to public disclosure as required by the California Public Records Act (California Government Code Section 6250 *et. seq.*). OCFA shall not, in any way, be liable or responsible for the disclosure of any information including, without limitation, Confidential Information, if such disclosure is deemed by OCFA to be required by law or by order of the Court.

If any of CorVel's Confidential Information is subject to a Public Records Act request, OCFA shall (i) provide to CorVel written notice of the request (ii) provide to CorVel a reasonable opportunity to respond to and/or oppose such action in the appropriate forum, and (iii) take such steps as are permitted under the Public Records Act to assert in response to such request any exemptions or other protections available thereunder to prevent, restrict and/or control the public release, access and/or disclosure of Confidential Information.

10.2 Coverage and Compensability.

Subject to applicable state regulations, codes and statutes, CorVel shall retain final decision making authority as to compensability and coverage determinations regarding the payment of benefits as required by law, and to the extent possible, within OCFA's established parameters and the terms governing CorVel's performance of services under this Agreement.

10.3 Duty of Cooperation.

OCFA acknowledges that accurate and legally sound determinations as to compensability and the provision of benefits require cooperation and access to OCFA materials, documents, and witnesses. OCFA agrees to cooperate fully in all aspects of CorVel's investigation in order to ensure full compliance with all applicable workers' compensation statutes.

10.4 Healthcare Authority.

Subject to applicable state regulations, codes and statutes, CorVel and its agents have no authority to control or direct the health care services proposed for or provided to injured persons. This authority shall lie only with the injured person and his/her treating physician in any case, and those individuals may accept, reject, or modify any advisory determinations made by CorVel or its agents, except insofar as state workers' compensation laws may require them to follow the determinations of OCFA, CorVel, OCFA's agents, a workers' compensation judge or review panel, or another third party.

10.5 No Interference with Practice of Medicine.

Neither party to this Agreement shall attempt, directly or indirectly, to control, direct or interfere with the practice of medicine by any health care provider.

10.6 Notice.

Any notice, demand, request, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by pre-paid, first-class mail to the address set forth below. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated forty-eight (48) hours from the time of mailing if mailed as provided in this Section.

To OCFA:

Orange County Fire Authority
Attention: Rhonda Haynes
1 Fire Authority Road
Irvine, CA 92602

With Copy to:

David E. Kendig, General Counsel
Woodruff, Spradlin & Smart
555 Anton Blvd. Suite 1200
Costa Mesa, CA 92626

To CorVel:

CorVel Corporation
Attention: Sharon O'Connor, Director of
Legal Services
2010 Main Street Suite 600 Irvine, CA
92614

10.7 Integrated Agreement.

This Agreement contains all of the agreements of the parties and cannot be amended or modified except by written agreement.

10.8 Amendment.

This Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing.

10.9 Severability.

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement, which shall be interpreted to carry out the intent of the parties hereunder.

10.10 Corporate Authority.

The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by so executing this Agreement the parties hereto are formally bound to the provisions of this Agreement.

[Signatures on Following Page]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates stated below.

"OCFA"

ORANGE COUNTY FIRE AUTHORITY

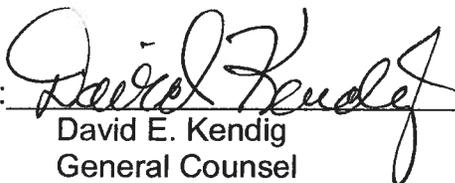
Date: _____

By: _____

Keith Richter
Fire Chief

APPROVED AS TO FORM.

ATTEST:

By:  _____
David E. Kendig
General Counsel

Sherry A.F. Wentz
Clerk of the Board

Date: 3/19/14 _____

"CORVEL"

CORVEL ENTERPRISE COMP, INC.

Date: _____

By:  _____
Richard Schweppe, Secretary

EXHIBIT A
SCOPE OF SERVICES



CorVel has more than 30 years of experience as a national provider of healthcare management solutions to government agencies that include large fire and emergency response services. We are publicly traded (NASDAQ:CRVL) and annual revenues exceeded \$412 million in 2012. Our continued customer growth is a testament to our financial stability and our significant investments in new systems and technologies allow us to continue to deliver industry-leading solutions to the marketplace.

Our company has been providing third party claims administration services for agencies with large fire and emergency response services in California since February 2007 through its acquisition of an existing third party administrator which had been in business for 20 years.

We are an industry leader in claims administration solutions. Throughout the years, we have enjoyed long-term relationships with many of the largest and most innovative payors in the nation. Using the expertise gained in those relationships, our entire client base is able to take advantage of the pooled insights of many of the leaders in the casualty insurance industry.

CorVel's claims management program is a unique approach to claims administration, healthcare and disability management. We offer a comprehensive solution directed toward the self-insured and municipal markets that proactively manages the entire episode of a claim. By incorporating a strong medical management component in claims management, CorVel is able to control the cost of claims more effectively than the traditional claims management model, saving customers time and money.

CorVel believes the following top three qualities differentiate us from other TPAs in the marketplace:

Experience with Municipalities

CorVel has more than 50 municipal clients in California. Our services decrease administrative costs and improve return to work outcomes. CorVel offers a personalized treatment program that uses precise treatment protocols – advocating timely, quality care for municipal employees. CorVel understands the unique needs of municipalities where budgets are a major concern, along with diverse employment descriptions and job settings. Our innovative solution combines claims technology with industry leading medical cost containment for your existing safety program. Ten of our California clients have large fire and emergency response services.

Integrated System

CorVel offers our customers superior results by utilizing our completely integrated claims management and cost containment solution. We have extensive expertise in both claims handling and cost containment services allowing our clients to achieve the best possible outcomes. OCFA can obtain greater efficiency and earlier return to work on their claim files, while achieving greater reductions in the overall length and costs of medical treatment.

Early Intervention

CorVel's early intake process promotes immediate and convenient access to report an injury or incident to improve return to work results. For immediate care, we recommend reporting incidents to our 24/7 Nurse Triage call center. All other non-urgent or retrospective injuries can be reported via CorVel's website, toll free call center, faxed, or entered via mobile apps available for smart phones and tablet devices. Claims are immediately processed by our



proprietary rules engine where medical management begins immediately as needed, and the claim is assigned to a Claims Adjuster within one business day or less of initial receipt.

Scope of Work

CorVel offers OCFA superior results by utilizing our completely integrated claims management and managed care solution. We have extensive expertise in both claims handling and managed care services allowing our clients to achieve the best possible outcomes. OCFA can obtain greater efficiency and earlier return to work on their claim files, while achieving greater reductions in the overall length and costs of medical treatment.

- **Claims Management:** Our integrated service model controls claims at inception by advocating medical management at the onset of the injury to decrease overall cost of risk and shorten the length of disability. Our solution offers a personalized treatment program for each injured worker, using precise treatment protocols to meet the changing needs of patients on a frequent basis. We advocate timely, quality care for each employee. This tailored, proactive service model allows more control over your claims program, expediting claim closure and reducing the total cost of claims. We have been providing claims management services for 35 years.
- **Utilization Review:** Our utilization review program provides prospective, concurrent and retrospective reviews to determine appropriateness of care, frequency and care setting. CorVel's experienced staff of utilization review Case Managers, board certified medical directors and peer review physicians utilize medical treatment protocols and expert systems technology to determine the medical appropriateness of care as well as frequency, duration and setting. We have been providing utilization review services for 20 years.
- **Medical Bill Review:** CorVel offers an innovative medical bill review program with savings up to 28% higher than industry averages. We offer a complete medical savings solution for all in-network and out-of-network medical bills, including PPO management, medical bill re-pricing, line-item review, expert fee negotiations, professional review, automated adjudication and electronic reimbursement. Our medical bill review program offers up to 77% average savings per bill in the state of California. We have been providing medical bill review services for 20 years.
- **Medical Provider Network (MPN):** We have been certified by the state of California to offer a provider network to employers in California. Our MPN offers an extensive network of more than 53,000 provider locations statewide that specialize in occupational medicine to assist OCFA's employees throughout their claim. Our office in Orange will continuously monitor the integrity of our MPN for OCFA. All providers must go through an extensive credentialing process at the time of application prior to acceptance into the PPO network and then recredentialed every three years. We have been providing an MPN for 7 years.
- **Case Management:** CorVel's case management services address all aspects of disability management and recovery including telephonic, field and catastrophic case management as well as vocational rehabilitation. We have been providing case management services for 34 years.
- **Pharmacy:** Our comprehensive pharmacy solution includes formulary management, maximum network penetration and aggressive utilization management. We provide access to a network of over 65,000 retail pharmacies nationwide, including approximately 5,800 retail pharmacies in California. CorVel's clinical expertise, investments in technology and customer service can



provide OCFA with significant reductions in your pharmacy costs. We have been providing pharmacy management services for 20 years.

- **Clinical Modeling:** CorVel proactively identifies significant cost-drivers in pharmacy use before they become high dollar claims through an analysis of all bill review data. We have developed a proprietary set of rules in our system to flag specific indicators such as high narcotics usage, multiple prescribers, and certain drug combinations that can contribute to rising costs or lead to harmful conditions such as addiction and prescription abuse.

Integration with CorVel's bill review system provides us with full visibility into a patient's entire drug history including drugs obtained from retail, mail order and out-of-network pharmacies, third party billers and physician dispensed medications so CorVel can help manage OCFA's entire pharmacy exposure. Once a potential costly or harmful claim is identified, it will be forwarded for intervention by our medication review program, with prior approval from OCFA.

- **Medication Review:** CorVel's medication review program reduces costs by working with treating physicians to ensure injured workers get the most appropriate care in the most cost effective manner. Our locally based physicians consult with treating physicians to review prescriptions, determine medical necessity, consider alternative medications and obtain the physician's sign off for the new drug plan. This can result in significant reductions in overall medication costs and ensure the injured worker's safety during their episode of care.
- **Directed Care Network:** CorVel's directed care services are based on four elements in cost containment - utilization, rate reduction, timeliness and reporting. We have contracted with the nation's most respected medical imaging, physical therapy and ancillary service networks to offer convenient access, timely appointments and preferred rates. We manage the entire coordination of care from appointment scheduling through reimbursement, working to achieve timely recovery and increased savings. We have been providing ancillary services for 20 years.
- **Medicare Services:** CorVel offers solutions to help you manage the requirements mandated by the Centers for Medicare and Medicaid Services (CMS). We have a long standing relationship with the CMS and have been offering Medicare Set Asides (MSA) since 2001. CorVel operates an MSA facility dedicated to these activities. We also offer Medicare Agent Services to handle all elements of compliance with Section 111 of the 2007 MMSEA. We have been providing Medicare services for 12 years.
- **CorVel's vocational rehabilitation services** are offered in house and are designed to evaluate an injured worker's education, training and experience. As OCFA prefers, CorVel's Case Managers can provide job modification or light-duty alternatives until the physician lifts the injured worker's physical restrictions. In addition, we can evaluate partial payment claims if the injured worker returns to work in a new position, working for less than their pre-injury wage.



Distinguishing Features of CorVel Corporation

CorVel is the only third party administrator to offer a truly integrated solution. Our integration means faster results for our clients, greater savings and an improved return on investment for your entire risk management program.

Key differentiators include:

- ***Total integration via a connected claims management and medical cost containment program.*** Real-time access to your entire program provides instant collaboration with all involved parties. This tailored, proactive approach allows more control over your program, expediting claim closure and reducing the total cost of claims.
- ***Efficient claim intake.*** 24/7 nurse triage, rules-based technology that drives the delivery of care, an outcomes-focused claims process, and convenient “instant” access to our services moments instead of days after an injury occurs, address potentially complex claims at the onset – and significantly impact the total cost of risk. We provide employees with immediate care and intervention when they need it, versus traditional models that delay intervention based on standard business hours. Our nurses will help guide the employee to the proper treatment immediately
- ***A companywide commitment to outstanding customer service.*** CorVel provides immediate intervention and 24/7 access the moment an incident is reported. This helps our fire departments learn of incidents and claims as soon as they occur, helping prevent unnecessary and costly delays. Our solution includes our talented and tenured staff as well as our automated, rules-based technology. Combined, we are able to provide personalized treatment for every injured worker.
- ***Superior account management.*** CorVel will assign a local account service team based in Rancho Cucamonga. The team is responsible for overseeing service issues, management reporting, development of new training programs (for both new and existing employees), and periodic training for software enhancements. Your designated Account Manager, Amanda Garcia, will facilitate annual stewardship report meetings which provide qualitative outcomes reports such as total incurred cost per year, average claim counts, average incurred per claim, incident only vs. medical only vs. indemnity ratios per year and more. These annual meetings are used to identify trends and strategize for the coming year.

CorVel Client Base and Type

National: CorVel provides services to self-insured employers, insurance carriers, third party claims administrators and government entities. The sizes of the companies we serve vary from Fortune 500 companies with more than 300,000 employees to companies with 1,000 employees. Throughout the country we service cities and counties that have fire and safety services.

Local: CorVel has more than 50 public entity clients in the state of California. Of these clients, at least 13 have fire services. CorVel is well-versed in the handling of fire service claims and issues, specifically in California.



Some of our California municipal clients with local fire/safety employees include:

- **City of Barstow**
- **City of La Mesa**
- **City of Monrovia**
- **City of Monterey Park**
- **City of Rialto**
- **City of Stockton**
- **County of Humboldt**
- **City of Murrieta**
- **County of Santa Barbara**
- **County of Tulare**
- **County of Ventura**

Quality Assurance Management

Our company considers quality management a priority and uses our continually developing quality management process to ensure superior service delivery to OCFA. CorVel's quality assurance (QA) process is established and evaluated at the corporate level and administered at the local and regional operations offices. It focuses on the assessment of activities, functions and standards impacting the delivery of CorVel services. Feedback on quality is solicited from employers, treating physicians, and customer employees to determine ways to improve and ensure that we are meeting everyone's needs in a timely, cost effective manner.

CorVel is continually expanding and improving our services to provide our customers with new opportunities to save on their operational and medical costs. New and expanded services developed in 2013 include:

- **Data verification enhancements within our system**
- **Treatment calendar redesign to show information based on medical procedures to accurately reflect actual patient treatments**
- **Report improvements for ease of use**
- **Enhancement to the Medicare Second Payer reporting queue for ease of use and increased availability of information**



CorVel Corporation Claims Management System

Hardware and Software Requirements

To access CorVel's claims system platform, we require the workstation have Microsoft Internet Explorer and high speed internet access. Our claims system is available online and in real time. It can also be accessed via smart phones and tablet devices.

Experience with System

Our claims system is proprietary. It has been developed and supported by our in-house, full time information systems division. We have invested millions of dollars into the development of our integrated system that offers tremendous cost and timesaving benefits. Unlike most industry platforms, we do not rely on data feeds from third parties that can delay critical information. Our system supports our claims and medical management teams by supplying extensive, real-time information to better assist injured workers and improve outcomes.

System Compatibility

CorVel has an extensive and documented process in place for electronic data interface (EDI) projects. We will work with the appropriate personnel at OCFA to review file formats and specific system requirements for data fields in both systems. CorVel approaches each desired piece of the EDI process with test file exchanges, reviews of results, and acceptance before moving on to the next piece. We exchange data via secure file transfer protocol (SFTP) with or without encrypting files, or via file transfer protocol (FTP) with encrypted files. Encryption is based on PGP's public-key cryptography and an exchange of public keys between CorVel and OCFA.

Transfer of Historical Data

OCFA's current open claims data will be mapped and integrated into CorVel's claims system with alerts that will require an Adjuster to review the claim file before payments are made on the file. If OCFA's current system does not use a paperless environment, specific documents will be scanned into our system in accordance with our claims handling best practice process. Medical bills and supporting documentation will be scanned into our system or an EDI will be established from the current vendor allowing the bill image to be uploaded into our system so the Claims Adjuster can process the bills.

Upgrades and Changes

CorVel upgrades our system monthly. We host all upgrades and changes, which do not require any effort from OCFA. Standard upgrades or changes are included in the annual maintenance costs.

All releases are planned months in advance taking into consideration customer needs and legislative updates. We consider our customers our top priority and welcome any ideas or feedback regarding our system.

Reports

The following are examples of CorVel's standard claims reports. These and more are included in the claim fee:

- Closing Reports
- Opening Reports



- Financial Reports
- Litigation Reports
- Indemnity Reports
- TTD Reports
- New Claims Received Report
- Status Change Activity Report
- Claim Payment Register
- Claim Payment Summary
- Overall Payment Summary by Type of Payment
- Overall Payment Register for Period
- Detailed Loss Report
- Loss Summary by Policy Period
- Financial Analysis Report
- Safety Analysis Report
- Loss Development Report
- Mechanism of Injury
- Lag Time Report
- Escrow Activity Report
- Lost Day Reporter
- Location Loss Summary

CorVel will provide OCFA with comprehensive reports detailing every aspect of your program. Loss reporting information is available on a monthly basis and in various time formats, history periods, including "as of," and actual time. OCFA will also have access to create reports through CorVel's online reporting center where more than 1,000 data fields can be sorted to organize reports by any lapsed time period, hierarchical sub group, dollar range, time of day/week, coverage or sub classification, or any one of thousands of other combinations.

In addition to our extensive standard reports, we have the ability to provide optional ad hoc reports at OCFA's request for any special reporting needs. Ad hoc report inquiries can be made with data elements that we capture in the claims system. There is no additional cost for these reports.

OSHA Reporting Needs

CorVel's OSHA recording system utilizes a lost time tracking log to record both lost days from work and restricted/modified duty days from work based on medical information received from the treating physician as well as indemnity payments processed from the system. OSHA will be able to run OSHA reports within the claims system. The OSHA log is populated by the Claims Adjuster during the handling of each claim.

User Connections

CorVel will provide OCFA with a minimum of 3 user connections and will work with OCFA to develop an appropriate access plan for you and your affiliates (including brokers and claims consultants). OCFA will be granted access from existing personal computers allowing for full database and report generating access.

Technical Support

CorVel has an IT department of 300 employees based in Portland, Oregon. This department provides service to the company on a nationwide basis. CorVel also has local MIS support in each of the branch offices. The Rancho Cucamonga office has 3 MIS support employees that service the more than 50 clients handled by that office. Additionally, OCFA's designated Account Manager, Amanda Garcia, will provide ongoing technical support services.



Claims Unit Assigned to Orange County Fire Authority

CorVel will work with OCFA to develop a staffing model that will ensure appropriate staffing levels so OCFA does not encounter any disruption in service or service levels. Once implementation has been completed, we will continue to review the staffing ratios and team development to ensure that we are meeting the needs of OCFA. Areas for change or improvement are recognized by the CorVel Account Manager who will make recommendations regarding possible changes to OCFA's claims team. CorVel will work with OCFA to implement program or staffing modifications that are determined to be of benefit for OCFA.

CorVel will staff OCFA's account with the following staff members. All staff members will have their self-insured certificate and will be state-certified.

- 1 Claims Manager
- 1 Claims Supervisor
- 4 Claims Adjusters
- 2 Claims Assistants

Claims Supervisors

Claims Supervisors have an average of 16 years of experience. They are responsible for tracking the performance statistics for each Adjuster and their overall unit in areas such as file set-up, reserving, timely benefit payments, audit scores, total caseloads and case closure ratios. They are responsible for ensuring that maximum productivity and efficiency are achieved. Claims Supervisors do not carry a caseload.

Senior Claims Adjusters

Senior Claims Adjusters have a minimum of 5 years of experience and average more than 16 years of workers' compensation experience. They handle complex indemnity cases where significant outstanding exposure remains. Senior Claims Adjusters also handle the workers' compensation claims of any high profile employees or politically sensitive matters.

Indemnity Adjusters

Indemnity Adjusters have a minimum of 3 years of experience and average more than 6 years of workers' compensation experience. They handle claims where there is temporary or permanent indemnity exposure. Indemnity Adjusters maintain significant experience in detailed claim investigations, taking recorded statements and claim documentation.

Medical Only Adjusters

Medical Only Adjusters have a minimum of 1 year of experience and average more than 2 years of workers' compensation experience. They are assigned less complex claims without indemnity exposure.

Claims Assistant

The Claims Assistant supports the claims staff in the set up and administration of workers' compensation claims and other tasks such as processing mail, making payments, processing



form letters, state forms and reports and managing telephone calls.

We provide ongoing training on a regular basis, including the recent SB863 training. CorVel also pays for staff to take IEA courses and obtain industry designations.

In addition to our own internal and industry sponsored staff training programs, CorVel also conducts bi-annual seminars for our claims personnel. These workshop style conferences allow us to share our experiences as well as those of our clients, and provide clear, step-by-step advice about claims management, industry trending and reporting procedures.

Claim Assignment Protocol

CorVel's Adjusters are assigned new claims according to their tenure, skill set, knowledge and specialization. We manage claims based on a claim being complex or non-complex and assign the claim to an Adjuster experienced in that type of claim. A complex claim may be a claim that has an open or extended period of disability benefits paid. A non-complex claim may be a simple medical only claim.

We also have individuals that specialize in subrogation, recoveries and offsets, litigation management, hearing file preparation, medical fee bill management processing and complex claims.

CorVel's Best Practices dictate that caseloads for a workers' compensation Adjuster range from 125–150 open and active indemnity files depending on the severity of the claims and the jurisdiction. Medical Only Adjusters carry up to 300 files. Claim volume and the experience level of the Adjuster dictate new claim assignments. A Supervisor review is conducted on all claims to provide direction to the future handling of the claim. The Supervisor reviews the claim and then assigns it to the appropriate Adjuster.

The Claims Supervisor does not carry a caseload and will review Adjuster caseloads monthly. Management reports are utilized to provide caseloads by claim type at the Adjuster, office and client level. If an Adjuster is nearing a saturation point, either temporary support is provided from a Supervisor or case files are transferred to another Adjuster to decrease caseload.

Claim Closure Ratio and Determination

As CorVel closes more files in a period than were received or reopened, our average annual closing ratio exceeds 100%. On a regular basis the Claims Manager and Supervisors receive a management report which outlines the current closing ratio for each Adjuster. Based on this management report, CorVel and the management staff can identify areas that may need attention.

Supervisors must review all medical only claims open beyond 90 calendar days from the date of entry for potential closure or conversion to indemnity claim status. Claims with \$3,000 or more paid to date on any medical only claim shall be reviewed for conversion to indemnity status and have a reasonable, precautionary indemnity reserve placed on the claim.

All indemnity cases, where permanent disability is not an issue, will be closed within 60 calendar days of the final financial transaction or final correspondence to the injured worker



as required by law. All indemnity claims where permanent disability is an issue and future medical care is awarded shall remain open for 1 year from the last payment of benefits and then closed within 60 calendar days from that date.

Claims Staff Interactions with Clients

Supervisors and Adjusters will have contact with OCFA on a daily basis.

All of CorVel's claims management staff has personalized email and voicemail making us accessible to clients through many avenues of communication. Our Adjusters maintain ongoing contact with the injured worker throughout the life of a claim to ensure issues are promptly resolved, information is disseminated quickly and benefits are provided as due and Supervisors get involved as necessary. We ensure that all communication is fact based and respectful. We know that effective claims management is the product of developing trust and credibility while collecting and integrating information. Our goal is to proactively track the details on every claim to achieve timely, cost effective resolution.

OCFA's designated Account Manager, Amanda Garcia, will be your point person who is responsible for overseeing the program and ensuring compliance with established service standards and requirements. Constant communication will be maintained with OCFA to provide support for your day-to-day needs including any reporting and training requests. Amanda will address any inquiries or issues that may arise and is fully empowered with the required technical and management resources to ensure a timely resolution. Amanda will also coordinate claim review meetings and annual stewardship meetings with OCFA to discuss program results and identify areas of opportunities for program enhancement.

Response Time Protocols

CorVel's companywide policy states that all inquiries must be returned within one business day of receipt. Should the situation require further investigation, we will respond either the same business day or the following business day. All inquiries are logged so that they can be responded to within this time frame and all activity is documented. Response time is measured from the time of the call to the follow-up contact in business hours.

Most questions concerning turnaround time, reporting, compliance and requests for service can be answered almost immediately through our website, available 24 hours a day, 7 days a week. For answers that cannot be answered through the website or for further assistance, we will return all inquiries within one business day of receipt.

Timeframes for Initial and Ongoing Contact with Injured Workers

Our company's standard claims practice exercises initial three point contact with OCFA, the injured worker and physician within one business day of receipt of an indemnity claim or medical only claim with lost time potential.

We recognize the importance of ongoing contact with injured workers and will maintain regular contact with employees who remain off work or are restricted from performing their regular duties. In addition, our Adjusters initiate contact with injured workers during key development periods in a claim. This includes discussion of compensability issues/decisions with unrepresented employees to ensure their understanding of the investigation process and timelines. Our Case Managers provide additional support by ensuring OCFA and its employees understand potentially confusing injury and medical treatment details. Field Case Managers



are also available on a local basis to provide in-person professional medical assistance when needed including any emergency situation that might arise. This level of contact results in reduced litigation and a higher level of satisfaction by OCFA 's employees.

In further support of our commitment to customer service, OCFA, its employees, and medical providers will be provided with a dedicated OCFA fax number, toll free telephone number, and direct dial phone numbers for all contacts at CorVel.

Reserving Practices

Our Claims Adjusters consider the particular circumstances of each claim and will maintain contact with the injured worker, physician and OCFA to develop a reserve that is current, realistic and based on the probable cost of each claim. We do not block reserve.

Reserves are initially set within five days of receipt of the claim and established in one or more of three main groups: medical, indemnity and allocated loss adjustment expense (ALAE), taking into account all potential payments. Within any of these major groups there can be reserve types. For instance, under indemnity, specific reserves can be established for PPD (permanent partial disability), TTD (temporary total disability) or PTD (permanent total disability). Under ALAE there can be separate reserves for legal, surveillance and special investigation. Reserves are reviewed every 90 days or more frequently based on our event driven diary system.

Reserve authority is granted to an Adjuster based on the claims handling agreement established with OCFA.

Timely Review and Appropriate Payment of Benefits

CorVel will conduct a preliminary review of compensability in accordance with jurisdictional statutes, rules or regulations within the first two business days from receipt of the Report of Injury. Our policy ensures a timely decision and notification to the employer to either accept or deny a claim. If there are any questions regarding compensability, we will follow mutually agreed upon protocols for review and discussion with OCFA.

Once compensability has been established, the Adjuster will request a wage statement to ensure payment of benefits is made within statutes and rules. CorVel makes every effort to ensure both Temporary Total Disability (TTD) and Permanent Disability (PD) payments are made accurately and timely.

RTW Program

CorVel will work with OCFA to establish an aggressive RTW best practices protocol that meets your philosophy and goals. The purpose of the RTW program is to provide guidelines to assist OCFA's injured workers on how they can return to the workplace in a modified or light duty capacity and be productive until they are able to return to their normally assigned duties at full capacity.

Transitional or light duty assignments should not aggravate the medical condition of injured workers. Every effort will be made to ensure the injured worker's safety and health is protected while working within physical or medical restrictions. In most cases, restrictions are



temporary and can be accommodated. In the event that restrictions are permanent, OCFA should evaluate reasonable accommodations, per the Americans with Disabilities Act (ADA).

Penalty Assessment

Through the normal course of doing business, there is a possibility of penalties based on state reporting requirements. To ensure our clients are not assessed any fines or penalties, CorVel submits data on behalf of the customer. The infrastructure in place lends itself to a better system of quality control if CorVel maintains this relationship with the state. CorVel has procedures in place to monitor bills in the system without a date paid, a mechanism to correct bills rejected by the state, and internal reports to identify bills in the system that have not been submitted. Through the use of CorVel's software, we adhere strictly to state guidelines and work with our customers to ensure that no penalties are assessed and problems are addressed promptly.

If CorVel is determined to be solely responsible for a fine or penalty assessed by the state, the reimbursement will be processed immediately and sent out in the subsequent check batch. The frequency of the check batch is determined by OCFA at the time of implementation.

Subrogation

CorVel agrees to identify and pursue subrogation opportunities in consultation with Risk Management. Upon receipt of the claim, our rules engine evaluates the claim for potential subrogation. If the potential exists the claim is routed to our subrogation specialist team who will complete a thorough investigation that includes collecting, evaluating, and preserving the evidence. Evidence may include statements, photographs, and documents such as receipts, logs, maintenance, and tangible evidence (stored when feasible).

Once identified, the appropriate parties will be placed on notice of lien. We will provide information to the injured worker, OCFA or the court of the current lien amount. CorVel will receive prior approval from OCFA for any waiver or reduction of any lien or other settlement.

The OCFA designee is kept up to date of the subrogation efforts and status at a minimum of every 90 days. The designee may also view subrogation efforts as noted in the claims system and subrogation report.

Workers' Compensation Fraud Detection

We acknowledge OCFA's philosophy toward fraud. CorVel takes the pursuit of fraud very seriously and has experienced remarkable success at reporting workers' compensation fraud, which has resulted in several successful prosecutions. We fight fraudulent activity through an aggressive internal Special Investigation Unit (SIU) program. CorVel Adjusters are required to report any suspected fraudulent activity to the Supervisor and Claims Manager immediately upon suspicion. Our Adjusters are given a fraud checklist to assist them in the identification process.

Adjusters undergo fraud training twice a year. During training they develop an acute awareness of the four types of fraud that can impact our clients' risk which include injured worker fraud, provider fraud, employer fraud, and forgery. They also obtain a solid understanding of the number of insurance and criminal code statutes that apply to workers' compensation.

The Claims Supervisor and Manager will maintain an active SIU program diary on all identified



fraud cases. The Adjuster and Supervisor will jointly prepare a case synopsis. Once this is done, a CorVel Adjuster will review the case and formulate an investigative plan of action. Once the evidence is obtained to report the claim, the Manager will prepare a case synopsis for OCFA's designated contact for such matters along with the appropriate fraud department forms.



Utilization Review Procedures

CorVel has been providing utilization review services for the past 20 years and currently provides utilization review services for more than 125 municipalities and public entities across the United States with 85 located in the State of California. They range from small cities and municipalities to one of the largest counties in the nation. Please refer to our client references for examples of our experience.

CorVel's Utilization Review Process is as follows:

- Notification of prospective, concurrent or retrospective request for authorization may be made to the CorVel pre-certification department by the employer, Claims Adjuster, physician or hospital by telephone (800 number), fax, email or online via www.caremc.com.
- Initial demographic information is input into our pre-certification software system by the UR Nurse Case Manager or an Intake Coordinator.
- The UR Nurse Case Manager contacts the physician office for any additional medical information and reports or clinical information to make a determination of medical necessity.
- Clinical information is compared to established criteria for determination of medical necessity of in-patient surgery/treatment vs. outpatient or denial.
- Request is reviewed in accordance with the state mandated American College of Occupational and Environmental Medicine Practice Guidelines (ACOEM) and Medical Treatment Utilization Schedule (MTUS).
- Pre-certification decision is made within five days of receipt of information for prospective requests and within 30 days for retrospective requests.
- Length of stay is certified for inpatient reviews.
- Verbal notification of the certification and length of stay is given by telephone to the physician and facility.
- Confirmation letters are automatically generated by the software system and mailed to all pertinent parties within 24 hours of certification and faxed to provider and facility.
- Case is automatically diared for expected discharge date.
- Telephone contact is made on expected discharge date to determine if discharge occurred as scheduled.
- Upon discharge, case is closed, completion date is entered into the system and a claim data report is printed to initiate the billing process.

Our program provides prospective, concurrent and retrospective review of specific treatments. Our experienced staff of Utilization Review Case Managers, board certified Medical Directors and peer review physicians utilize medical treatment protocols and expert systems technology to determine the medical appropriateness of care as well as frequency, duration and setting. The goal of our utilization review program is to avoid unnecessary treatments and their associated costs and to ensure high quality, timely, cost effective medical care for injured workers.



Utilization Review Staff Training

Utilization Review staff performing clinical reviews are graduates of an accredited school of nursing and hold a current license in their state of operation. CorVel's UR Case Managers have a strong clinical background in orthopedics, neurology or rehabilitation. We also require our staff to have a strong cost containment background such as utilization review or healthcare management. We require three or more years of recent clinical experience, preferably in rehabilitation, and/or at least one year experience in workers' compensation or STD/LTD case management. Negotiation skills as well as clear and tactful communication (writing, reading, telephone calls, note taking, memoranda) skills are also required.

As with all CorVel case management staff, corporate policy encourages continuing education and provides reimbursement for those expenses. Each local/regional/national office is encouraged to host monthly meetings, offer continuing education programs and solicit guest speaker continuing education programs.

Turnaround Time for UR Requests:

- Prospective utilization review requests are completed within five business days, in most instances they are completed within 72 hours.
- Retrospective utilization review requests have an average turnaround time of five to seven business days.
- Concurrent hospital utilization review requests are completed within 72 hours, in most instances they are completed within 24 hours.
- Appeal reviews are completed within 15 business days and must be submitted for internal appeal within 15 days of original denial.
- Denial letters are sent within 24 hours to the requesting physician, facility, claims administrator, claimant, applicant and defense attorney, if claim is litigated.



Medical Bill Review

CorVel has more than 35 years of experience as a national provider of bill review solutions to public entity employers. We currently provide bill review for more than 700 clients, with 220 of those being public entities and more than 50 located in the State of California.

We have established ourselves as a national expert in medical bill review in the industry. We specialize in reducing the cost of all medical bills through a combination of rules-based technology, clinical expertise, expert review and access to our proprietary PPO network. We offer up to 28% higher savings than leading competitors and up to 77% in California. CorVel represents and warrants that we have the necessary knowledge, skills and experience to perform the bill review services according to the terms and conditions set forth by OCFA in this RFP.

We deliver discounts below workers' compensation fee schedule via our proprietary PPO and MPN. Our networks include board certified providers selected from a demanding criteria based on quality, range of service, price and location. We offer penetration and savings reports which are available by state and client. CorVel's provider networks in conjunction with our bill review and enhanced bill review solutions, offer a complete savings package.

Our clients range from small cities and school districts to one of the largest counties in the nation. Using the expertise gained in these relationships, our client base is able to take advantage of their pooled insights and collective knowledge. Our experience will help reduce the OCFA's costs through medical bill review, preferred provider savings and utilization review.

Average and Turnaround Time for Bills

CorVel's companywide standard commitment for medical bill review turnaround time is 5 business days from bill receipt. Complex surgical or inpatient/outpatient hospital surgical bills have a turnaround time of 7-10 business days.

Fee options and Calculations

CorVel is proposing a flat fee per bill plus a percentage of savings fee to OCFA to manage your bill review costs. The savings percentage fee also applies to CorVel's professional review on hospital and surgery bills, negotiations and DRG validation. CorVel does not charge a fee to access our MPN. Additionally, we do not just auto-adjudicate bills by simply allowing the system to apply fee schedule. Every bill is thoroughly reviewed by an analyst to achieve all possible savings. Fee options are shown in

Average level of savings for bill review

In California, CorVel delivers an average of 77% savings through our bill review program, excluding duplicates.

In the absence of a fee schedule, CorVel's rules engine flags it for professional review. If a bill is identified for professional review, it is routed to an experienced medical nurse for review and auditing. The nurse conducts the review for appropriateness and maximum savings and also determines if any other services are warranted (i.e. expert negotiation). Bills that will benefit from expert negotiation are electronically routed to CorVel's expert negotiation team



where the negotiation is completed and the EOR is generated for return to OCFA.

Bill Review Systems and Access

CorVel has more than 200 employees involved in the development, management and support of our bill review software. Adjusters are able to review OCFA's bills online as well as access savings reports in an instant through the bill review system. The process is paperless, through scanning and EDI, while proving to be cost effective and efficient - no storage costs, no filing costs. Our rapid turnaround time and online platform make information available in real time.

CorVel uses developments in technology to automate and streamline the review process and deliver consistent savings. CorVel's bill review technology automates the review process to provide our customers with a faster turnaround time, more efficient bill review and a higher total savings. Our bill review software has an electronic data interface (EDI) capability that allows us to accept medical bills directly from medical providers.

CorVel is offering our integrated claims management and managed care solution to OCFA. All services will be provided through our claims management portal, www.caremc.com.

Standard CorVel cost savings reports include:

- Bill Review Savings
- Turnaround Time
- ICD-9 Detail
- ICD-9 Summary
- PPO Penetration and Reduction
- PPO Provider Type



Additional Bill Review Capabilities

Professional Review

Professional Review is performed on complicated bills including surgery, ambulatory surgery centers and hospitals. These Analysts are Certified Professional Coders that have been trained and certified as experts in their field. This enhanced review ensures all services that have been billed are properly documented and were actually performed. This added service results in increased savings for our clients that are significantly higher than industry standard.

Expert Negotiations

As an added benefit to our bill review service, CorVel offers expert negotiation for all out-of-network bills with savings of 25% or less through the normal bill review process. We employ a team of senior negotiators and clinicians specially trained in fee negotiations. They have extensive backgrounds in billing and practice requirements and can negotiate medical charges below billed charges, applicable fee schedule and reasonable and customary rates.

Local Experts

CorVel has designated experts residing, managing and supervising the processing of medical bills in California to ensure our service is in compliance. Maintaining current, consistent and accurate rules databases are critical to the success of our bill review solutions. Because our system is proprietary, we can easily react to local market and regulatory changes, ensuring timely updates to the medical bill review and PPO management system.

State-of-the-Art Rules Engine

Our rules engine was built from the ground up based on a collaboration of state and industry experts, medical professionals, product managers and bill review staff. It is highly flexible and can be configured to meet SIPE's specific business requirements in order to most effectively impact your program. Populated with more than 10 million business protocols, the system ensures accurate and consistent bill review to maximize savings.

Integrated and Proprietary PPO Network

CorVel delivers significant discounts below workers' compensation fee schedules and reasonable and customary rates through the integration of our proprietary PPO network and bill review service. We maintain direct contracts with more than 53,000 provider locations in California, generating the maximum possible savings through discounted rates we have established with our network providers.

Continuous Improvement

CorVel's bill review staff receives a comprehensive overview and training on our proprietary medical bill review software. In our Orange, California, office we maintain a full-time bill review trainer that provides ongoing training and instruction on the California Official Medical Fee Schedule. Analysts participate in regularly scheduled professional training meetings that include a range of topic such as nursing, coding, clinical terms, claims aspects and quality assurance. All Bill Review Analysts are certified as required by the State of California.



CorVel PPO and MPN Capabilities

CorVel offers OCFA our propriety PPO and MPN which deliver an average of 77% discount per bill in California excluding duplicate bills. On average, we achieve 7% savings below fee schedule.

Providers contracted with CorVel can be found at www.corvel.com. We have partnered with more than 53,000 providers in California and over 750,000 nationwide. If so desired we will work with OCFA to create a carve-out MPN to best suit your needs. At no additional cost to OCFA, we will enroll and roll-out your MPN, including the handling of all filings with the state.

We have proposed a percent of savings calculation based on total reductions. CorVel's aggressive bill review and strong provider network results in industry leading savings.

Pharmacy

CorVel reduces our clients' total pharmacy spend through our integrated pharmacy program that ultimately maximizes network penetration and effectively manages utilization. Our clinical modeling and medication review programs are optional and charged on an hourly basis.

Our pharmacy management expertise allows us to deliver solutions based on the unique needs of our clients. Our pharmacy program includes a first fill program, increased network penetration, formulary management, brand to generic conversion, drug utilization review, and mail order services.

Mobile Technology

CorVel offers user-friendly technology that allows us to make powerful connections quickly, effectively and efficiently through the use of cell phones and tablet devices. Our proprietary apps provide real-time tools to capture incidents or injuries in minutes, not hours or days after they occur, reducing costly lag time. They also provide easy access to locate network doctors, specialists, hospitals, and other facilities near you and across the country.

CorVel's mobile technology also supports our staff to best help OCFA's injured workers. Initial treatment guides and pharmacy IDs are sent directly to the injured worker so they can quickly get the care they need. Pharmacy ID card information can also be texted to injured workers so they can easily obtain their first fill prescription.

Apps available to OCFA include:

- **Early Intake App** - Immediately report an incident or injury, submit initial treatment guide for the injured worker and view, print or share submitted reports
- **Provider Lookup App** - Locate providers for injured workers based on current location, city, state, zip code and specialty



The CorVel Advantage

The workers' compensation industry for municipal employers continues to be challenged as indemnity and medical costs are on the rise. CorVel offers an outcomes-based approach to claims management and cost containment, specifically designed to tackle the problems that have plagued your industry. Early intervention, a proactive healthcare approach and industry leading bill review and patient management savings will enable CorVel to deliver superior results to the Orange County Fire Authority.

CorVel provides immediate intervention and 24/7 access the moment an incident is reported. This helps fire departments learn of incidents and claims as soon as they occur, helping prevent unnecessary and costly delays. Our solution includes our talented and tenured staff as well as our automated, rules-based technology. Combined, we are able to provide personalized treatment for every injured worker. Real-time access to your entire program provides instant collaboration with all involved parties. This tailored, proactive approach allows more control over your program, expediting claim closure and reducing the total cost of claims.

With more than 35 years of industry experience, CorVel's offers a sophisticated approach to cost containment and patient management. We achieve the highest savings potential through our robust rules engine, clinical expertise, expert review and a proprietary national network of providers.

CorVel associates live and work in the same communities as employees, board members and fire personnel of the Orange County Fire Authority. We provide local expertise that our clients have come to appreciate. At the same time, we are a nationwide company committed to your success. We look forward to building a program to best suit your needs and to a strong partnership for many years to come.

EXHIBIT B
CAREMC LICENSE AGREEMENT

CORVEL ENTERPRISE COMP, INC. CAREMC LICENSE AGREEMENT

This CareMC License Agreement (this "License Agreement") is entered into as of September 26, 2013, (the "Effective Date") by and between CorVel Enterprise Comp, Inc., a wholly-owned subsidiary of CorVel Corporation ("CorVel"), 2010 Main Street, Suite 600, Irvine, CA 92614 ("CorVel") and Orange County Fire Authority ("Customer").

RECITALS

WHEREAS, CorVel has developed a proprietary software solution (the "CareMC Application") which is accessible via the CorVel web site located at URL www.caremc.com (the "CareMC Site"), through which CorVel provides its customers with the option of utilizing certain Managed Care Services, including certain Bill Review Services, online (such automated and online components of CorVel's Managed Care Services, "Online Services"); and

WHEREAS, CorVel provides its customers with the option of accessing certain Managed Care Services by means of CorVel's proprietary software solution (the "CareMC Application") via the CorVel web site located at the URL "www.caremc.com" (the "CareMC Site"); and

WHEREAS, Customer desires to be provided with access to and use of the CareMC Application by means of an Internet browser under the terms and conditions set forth in this License Agreement.

NOW, THEREFORE, in consideration of the premises set forth above, the promises made herein, and other good and valuable consideration the receipt which is hereby acknowledged, the parties agree as follows:

8. ACCESS TO THE CAREMC APPLICATION

A. Terms of Use. The parties acknowledge and agree that the terms and conditions under which particular Managed Care Services are provided by CorVel and the terms and conditions under which Customer may access and use the CareMC Application in order to utilize the online and automated components of such Managed Care Service (the "Online Services") shall be governed by the terms and conditions of this License Agreement.

B. Registration Information. Prior to accessing the CareMC Application, Customer shall provide CorVel with certain registration information requested therein ("Registration Information"). Customer represents and warrants that (i) the Registration Information Customer provides is true, accurate, current and complete, and (ii) the Registration Information will be updated as necessary to keep such data true, accurate, current and complete.

C. Passwords and Levels of Access. As soon as practicable after the execution of this License Agreement, CorVel shall provide a master password to Customer that allows Customer initial access to the Online Services (the "Master Password"). Customer shall then designate two groups of Authorized Users. The first group of Authorized Users ("Restricted Users") shall have access to all data available on the CareMC Site except data that constitutes or contains "protected health information" ("PHI Data") as such term is defined in 45 CFR Section 164.501 of the regulations promulgated by the U.S. Department of Health and Human Services under the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA"). Each Restricted User shall initially access the Online Services by means of the Master Password, then shall be required to choose his/her own unique password (each, a "Restricted Password") for all future access. The second group of Authorized Users ("Non-Restricted Users") shall have access to all data available through the CareMC Application, including PHI Data, but shall only have access to PHI Data to the extent necessary for Customer to render payment on a claim, and then only to those portions or amounts of PHI Data that are determined by CorVel, in its sole discretion, to be the minimum necessary for Customer to render payment on such claim. Each Non-Restricted User will be required to choose a second unique password (each, a "Non-Restricted Password") which will enable his/her to access PHI Data on the foregoing terms.

D. Non-Restricted Users. Customer represents and warrants to CorVel that each Non-Restricted User who accesses PHI Data will do so solely in order for Customer to render payment on the applicable claim.

E. Security of Passwords. Customer acknowledges and agrees that it shall be solely responsible for (i) selecting Authorized Users, (ii) assigning the various levels of authority and access each Authorized User may have to the CareMC Application, Online Services and Customer Data, including by determining which Authorized Users shall be Non-Restricted Users, (iii) ensuring that only Authorized Users have access to the Master Password, only Restricted Users have access to the Restricted Passwords and only Non-Restricted Users have access to Non-Restricted Passwords, (iv) implementing a system to control, track and account for all Restricted Passwords and Non-Restricted Passwords, (v) strictly maintaining the confidentiality and integrity of the Master Password, Restricted Passwords and Non-Restricted Passwords and levels of authority among Authorized Users, and (iv) ensuring that Authorized Users shall at all times comply with the terms and conditions of this License Agreement. Customer further agrees that it shall notify CorVel immediately in writing if the security or integrity of a password has been compromised.

F. Customer Data. Responsibility for ensuring that the content and data input into the CareMC Application by Customer or Authorized Users ("Customer Data") is accurate, reflects Customer's requirements and is entered correctly lies solely with Customer. All data generated by and through Customer's use of the CareMC Application and Online Services shall reside on CorVel's server. CorVel reserves the right to temporarily suspend access to any Customer Data that it determines, in its sole discretion, violates the terms and conditions of this License Agreement or any applicable laws.

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G. Use of Customer Data. CorVel shall have the right to use Customer Data to fulfill its obligations under this License Agreement. Further, nothing shall prohibit CorVel from using aggregate, non-identifying, statistical data generated through its customers', including Customer, use of the CareMC Application, Online Services and CareMC Site for marketing purposes, provided that CorVel shall not use or disclose any such data or information in a manner that would reveal the identity of, or other confidential information concerning, Customer. Such aggregate, non-identifying statistical data could include, without limitation, statistics regarding the usage of, number of case referrals generated by and/or efficiencies gained by CorVel customers through their use of the CareMC Application, Online Services and/or CareMC Site.

H. Changes to the CareMC Application. CorVel reserves the right, at any time in its sole discretion and without liability to Customer, to delete or change features of the CareMC Application, CareMC Site or Online Services provided such changes do not materially alter the functionality, efficiency or performance of the CareMC Application.

2. LICENSE AND RESTRICTIONS

A. Limited License. Subject to the terms and conditions of this License Agreement, CorVel grants to Customer during the License Term (as defined in Section 8A below) a limited, non-exclusive, non-transferable, non-sublicensable license to access and use, and allow Authorized Users to access and use, the CareMC Application via the CareMC Site solely for Customer's own internal business use and operations. Customer shall access and use the CareMC Application in accordance with the user's guides and online instruction provided to Customer by CorVel ("Documentation") and all applicable laws, statutes, rules and regulations.

B. Restrictions. Customer shall not, and shall not allow Authorized Users or any third party to (i) rent, lease, re-license or otherwise provide access to the CareMC Application or Online Services to any third party, (ii) alter, modify or create derivative works of the CareMC Application, (iii) use any reverse compilation, decompilation or disassembly techniques or similar methods to determine any design structure, concepts and construction method of the CareMC Application or replicate the functionality of the CareMC Application for any purpose, or (iv) copy the CareMC Application or any content, materials, information and other data provided by CorVel on the CareMC Site or used in providing the Online Services ("CorVel Content") and/or Documentation without CorVel's prior written consent.

C. Third Parties. Customer shall not allow any third party to have access to the CareMC Application or Online Services without prior written consent of CorVel and ensuring that (i) such third party enters into a legally enforceable written agreement with CorVel, or (ii) such third party enters into a legally enforceable written agreement with Customer consistent with the terms of this License Agreement and which shall include terms at least as protective of CorVel as the following Sections of this License Agreement: Sections 1B, 1D, 1E, 1H, 2B, 2D, 3B, 3I, 4A-4C and 9.

D. Ownership. CorVel owns and shall retain all right, title and interest in and to the CareMC Application, Documentation, CareMC Site, Online Services, CorVel Content and any intellectual property rights inherent therein or arising therefrom. In addition to CorVel's rights in the individual elements of the CorVel Content, CorVel owns a copyright in the selection, coordination, arrangement and enhancement of the CorVel Content. Neither Customer nor any Authorized User shall obtain any ownership rights, express or implied, or any other rights other than those expressly set forth herein in the CareMC Application, Documentation or CorVel Content.

E. Compliance Monitoring and Audits. CorVel may monitor and, at its expense, perform an audit of Customer's use of the CareMC Application and CareMC Site to verify that Customer and Authorized Users are using the CareMC Application in compliance with the terms of this License Agreement. CorVel reserves the right to temporarily suspend Customer's or any Authorized User's access to the CareMC Application in the event Customer or such Authorized User engages in, or CorVel in good faith suspects is engaged in, any unauthorized conduct. CorVel shall use reasonable efforts to immediately notify Customer in writing of its suspension in services, the reasons for such suspension, including the facts and circumstances it believes constitute Customer's unauthorized conduct and shall agree to a reasonable time to conduct the review of the suspension in access. To the extent CorVel requires access to Customer's facilities to conduct an audit hereunder, such access shall be made upon reasonable notice and conducted during Customer's regular business hours. If an audit conducted during any portion of the Term in which Customer is required to pay fees under this Agreement reveals that Customer has underpaid fees to CorVel or is using the CareMC Application beyond the license restrictions and/or any terms of this Agreement, Customer will be invoiced for any such underpaid fees and will pay CorVel's reasonable expenses associated with such audit. The foregoing remedies shall be in addition to, and shall not limit CorVel's ability to terminate this Agreement based on material breach or pursue damages or other remedies available under law and equity.

3. INFRASTRUCTURE, MAINTENANCE AND SUPPORT

A. CorVel Infrastructure Obligations. Subject to Customer's compliance with the terms and conditions of this License Agreement, CorVel shall be responsible for providing and maintaining the hardware, software and other equipment required to host the CareMC Application for Customer ("CareMC Infrastructure"). The CareMC Infrastructure is subject to modification by CorVel from time to time for purposes such as adding new functionality, maximizing operating efficiency and upgrading hardware, provided such modifications shall not in the aggregate degrade the performance of the Online Services utilized by Customer. Customer understands and acknowledges that such modifications may require changes to Customer's Internet access and/or telecommunications infrastructure to maintain Customer's desired level of performance. CorVel shall give Customer reasonable prior written notice of any such modifications.

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B. Customer Infrastructure Obligations. Except for the CareMC Infrastructure, which will be provided by CorVel, Customer shall be responsible for obtaining and maintaining all hardware, software, equipment, Internet access and/or telecommunications services and other items or services furnished by third party vendors or providers (“Third Party Providers”) required to enable Customer to access and use the CareMC Application and CareMC Site as contemplated hereunder.

C. Support. CorVel will provide general support regarding questions on the CareMC Application and CareMC Site via email and by telephone from Monday through Friday between the hours of 5:00 a.m. and 6:00 p.m. Pacific Standard Time, excluding holidays.

D. Scheduled Maintenance. CorVel will use reasonable efforts to (i) perform any scheduled downtime outside of Customer’s normal business hours, (ii) notify Customer of all scheduled downtimes at least seventy-two (72) hours in advance, and (iii) perform software updates to the CareMC Application with minimal disruption to Customer’s use of the Online Services.

E. System Monitoring. CorVel will use reasonable efforts to continuously monitor its web servers and database servers to ensure that they are functioning properly.

F. Security. CorVel will implement and use reasonable efforts to maintain secure systems through the use of firewalls, virtual private networks (VPN), and other security technologies. CorVel will use reasonable efforts to immediately report to Customer any security violations that affect the data of Customer.

G. Disaster Recovery and Backup. CorVel will use reasonable efforts to perform nightly backups of essential data on its web servers and database servers. CorVel has implemented third party backup and restoration technology to enable high speed recovery of data. CorVel utilizes redundant load balanced Win 2000 servers for 24x7, 365 day access, except for regularly scheduled system maintenance and upgrade processes. SQL Server databases are hosted on clustered servers offering fail-over capability, redundant communication links, and load balanced application servers. Backup tapes are restored into a test environment not less than quarterly to confirm validity of backups. The CareMC Site has redundant inbound Internet and Intranet connectivity.

H. Professional Managed Care Services. If Customer requires any additional professional services relating to the CareMC Application or Online Services from CorVel including but not limited to integration with Customer’s electronic data interfaces (EDIs) or other Customer systems, Customer shall submit a written request to CorVel for such services. CorVel shall, in good faith, consider providing such services at its then-current professional services fee rate and standard terms and conditions.

4. REPRESENTATIONS AND WARRANTIES

A. Customer Representations. Customer represents that (i) it has the legal authority to provide the Customer Data to CorVel hereunder, and (ii) it is fully aware and knowledgeable of and shall comply with its duties and responsibilities with respect to the privacy and confidentiality of medical records and protected health information under applicable federal and state laws, including but not limited to those imposed by HIPAA. Upon written notice to Customer, CorVel may modify or temporarily suspend Customer’s access to and use of the CareMC Application, Online Services and/or CareMC Site as necessary to comply with any law or regulation.

B. CorVel Warranties. CorVel warrants that (i) it shall use commercially reasonable professional practices and good workmanship in providing the CareMC Application, and (ii) Customer support will be performed consistent with generally accepted industry standards. These warranties extend only to Customer.

C. Exclusive Remedy. For any breach of the foregoing warranties, CorVel’s entire liability and Customer’s exclusive remedy will be the correction of the problems or errors that cause the breach of warranty, if feasible, or termination of the Agreement.

5. DISCLAIMERS AND LIMITATIONS OF LIABILITY

A. Disclaimers. TO THE EXTENT ALLOWED BY APPLICABLE LAW, EXCEPT FOR THE LIMITED WARRANTIES DESCRIBED IN SECTION 4B ABOVE, CORVEL MAKES NO OTHER WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, AND EXPRESSLY DISCLAIMS ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, GOOD TITLE, SATISFACTORY QUALITY AND NONINFRINGEMENT. CUSTOMER SPECIFICALLY ACKNOWLEDGES AND AGREES AS FOLLOWS:

(i) Internet Usage. Customer acknowledges that the Internet is essentially an unregulated, insecure and unreliable environment, and that the ability of Customer to access and use the CareMC Application is dependent on the Internet and hardware, software and services provided by various Third Party Providers. CORVEL SHALL NOT BE RESPONSIBLE FOR CUSTOMER’S INABILITY TO ACCESS OR USE THE CAREMC APPLICATION TO THE EXTENT SOLELY CAUSED BY FAILURES OR INTERRUPTIONS OF ANY HARDWARE, SOFTWARE OR SERVICES PROVIDED BY CUSTOMER OR THIRD PARTY PROVIDERS.

(ii) CareMC Application. CUSTOMER ACKNOWLEDGES AND AGREES THAT CORVEL DOES NOT WARRANT THAT THE CAREMC APPLICATION OR ONLINE SERVICES ARE ERROR FREE, THAT CUSTOMER WILL BE ABLE TO ACCESS OR USE THE CAREMC APPLICATION OR ONLINE SERVICES WITHOUT PROBLEMS OR INTERRUPTIONS, OR THAT THE CAREMC SITE AND CAREMC APPLICATION ARE NOT SUSCEPTIBLE TO INTRUSION, ATTACK OR COMPUTER VIRUS INFECTION.

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(iii) Network Intrusions. CUSTOMER AGREES THAT CORVEL WILL NOT BE LIABLE FOR DAMAGES ARISING FROM ANY BREACH, UNAUTHORIZED ACCESS TO, MISUSE OF, OR INTRUSION INTO, CUSTOMER DATA RESIDING ON CORVEL'S SERVER(S) OR ANY NETWORK USED BY CUSTOMER TO THE EXTENT SUCH DAMAGES WERE BEYOND CORVEL'S REASONABLE CONTROL.

B. Exclusion of Damages.

(i) Exclusion of Damages. NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR ANY SPECIAL, INDIRECT, INCIDENTAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES (INCLUDING BUT NOT LIMITED TO LOST PROFITS OR LOST REVENUES) UNDER THIS AGREEMENT, WHETHER OR NOT FORESEEABLE AND REGARDLESS OF WHETHER CLAIMS UNDER THIS AGREEMENT ARE BROUGHT UNDER TORT, CONTRACT OR ANY OTHER LEGAL OR EQUITABLE THEORY.

(iii) Acknowledgment. The parties acknowledge that the limitations and disclaimers set forth in this Agreement were an essential element in setting consideration under this Agreement.

6. INDEMNIFICATION

A. Mutual Indemnification. Subject to section 6D below, each party shall defend any third party claim against the other party arising from the death of or physical injury to any person or damage to the indemnified party's property to the extent proximately caused by the negligence of the indemnifying party or its agents or employees, and indemnify and hold harmless the other party and its respective officers, directors and employees from and against damages, liabilities and reasonable costs and expenses, including reasonable legal fees ("Losses") incurred in connection therewith.

B. Indemnification by CorVel. Subject to Section 6D below, CorVel shall defend any third party suit or action against Customer to the extent such suit or action is based on a claim that Customer's permitted use of the CareMC Application under this Agreement constitutes an infringement of a United States patent, trademark, trade name, trade secret, copyright or other United States intellectual property right, and CorVel will pay those Losses finally awarded against Customer in any monetary settlement or final, non-appealable judgment of such suit or action which are specifically attributable to such claim. This indemnity does not apply to any claims based on Customer's use of the CareMC Application (i) in violation of this Agreement or the Documentation (as defined in the CareMC License Agreement), (ii) in combination with any other software, hardware, network or system where the alleged infringement relates to such combination, or (iii) based on CorVel's compliance with Customer's instructions, designs or specifications where the alleged infringement relates to such compliance. If any portion of the CareMC Application becomes, or in CorVel's opinion is likely to become, the subject of a claim of infringement, then CorVel may, at its option and expense, procure for Customer the right to continue using the CareMC Application or replace or modify the affected portion of the CareMC Application so that it becomes non-infringing. If neither alternative is reasonably available, CorVel may terminate this Agreement. THE FOREGOING STATES CORVEL'S ENTIRE LIABILITY AND CUSTOMER'S SOLE REMEDY FOR INFRINGEMENT CLAIMS.

C. Customer Indemnification. Subject to Section 6D below, Customer shall defend, indemnify and hold harmless CorVel from Losses arising out of or relating to (i) Customer's misuse of, modification to, rejection of or failure to implement on a timely basis any of CorVel's recommendations made hereunder, (ii) acts or omissions by CorVel that were undertaken at the express direction of Customer, (iii) Customer's use of the CareMC Application in violation of the terms of the CareMC License Agreement, (iv) data or content included in or omitted from Customer Data (as defined in the CareMC License Agreement), (v) subject to Section 6A above, any claim by an employee of Customer or Customer's insureds brought against CorVel due to the recommendations made by CorVel hereunder and not caused by a breach by CorVel of its obligations hereunder in providing such recommendations, and (vi) any claim described in Section 6B(i)-(iii) above.

D. Conditions. The parties' indemnification obligations under this Section 6 are contingent upon: (i) the indemnified party giving prompt written notice to the indemnifying party of any claim under this Section (provided, however, that failure to give such notification shall not affect the indemnification provided hereunder except to the extent, and only to the extent, that the indemnifying party shall have been actually prejudiced as a result of such failure), (ii) the indemnifying party having the right, but not the obligation, to assume sole control of the defense or settlement of the claim, and (iii) at the indemnifying party's request and expense, the indemnified party cooperating in the investigation and defense of such claim(s). If the indemnifying party assumes the defense of any claim hereunder, the indemnified party shall be entitled to participate in (but not control) such defense and to retain its own counsel, at its own expense. The indemnifying party shall not settle or consent to an adverse judgment in any such claim that adversely affects the rights or interests of the indemnified party or imposes additional obligations on the indemnified party, without the prior express written consent of the indemnified party.

7. INSURANCE

A. CorVel Insurance. CorVel, at its sole expense, agrees to maintain, at all times during the term of the Agreement, the required professional liability, errors and omissions, workers' compensation, general, and auto liability insurance coverages as set forth on the Certificate of Insurance provided with the executed Service Agreement with an effective date of *[insert date]*.

B. Customer Insurance. Customer, at its sole expense, agrees to keep in force comprehensive general liability insurance and professional liability insurance with coverage limits in accordance with acceptable industry standards for the term of this Agreement. Upon request by CorVel, Customer shall furnish CorVel with a certificate of such insurance. Customer shall

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provide CorVel with prior written notice of any cancellation, non-renewal or material change to any such insurance coverages pursuant to its insurance policies. It is agreed that Customer shall be deemed in compliance with this Section 7B by being self-insured under terms and conditions and with sufficient reserves as is customary within the industry for companies of comparable size and operations.

8. LICENSE TERM AND TERMINATION

A. Term. Unless provided otherwise, the initial term of this Agreement shall begin on the Effective Date and continue for a period of one (1) year from the Effective Date (the "Initial Term"). Thereafter, the Agreement shall be renewed automatically for subsequent one (1)-year terms (each a "Renewal Term"), unless either party gives written notice of its intent to terminate no less than thirty (30) days prior to the end of the then-current term. The Initial Term and any subsequent Renewal Term(s) are collectively referred to herein as the "Term".

B. Termination for Convenience. Either party shall have the right to terminate this License Agreement for any reason or for no reason, upon ninety (90) days written notice to the other party.

C. Termination for Cause. This License Agreement may be terminated by either party for cause as follows: (i) upon thirty (30) days written notice if the other party breaches or defaults under any material provision of this Agreement and does not cure such breach prior to the end of such thirty (30) day period, (ii) effective immediately and without notice if the other party ceases to do business, or otherwise terminates its business operations, except as a result of an assignment, as permitted under the terms and conditions of this License Agreement, or (iii) effective immediately and without notice if the other party becomes insolvent or seeks protection under any bankruptcy, receivership, trust deed, creditors arrangement, composition or comparable proceeding, or if any such proceeding is instituted against the other (and not dismissed within ninety (90) days).

D. Effect. Except to the extent expressly provided to the contrary herein, any right of action for breach of the License Agreement prior to termination, and the following provisions shall survive the termination of this License Agreement: Sections 1G, 2D, 4, 5 and 6. Additionally, upon termination or expiration of the License Agreement (i) CorVel shall provide Customer with any proprietary data belonging to Customer, in the current format in which it is stored at CorVel at the termination of the License Agreement, (ii) all licenses granted under this License Agreement shall terminate immediately, (iii) all rights to use the CareMC Application and Online Services shall cease immediately, and (iv) each party shall promptly return all information, documents, manuals and other materials belonging to the other party related to this License Agreement, whether in printed or electronic form, except as otherwise provided in this License Agreement, including without limitation all confidential information of the other party then currently in its possession.

A. Funding Out Clause. This agreement depends on continued availability of appropriated funds and expenditure authority from the Legislature for this purpose. If for any reason the Legislature fails to appropriate funds or grant expenditure authority, or funds become unavailable by operation of law or federal funds reductions, this Agreement will be terminated by Customer upon a thirty (30) day prior written notice. Termination for any of these reasons is not a default by the Customer nor does it give rise to a claim against Customer.

9. CONFIDENTIALITY

A. Definition of Confidential Information. "Confidential Information" shall mean any non-public data, information and other materials regarding the products, services or business of a party (and/or, if either party is bound to protect the confidentiality of any third party's information, of a third party) provided to either party by the other party where such information is marked or otherwise communicated as being "proprietary" or "confidential" or the like, or where such information should, by its nature, be reasonably considered to be confidential and/or proprietary. Without limiting the foregoing, the parties agree that (i) the CareMC Application, Documentation, CorVel Content (as defined in the in the CareMC License Agreement) and all software, source code, source documentation, inventions, know-how, and ideas, updates and any documentation and information relating thereto constitutes Confidential Information of CorVel, (ii) the Customer Data (as defined in the CareMC License Agreement) constitute Confidential Information of Customer, and (iii) this Agreement, the Exhibits and Schedules attached hereto, and the terms and conditions set forth herein and therein are Confidential Information of both parties.

B. Disclosure and Use of Confidential Information. The Confidential Information disclosed by either party ("Disclosing Party") to the other ("Receiving Party") constitutes the confidential and proprietary information of the Disclosing Party and the Receiving Party agrees to treat such Confidential Information in the same manner as it treats its own similar proprietary information, but in no case will the degree of care be less than reasonable care. The Receiving Party shall use the Confidential Information of the Disclosing Party only in performing under this Agreement and shall retain the Confidential Information in confidence and not disclose it to any third party (except as authorized under this Agreement) without the Disclosing Party's express written consent. The Receiving Party shall disclose the Disclosing Party's Confidential Information only to those employees and contractors of the Receiving Party who have a need to know such information for the purposes of this Agreement, and such employees and contractors must be bound by this Agreement or have entered into agreements with the Receiving Party containing confidentiality provisions covering the Confidential Information with terms and conditions at least as restrictive as those set forth herein.

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C. Exceptions. Notwithstanding the foregoing, the parties' confidentiality obligations hereunder shall not apply to information which: (i) is already known to the Receiving Party prior to disclosure by the Disclosing Party, (ii) becomes publicly available without fault of the Receiving Party, (iii) is rightfully obtained by the Receiving Party from a third party without restriction as to disclosure, (iv) is approved for release by written authorization of the Disclosing Party, (v) is developed independently by the Receiving Party without use of or access to the Disclosing Party's Confidential Information, or (v) is required to be disclosed by law, rule, regulation, court of competent jurisdiction or governmental order, provided, however, that the Receiving Party shall advise the Disclosing Party of the Confidential Information required to be disclosed promptly upon learning thereof in order to afford the Disclosing Party a reasonable opportunity to contest, limit or assist the Receiving Party in crafting the disclosure, and then such disclosure shall be made only to the extent necessary to satisfy such requirements.

D. Use of Data. Nothing shall prohibit CorVel from using aggregate, non-identifying, statistical data generated through its customers', including Customer, use of the CareMC Application and Online Services for marketing purposes, provided that CorVel shall not use or disclose any such data or information in a manner that would reveal the identity of, or other confidential information concerning, Customer. Such aggregate, non-identifying statistical data could include, without limitation, statistics regarding usage of the CareMC Application and Online Services, the number of case referrals generated through the CareMC Application and Online Services and the efficiencies gained by CorVel customers through their use of the CareMC Application and Online Services.

10. GENERAL PROVISIONS

A. Choice of Law. This Agreement shall be governed by and construed under the laws of the State of California and the United States without regard to conflicts of laws provisions thereof. The parties expressly agree that the United Nations Convention on Contracts for the International Sale of Goods is specifically excluded from application to this Agreement. The parties submit to the jurisdiction of the United States federal courts for the Southern District of California and agree, that said courts have the sole and exclusive jurisdiction over any cause of action arising under or in connection with this Agreement.

B. Compliance with Laws. Both parties shall comply with all federal, state, and local laws, regulations, ordinances, guidelines, permits and requirements applicable to providing services pursuant to this Agreement, and will be solely responsible for obtaining current information on such requirements.

C. Contacts for Notices. All written notice required or permitted hereunder shall be in writing and shall be sufficient if personally delivered or sent by facsimile or internationally recognized delivery service to the address or fax number set forth below, unless such address or fax number is changed by notice, to the other party, as permitted hereunder. Any notices shall be deemed given on the date received, as indicated (i) by receipt of electronic answer back in the case of facsimile, or (ii) the records of the delivery service, if by courier.

If to CorVel:

CorVel Corporation
2010 Main Street, Suite 600
Irvine, California 92614
Attn: Director, Legal Services
Phone: (949) 851-1473
Fax: (866) 434-2469
Email: Corporate_Legal@corvel.com

If to Customer:

Orange County Fire Authority
Attention: Rhonda Haynes
1 Fire Authority Road
Irvine, CA 92602

With Copy to:
David E. Kendig, General Counsel
Woodruff, Spradlin & Smart
555 Anton Blvd. Suite 1200
Costa Mesa, CA 92626

D. Assignment. Neither this Agreement nor any rights, licenses or obligations hereunder, may be assigned by either party without the prior written consent of the non-assigning party. Notwithstanding the foregoing, CorVel may assign this Agreement to any acquiror of all or of substantially all of CorVel's equity securities, assets or business related to the subject matter of this Agreement. Any attempted assignment in violation of this Agreement shall be void and without effect.

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A. Severability. Should any term of this Agreement be declared void or unenforceable by any arbitral tribunal or court of competent jurisdiction, such declaration shall have no effect on the remaining terms hereof, which shall continue in full force and effect.

B. Waiver. The failure of either party to enforce any rights granted hereunder or to take action against the other party in the event of any breach hereunder shall not be deemed a waiver by that party as to subsequent enforcement of rights or subsequent actions in the event of future breaches.

C. Relationship of the Parties. The relationship of CorVel and Licensee established by this Agreement is that of independent contractors, and nothing contained in this Agreement shall be construed (i) to give either party the power to direct or control the day-to-day activities of the other, or (ii) to constitute the parties as partners, franchisee-franchiser, joint venturers, co-owners or otherwise as participants in a joint or common undertaking, or otherwise give rise to fiduciary obligations between the parties.

D. Force Majeure. Except for the obligation to make payments, nonperformance by either party shall be excused to the extent that performance is rendered impossible by war, acts of terrorism, strikes, fire, flood, governmental acts or orders or restrictions, failure of suppliers, or any other reason where failure to perform is beyond the control of the non-performing party.

E. Entire Agreement. This Agreement constitutes the entire, final, complete and exclusive agreement between the parties and supersedes all previous agreements or representations, oral or written, relating to the subject matter of this Agreement. This Agreement may not be modified or amended except in writing signed by a duly authorized representative of each party. Both parties acknowledge having read the terms and conditions set forth in this Agreement and all attachments hereto, understand all terms and conditions, and agree to be bound thereby.

F. Counterparts. This Agreement may be executed in two counterparts, each of which shall be an original and together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties by their duly authorized representatives have executed this Agreement as of the Effective Date set forth above.

CORVEL ENTERPRISE COMP, INC.

ORANGE COUNTY FIRE AUTHORITY

Richard Schaeff
Richard Schaeff
Dir. Finance/Secretary

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EXHIBIT C
PRICING SCHEDULE

APPENDIX B- PRICING PAGE

Proposal Costs - The fee information is relevant to a determination of whether the fee is fair and reasonable in light of the services to be provided. This section shall include the proposed costs to provide the services that your firm is able to provide. Any additional fees outside the scope of the agreement must be approved by the OCFA in writing before commencing services for said fees. Please indicate which method of pricing your firm utilizes. The costs indicated in Option A and Option B must be inclusive of all required program elements with the exception of Managed Care Services and Bill Review/PPO Utilization Services. You will be asked to provide your firm's rates for these two services on the next page.

Claims Administration Pricing Year 1 (2013 – 2014)

Specify how the base price is computed, i.e. flat fee or price per claim. Include any minimums and maximums, and any special services included in the base price.	Flat Rate or Per Claim Cost <i>(please indicate which method your firm is using)</i>
Fiscal Year 2013-2014	\$528,752
Fiscal Year 2014-2015	\$544,614
Fiscal Year 2015-2016	\$560,952
Fiscal Year 2016-2017	\$572,171
Fiscal Year 2017-2018	\$583,614
Fiscal Year 2018-2019	\$595,286
Fiscal Year 2019-2020	\$601,238
Fiscal Year 2020-2021	\$607,250
Any services considered to be allocated expenses and not covered under the base price. <i>*Please provide details of services.</i>	Allocated expenses such as attorney fees, copy service fees, interpreter fees, etc. will be charged at contracted rates and charged to each individual file.
Cost of transitioning of claim files from existing TPA <i>(Only applicable in the first contract year for new TPA provider).</i>	\$ 15,000
Custom reports	\$ Included
On-site computer terminal access <i>(licensing fee if applicable)</i>	\$ Included
Special reporting (MMSEA)	\$ Included
Preparation of 1099's	\$ Included
Storage of claims	\$ Included
Total Fiscal Year 2013-14 Fees	\$ 553,050

Any additional information you would like OCFA to consider.

CorVel offers to Orange County Fire Authority our 24/7 Nurse Triage Call Center at no additional charge.

APPENDIX B- PRICING PAGE (continued)**Managed Care Pricing Year 1 (2013 – 2014)**

Medical Provider Network Administrative Cost Specify how the price is computed, i.e. flat fee or price per claim.	Flat Rate or Per Claim Cost <i>(please indicate which method your firm is using)</i>
Fiscal Year 2013-2014	\$ Included
Fiscal Year 2014-2015	\$ Included
Fiscal Year 2015-2016	\$ Included
Fiscal Year 2016-2017	\$ Included
Fiscal Year 2017-2018	\$ Included
Medical Review	Per Bill
(a) Treating physician services	\$7/bill
(b) Pharmacy bills/AWP plus fee	\$7/bill
(c) Savings percentages (total) for inpatient/outpatient hospital bills/surgery bills	10% savings
(d) Percentage of PPO total savings	10% savings
(e) WCIS reporting charges	\$ Included
(f) WCAB Appearance (expert witness fees)	\$ Included
(g) Duplicate and Reconsideration Charge	\$ Included
(h) Hospital/Surgery Bill Audit total savings percentage	\$ 10% savings
(i) Monthly Report Fee	\$ Included
Utilization Review	Hourly or Per Claim
(a) Nurse	\$135 per review
(b) Physician	\$250 per hour
(c) Peer to Peer Review	\$250 per hour
(d) *Other Associated Costs	\$200 per hour for Medication Review (optional)
*Any additional cost and include your appeal process cost and any other costs	
Medical Case Management	Hourly or Per Claim
(a) Nurse Telephonic	\$135 per hour
(b) Nurse Field	\$135 per hour
(c) Case Management	\$
(d) *Other Associated Costs (to include MSA)	\$200 per hour
*Please include details of other associated costs	

Term of Offer: It is understood and agreed that this offer may not be withdrawn for a period of **one hundred twenty days** (120 days) from the Proposal Submittal Deadline, and at no time in case of successful Offeror.

APPENDIX B- PRICING PAGE

Proposal Costs - The fee information is relevant to a determination of whether the fee is fair and reasonable in light of the services to be provided. This section shall include the proposed costs to provide the services that your firm is able to provide. Any additional fees outside the scope of the agreement must be approved by the OCFA in writing before commencing services for said fees. Please indicate which method of pricing your firm utilizes. The costs indicated in Option A and Option B must be inclusive of all required program elements with the exception of Managed Care Services and Bill Review/PPO Utilization Services. You will be asked to provide your firm's rates for these two services on the next page.

Claims Administration Pricing Year 2 (2014 – 2015)

Specify how the base price is computed, i.e. flat fee or price per claim. Include any minimums and maximums, and any special services included in the base price.	Flat Rate or Per Claim Cost <i>(please indicate which method your firm is using)</i>
Fiscal Year 2014-2015	\$544,614
Any services considered to be allocated expenses and not covered under the base price. <i>*Please provide details of services.</i>	Allocated expenses such as attorney fees, copy service fees, interpreter fees, etc. will be charged at contracted rates and charged to each individual file.
Custom reports	\$ Included
On-site computer terminal access <i>(licensing fee if applicable)</i>	\$ Included
Special reporting (MMSEA)	\$ Included
Preparation of 1099's	\$ Included
Storage of claims	\$ Included

Any additional information you would like OCFA to consider.

CorVel offers to Orange County Fire Authority our 24/7 Nurse Triage Call Center at no additional charge.

Managed Care Pricing Year 2 (2014 – 2015)

Medical Provider Network Administrative Cost Specify how the price is computed, i.e. flat fee or price per claim.	Flat Rate or Per Claim Cost (please indicate which method your firm is using)
Fiscal Year 2014-2015	\$ Included
Medical Review	Per Bill
(a) Treating physician services	\$7/bill (plus 10% total savings) <i>No per bill review fee to exceed \$15,000.</i>
(b) Pharmacy bills/AWP plus fee	In PBM: \$7/bill + AWP Out of PBM: \$7/bill (plus 10% total savings)
(c) Savings percentages for inpatient/outpatient hospital bills/surgery bills	10% total savings (plus \$7/bill)
(d) Percentage of PPO savings	10% total savings (plus \$7/bill)
(e) WCIS reporting charges	\$ Included
(f) WCAB Appearance (expert witness fees)	\$ Included
(g) Duplicate and Reconsideration Charge	\$ Included
(h) Hospital/Surgery Bill Audit	\$ 10% total savings
(i) Monthly Report Fee	\$ Included
Utilization Review	Hourly or Per Claim
(a) Nurse	\$135 per review
(b) Physician	\$250 per hour
(c) Peer to Peer Review	\$250 per hour
(d) *Other Associated Costs	\$200 per hour for Medication Review
*Any additional cost and include your appeal process cost and any other costs	
Medical Case Management	Hourly or Per Claim
(a) Nurse Telephonic	\$135 per hour
(b) Nurse Field	\$135 per hour
(c) Case Management	\$
(d) *Other Associated Costs (to include MSA)	\$200 per hour
*Please include details of other associated costs	

APPENDIX B- PRICING PAGE

Proposal Costs - The fee information is relevant to a determination of whether the fee is fair and reasonable in light of the services to be provided. This section shall include the proposed costs to provide the services that your firm is able to provide. Any additional fees outside the scope of the agreement must be approved by the OCFA in writing before commencing services for said fees. Please indicate which method of pricing your firm utilizes. The costs indicated in Option A and Option B must be inclusive of all required program elements with the exception of Managed Care Services and Bill Review/PPO Utilization Services. You will be asked to provide your firm's rates for these two services on the next page.

Claims Administration Pricing Year 3 (2015 – 2016)

Specify how the base price is computed, i.e. flat fee or price per claim. Include any minimums and maximums, and any special services included in the base price.	Flat Rate or Per Claim Cost <i>(please indicate which method your firm is using)</i>
Fiscal Year 2015-2016	\$560,952
Any services considered to be allocated expenses and not covered under the base price. <i>*Please provide details of services.</i>	Allocated expenses such as attorney fees, copy service fees, interpreter fees, etc. will be charged at contracted rates and charged to each individual file.
Custom reports	\$ Included
On-site computer terminal access <i>(licensing fee if applicable)</i>	\$ Included
Special reporting (MMSEA)	\$ Included
Preparation of 1099's	\$ Included
Storage of claims	\$ Included

Any additional information you would like OCFA to consider.

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Managed Care Pricing Year 3 (2015 – 2016)

Medical Provider Network Administrative Cost Specify how the price is computed, i.e. flat fee or price per claim.	Flat Rate or Per Claim Cost (please indicate which method your firm is using)
Fiscal Year 2015-2016	\$ Included
Medical Review	Per Bill
(a) Treating physician services	\$7/bill (plus 10% total savings) <i>No per bill review fee to exceed \$15,000.</i>
(b) Pharmacy bills/AWP plus fee	In PBM: \$7/bill fee + AWP Out of PBM: \$7/bill (plus 10% total savings)
(c) Savings percentages for inpatient/outpatient hospital bills/surgery bills	10% total savings (plus \$7/bill)
(d) Percentage of PPO savings	10% total savings (plus \$7/bill)
(e) WCIS reporting charges	\$ Included
(f) WCAB Appearance (expert witness fees)	\$ Included
(g) Duplicate and Reconsideration Charge	\$ Included
(h) Hospital/Surgery Bill Audit	\$ 10% total savings
(i) Monthly Report Fee	\$ Included
Utilization Review	Hourly or Per Claim
(a) Nurse	\$135 per review
(b) Physician	\$250 per hour
(c) Peer to Peer Review	\$250 per hour
(d) *Other Associated Costs	\$200 per hour for Medication Review
*Any additional cost and include your appeal process cost and any other costs	
Medical Case Management	Hourly or Per Claim
(a) Nurse Telephonic	\$135 per hour
(b) Nurse Field	\$135 per hour
(c) Case Management	\$
(d) *Other Associated Costs (to include MSA)	\$200 per hour
*Please include details of other associated costs	

APPENDIX B- PRICING PAGE

Proposal Costs - The fee information is relevant to a determination of whether the fee is fair and reasonable in light of the services to be provided. This section shall include the proposed costs to provide the services that your firm is able to provide. Any additional fees outside the scope of the agreement must be approved by the OCFA in writing before commencing services for said fees. Please indicate which method of pricing your firm utilizes. The costs indicated in Option A and Option B must be inclusive of all required program elements with the exception of Managed Care Services and Bill Review/PPO Utilization Services. You will be asked to provide your firm's rates for these two services on the next page.

Claims Administration Pricing Year 4 (2016 – 2017)

Specify how the base price is computed, i.e. flat fee or price per claim. Include any minimums and maximums, and any special services included in the base price.	Flat Rate or Per Claim Cost <i>(please indicate which method your firm is using)</i>
Fiscal Year 2016-2017	\$572,171
Any services considered to be allocated expenses and not covered under the base price. <i>*Please provide details of services.</i>	Allocated expenses such as attorney fees, copy service fees, interpreter fees, etc. will be charged at contracted rates and charged to each individual file.
Custom reports	\$ Included
On-site computer terminal access <i>(licensing fee if applicable)</i>	\$ Included
Special reporting (MMSEA)	\$ Included
Preparation of 1099's	\$ Included
Storage of claims	\$ Included

Any additional information you would like OCFA to consider.

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Managed Care Pricing Year 4 (2016 – 2017)

Medical Provider Network Administrative Cost Specify how the price is computed, i.e. flat fee or price per claim.	Flat Rate or Per Claim Cost (please indicate which method your firm is using)
Fiscal Year 2016-2017	\$ Included
Medical Review	Per Bill
(a) Treating physician services	\$7/bill (plus 10% total savings) <i>No per bill review fee to exceed \$15,000.</i>
(b) Pharmacy bills/AWP plus fee	In PBM: \$7/bill + AWP Out of PBM: \$7/bill (plus 10% total savings)
(c) Savings percentages for inpatient/outpatient hospital bills/surgery bills	10% total savings (plus \$7/bill)
(d) Percentage of PPO savings	10% total savings (plus \$7/bill)
(e) WCIS reporting charges	\$ Included
(f) WCAB Appearance (expert witness fees)	\$ Included
(g) Duplicate and Reconsideration Charge	\$ Included
(h) Hospital/Surgery Bill Audit	\$ 10% total savings
(i) Monthly Report Fee	\$ Included
Utilization Review	Hourly or Per Claim
(a) Nurse	\$135 per review
(b) Physician	\$250 per hour
(c) Peer to Peer Review	\$250 per hour
(d) *Other Associated Costs	\$200 per hour for Medication Review
*Any additional cost and include your appeal process cost and any other costs	
Medical Case Management	Hourly or Per Claim
(a) Nurse Telephonic	\$135 per hour
(b) Nurse Field	\$135 per hour
(c) Case Management	\$
(d) *Other Associated Costs (to include MSA)	\$200 per hour
*Please include details of other associated costs	

APPENDIX B- PRICING PAGE

Proposal Costs - The fee information is relevant to a determination of whether the fee is fair and reasonable in light of the services to be provided. This section shall include the proposed costs to provide the services that your firm is able to provide. Any additional fees outside the scope of the agreement must be approved by the OCFA in writing before commencing services for said fees. Please indicate which method of pricing your firm utilizes. The costs indicated in Option A and Option B must be inclusive of all required program elements with the exception of Managed Care Services and Bill Review/PPO Utilization Services. You will be asked to provide your firm's rates for these two services on the next page.

Claims Administration Pricing Year 5 (2017 – 2018)

Specify how the base price is computed, i.e. flat fee or price per claim. Include any minimums and maximums, and any special services included in the base price.	Flat Rate or Per Claim Cost <i>(please indicate which method your firm is using)</i>
Fiscal Year 2017-2018	\$583,614
Any services considered to be allocated expenses and not covered under the base price. <i>*Please provide details of services.</i>	Allocated expenses such as attorney fees, copy service fees, interpreter fees, etc. will be charged at contracted rates and charged to each individual file.
Custom reports	\$ Included
On-site computer terminal access <i>(licensing fee if applicable)</i>	\$ Included
Special reporting (MMSEA)	\$ Included
Preparation of 1099's	\$ Included
Storage of claims	\$ Included

Any additional information you would like OCFA to consider.

CorVel offers to Orange County Fire Authority our 24/7 Nurse Triage Call Center at no additional charge.

Managed Care Pricing Year 5 (2017 – 2018)

Medical Provider Network Administrative Cost Specify how the price is computed, i.e. flat fee or price per claim.	Flat Rate or Per Claim Cost (please indicate which method your firm is using)
Fiscal Year 2017-2018	\$ Included
Medical Review	Per Bill
(a) Treating physician services	\$7/bill (plus 10% total savings) <i>No per bill review fee to exceed \$15,000.</i>
(b) Pharmacy bills/AWP plus fee	In PBM: \$7/bill + AWP Out of PBM: \$7/bill (plus 10% total savings)
(c) Savings percentages for inpatient/outpatient hospital bills/surgery bills	10% total savings (plus \$7/bill)
(d) Percentage of PPO savings	10% total savings (plus \$7/bill)
(e) WCIS reporting charges	\$ Included
(f) WCAB Appearance (expert witness fees)	\$ Included
(g) Duplicate and Reconsideration Charge	\$ Included
(h) Hospital/Surgery Bill Audit	\$ 10% total savings
(i) Monthly Report Fee	\$ Included
Utilization Review	Hourly or Per Claim
(a) Nurse	\$135 per review
(b) Physician	\$250 per hour
(c) Peer to Peer Review	\$250 per hour
(d) *Other Associated Costs	\$200 per hour for Medication Review
*Any additional cost and include your appeal process cost and any other costs	
Medical Case Management	Hourly or Per Claim
(a) Nurse Telephonic	\$135 per hour
(b) Nurse Field	\$135 per hour
(c) Case Management	\$
(d) *Other Associated Costs (to include MSA)	\$200 per hour
*Please include details of other associated costs	

APPENDIX B- PRICING PAGE

Proposal Costs - The fee information is relevant to a determination of whether the fee is fair and reasonable in light of the services to be provided. This section shall include the proposed costs to provide the services that your firm is able to provide. Any additional fees outside the scope of the agreement must be approved by the OCFA in writing before commencing services for said fees. Please indicate which method of pricing your firm utilizes. The costs indicated in Option A and Option B must be inclusive of all required program elements with the exception of Managed Care Services and Bill Review/PPO Utilization Services. You will be asked to provide your firm's rates for these two services on the next page.

Claims Administration Pricing Year 6 (2018 – 2019)

Specify how the base price is computed, i.e. flat fee or price per claim. Include any minimums and maximums, and any special services included in the base price.	Flat Rate or Per Claim Cost <i>(please indicate which method your firm is using)</i>
Fiscal Year 2018-2019	\$595,286
Any services considered to be allocated expenses and not covered under the base price. <i>*Please provide details of services.</i>	Allocated expenses such as attorney fees, copy service fees, interpreter fees, etc. will be charged at contracted rates and charged to each individual file.
Custom reports	\$ Included
On-site computer terminal access <i>(licensing fee if applicable)</i>	\$ Included
Special reporting (MMSEA)	\$ Included
Preparation of 1099's	\$ Included
Storage of claims	\$ Included

Any additional information you would like OCFA to consider.

CorVel offers to Orange County Fire Authority our 24/7 Nurse Triage Call Center at no additional charge.

Managed Care Pricing Year 6 (2018 – 2019)

Medical Provider Network Administrative Cost Specify how the price is computed, i.e. flat fee or price per claim.	Flat Rate or Per Claim Cost (please indicate which method your firm is using)
Fiscal Year 2018-2019	\$ Included
Medical Review	Per Bill
(a) Treating physician services	\$7/bill (plus 10% total savings) <i>No per bill review fee to exceed \$15,000.</i>
(b) Pharmacy bills/AWP plus fee	In PBM: \$7/bill + AWP Out of PBM: \$7/bill (plus 10% total savings)
(c) Savings percentages for inpatient/outpatient hospital bills/surgery bills	10% total savings (plus \$7/bill)
(d) Percentage of PPO savings	10% total savings (plus \$7/bill)
(e) WCIS reporting charges	\$ Included
(f) WCAB Appearance (expert witness fees)	\$ Included
(g) Duplicate and Reconsideration Charge	\$ Included
(h) Hospital/Surgery Bill Audit	\$ 10% total savings
(i) Monthly Report Fee	\$ Included
Utilization Review	Hourly or Per Claim
(a) Nurse	\$135 per review
(b) Physician	\$250 per hour
(c) Peer to Peer Review	\$250 per hour
(d) *Other Associated Costs	\$200 per hour for Medication Review
*Any additional cost and include your appeal process cost and any other costs	
Medical Case Management	Hourly or Per Claim
(a) Nurse Telephonic	\$135 per hour
(b) Nurse Field	\$135 per hour
(c) Case Management	\$
(d) *Other Associated Costs (to include MSA)	\$200 per hour
*Please include details of other associated costs	

APPENDIX B- PRICING PAGE

Proposal Costs - The fee information is relevant to a determination of whether the fee is fair and reasonable in light of the services to be provided. This section shall include the proposed costs to provide the services that your firm is able to provide. Any additional fees outside the scope of the agreement must be approved by the OCFA in writing before commencing services for said fees. Please indicate which method of pricing your firm utilizes. The costs indicated in Option A and Option B must be inclusive of all required program elements with the exception of Managed Care Services and Bill Review/PPO Utilization Services. You will be asked to provide your firm's rates for these two services on the next page.

Claims Administration Pricing Year 7 (2019 – 2020)

Specify how the base price is computed, i.e. flat fee or price per claim. Include any minimums and maximums, and any special services included in the base price.	Flat Rate or Per Claim Cost <i>(please indicate which method your firm is using)</i>
Fiscal Year 2019-2020	\$601,238
Any services considered to be allocated expenses and not covered under the base price. <i>*Please provide details of services.</i>	Allocated expenses such as attorney fees, copy service fees, interpreter fees, etc. will be charged at contracted rates and charged to each individual file.
Custom reports	\$ Included
On-site computer terminal access <i>(licensing fee if applicable)</i>	\$ Included
Special reporting (MMSEA)	\$ Included
Preparation of 1099's	\$ Included
Storage of claims	\$ Included

Any additional information you would like OCFA to consider.

CorVel offers to Orange County Fire Authority our 24/7 Nurse Triage Call Center at no additional charge.

Managed Care Pricing Year 7 (2019 – 2020)

Medical Provider Network Administrative Cost Specify how the price is computed, i.e. flat fee or price per claim.	Flat Rate or Per Claim Cost (please indicate which method your firm is using)
Fiscal Year 2019-2020	\$ Included
Medical Review	Per Bill
(a) Treating physician services	\$7/bill (plus 10% total savings) <i>No per bill review fee to exceed \$15,000.</i>
(b) Pharmacy bills/AWP plus fee	In PBM: \$7/bill + AWP Out of PBM: \$7/bill (plus 10% total savings)
(c) Savings percentages for inpatient/outpatient hospital bills/surgery bills	10% total savings (plus \$7/bill)
(d) Percentage of PPO savings	10% total savings (plus \$7/bill)
(e) WCIS reporting charges	\$ Included
(f) WCAB Appearance (expert witness fees)	\$ Included
(g) Duplicate and Reconsideration Charge	\$ Included
(h) Hospital/Surgery Bill Audit	\$ 10% total savings
(i) Monthly Report Fee	\$ Included
Utilization Review	Hourly or Per Claim
(a) Nurse	\$135 per review
(b) Physician	\$250 per hour
(c) Peer to Peer Review	\$250 per hour
(d) *Other Associated Costs	\$200 per hour for Medication Review
*Any additional cost and include your appeal process cost and any other costs	
Medical Case Management	Hourly or Per Claim
(a) Nurse Telephonic	\$135 per hour
(b) Nurse Field	\$135 per hour
(c) Case Management	\$
(d) *Other Associated Costs (to include MSA)	\$200 per hour
*Please include details of other associated costs	

APPENDIX B- PRICING PAGE

Proposal Costs - The fee information is relevant to a determination of whether the fee is fair and reasonable in light of the services to be provided. This section shall include the proposed costs to provide the services that your firm is able to provide. Any additional fees outside the scope of the agreement must be approved by the OCFA in writing before commencing services for said fees. Please indicate which method of pricing your firm utilizes. The costs indicated in Option A and Option B must be inclusive of all required program elements with the exception of Managed Care Services and Bill Review/PPO Utilization Services. You will be asked to provide your firm's rates for these two services on the next page.

Claims Administration Pricing Year 8 (2020 – 2021)

Specify how the base price is computed, i.e. flat fee or price per claim. Include any minimums and maximums, and any special services included in the base price.	Flat Rate or Per Claim Cost <i>(please indicate which method your firm is using)</i>
Fiscal Year 2020-2021	\$607,250
Any services considered to be allocated expenses and not covered under the base price. <i>*Please provide details of services.</i>	Allocated expenses such as attorney fees, copy service fees, interpreter fees, etc. will be charged at contracted rates and charged to each individual file.
Custom reports	\$ Included
On-site computer terminal access <i>(licensing fee if applicable)</i>	\$ Included
Special reporting (MMSEA)	\$ Included
Preparation of 1099's	\$ Included
Storage of claims	\$ Included

Any additional information you would like OCFA to consider.

CorVel offers to Orange County Fire Authority our 24/7 Nurse Triage Call Center at no additional charge.

Managed Care Pricing Year 8 (2020 – 2021)

Medical Provider Network Administrative Cost Specify how the price is computed, i.e. flat fee or price per claim.	Flat Rate or Per Claim Cost (please indicate which method your firm is using)
Fiscal Year 2020-2021	\$ Included
Medical Review	Per Bill
(a) Treating physician services	\$7/bill (plus 10% total savings) <i>No per bill review fee to exceed \$15,000.</i>
(b) Pharmacy bills/AWP plus fee	In PBM: \$7/bill + AWP Out of PBM: \$7/bill (plus 10% total savings)
(c) Savings percentages for inpatient/outpatient hospital bills/surgery bills	10% total savings (plus \$7/bill)
(d) Percentage of PPO savings	10% total savings (plus \$7/bill)
(e) WCIS reporting charges	\$ Included
(f) WCAB Appearance (expert witness fees)	\$ Included
(g) Duplicate and Reconsideration Charge	\$ Included
(h) Hospital/Surgery Bill Audit	\$ 10% total savings
(i) Monthly Report Fee	\$ Included
Utilization Review	Hourly or Per Claim
(a) Nurse	\$135 per review
(b) Physician	\$250 per hour
(c) Peer to Peer Review	\$250 per hour
(d) *Other Associated Costs	\$200 per hour for Medication Review
*Any additional cost and include your appeal process cost and any other costs	
Medical Case Management	Hourly or Per Claim
(a) Nurse Telephonic	\$135 per hour
(b) Nurse Field	\$135 per hour
(c) Case Management	\$
(d) *Other Associated Costs (to include MSA)	\$200 per hour
*Please include details of other associated costs	

**ORANGE COUNTY FIRE AUTHORITY
PROFESSIONAL SERVICES AGREEMENT**

THIS AGREEMENT FOR PROFESSIONAL SERVICES ("Agreement") is made and entered into this 27th day of March, 2014, by and between the Orange County Fire Authority, a public agency, hereinafter referred to as "OCFA", and Cannon Cochran Management Services, Inc., a Delaware corporation, hereinafter referred to as "CCMSI".

RECITALS

WHEREAS, OCFA requires the services of a qualified firm for the administration of third party workers' compensation run-off Travelers Insurance claims, RFP #DC1898, hereinafter referred to as "Project"; and

WHEREAS, CCMSI has submitted to OCFA a proposal dated December 27, 2013, a copy of which is attached hereto as Exhibit "A" and is incorporated herein by this reference; and

WHEREAS, based on its experience and reputation, CCMSI is qualified to provide the necessary services for the Project and desires to provide such services; and

WHEREAS, OCFA desires to retain the services of CCMSI for the Project.

NOW, THEREFORE, in consideration of the promises and mutual agreements contained herein, OCFA agrees to employ and does hereby employ CCMSI and CCMSI agrees to provide professional services as follows:

AGREEMENT

1. PROFESSIONAL SERVICES

1.1 Scope of Services.

In compliance with all terms and conditions of this Agreement, CCMSI shall provide those services specified in the "Proposal" attached hereto as Exhibit "A" and incorporated herein by reference. The Scope of Services includes by reference and by addendum: (1) OCFA's Request for Proposal, RFP #DC1898, dated December 5, 2013 ("RFP"); (2) CCMSI's response to OCFA's RFP dated December 27, 2013; (3) all terms and conditions as set forth in this Agreement; and (4) any amendments, addendums, change orders, or modifications mutually agreed upon by the parties hereto. In the event of any inconsistency between the terms contained in Exhibit "A" and the terms set forth in the main body of this Agreement, the terms set forth in the main body of this Agreement shall govern. CCMSI warrants that it shall perform all

services under this Agreement in a competent, professional and satisfactory manner in accordance with all standards prevalent in the industry.

1.2 Compliance with Law.

All services rendered hereunder shall be provided in accordance with all laws, ordinances, resolutions, statutes, rules, and regulations of OCFA and any federal, state or local governmental agency of competent jurisdiction.

1.3 Licenses and Permits.

CCMSI shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement.

1.4 Reserved.

1.5 Care of Work.

CCMSI shall adopt and follow reasonable procedures and methods during the term of the Agreement to prevent loss or damage to materials, papers or other components of the work, and shall be responsible for all such damage until acceptance of the work by OCFA, except such loss or damages as may be caused by OCFA's own negligence.

1.6 Additional Services.

CCMSI shall perform services in addition to those specified in the Proposal when directed to do so in writing by the Contract Officer, provided that CCMSI shall not be required to perform any additional services without compensation. Any additional compensation not exceeding ten percent (10%) of the original Agreement sum must be approved in writing by the Contract Officer. Any greater increase must be approved in writing by the Fire Chief upon approval from the Executive Committee.

2. TIME FOR COMPLETION

The time for completion of the services to be performed by CCMSI is an essential condition of this Agreement. CCMSI shall prosecute regularly and diligently the work of this Agreement according to the schedules set forth in CCMSI's proposal. CCMSI shall not be accountable for delays in the progress of its work caused by any condition beyond its control and without the fault or negligence of CCMSI. Delays shall not entitle CCMSI to any additional compensation regardless of the party responsible for the delay.

3. COMPENSATION OF CCMSI

3.1 Contract Pricing.

For the services rendered pursuant to this Agreement, OCFA shall compensate and reimburse CCMSI in accordance with the terms set forth in the Pricing Schedule, provided in Exhibit "A" and incorporated herein by reference.

3.2 Method of Payment.

In any month in which CCMSI wishes to receive payment, CCMSI shall no later than the first working day of such month, submit to OCFA in the form approved by OCFA's Director of Finance, an invoice for services rendered prior to the date of the invoice. OCFA shall pay CCMSI for all expenses stated thereon which are approved by OCFA consistent with this Agreement, within thirty (30) days of receipt of CCMSI's invoice.

3.3 Changes.

In the event any change or changes in the services is requested by OCFA, the parties hereto shall execute an addendum to this Agreement, setting forth with particularity all terms of such addendum, including, but not limited to, any additional fees. Addenda may be entered into:

A. To provide for revisions or modifications to documents or other work product or work when documents or other work product or work is required by the enactment or revision of law subsequent to the preparation of any documents, other work product or work;

B. To provide for additional services not included in this Agreement or not customarily furnished in accordance with generally accepted practice in CCMSI's profession.

3.4 Appropriations.

This Agreement is subject to and contingent upon funds being appropriated therefore by the OCFA Board of Directors for each fiscal year covered by the Agreement. If such appropriations are not made, this Agreement shall automatically terminate without penalty to OCFA.

4. PERFORMANCE SCHEDULE

4.1 Time of Essence.

Time is of the essence in the performance of this Agreement. **4.2 Schedule of Performance.**

All services rendered pursuant to this Agreement shall be performed within the time periods prescribed in CCMSI's proposal, attached hereto as Exhibit "A". The extension of any time period specified in Exhibit "A" must be approved in writing by the Contract Officer.

4.3 Force Majeure.

The time for performance of services to be rendered pursuant to this Agreement may be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of CCMSI, including, but not restricted to, acts of God or of a public enemy, acts of the government, fires, earthquakes, floods, epidemic, quarantine restrictions, riots, strikes, freight embargoes, and unusually severe weather if CCMSI shall within ten (10) days of the commencement of such condition notify the Contract Officer who shall thereupon ascertain the facts and the extent of any necessary delay, and extend the time for performing the services for the period of the enforced delay when and if in the Contract Officer's judgment such delay is justified, and the Contract Officer's determination shall be final and conclusive upon the parties to this Agreement.

4.4 Term.

This Agreement shall commence on June 1, 2014 and continue for a period of one (1) year, through May 31, 2015, with the option to extend the Agreement for four (4) additional periods of one (1) year unless earlier terminated as provided herein or as otherwise agreed to in writing by the parties.

5. COORDINATION OF WORK

5.1 Representative of CCMSI.

The following principal of CCMSI is hereby designated as being the principal and representative of CCMSI authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith: Anne Koval, Account Executive.

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principal is a substantial inducement for OCFA to enter into this Agreement. Therefore, the foregoing principal shall be responsible during the term of this Agreement for directing all activities of CCMSI and devoting sufficient time to personally supervise the services hereunder. The foregoing principal may not be changed by CCMSI without the express written approval of OCFA.

5.2 Contract Officer.

The Contract Officer shall be Rhonda Haynes, Risk Analyst, Workers' Compensation Program Manager, unless otherwise designated in writing by OCFA. It shall be CCMSI's responsibility to keep the Contract Officer fully informed of the progress of the performance of the services and CCMSI shall refer any decisions that must be made by OCFA to the Contract Officer. Unless otherwise specified herein, any approval of OCFA required hereunder shall mean the approval of the Contract Officer.

5.3 Prohibition Against Subcontracting or Assignment.

The experience, knowledge, capability and reputation of CCMSI, its principals and employees, were a substantial inducement for OCFA to enter into this Agreement. Therefore, CCMSI shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of OCFA. In addition, neither this Agreement nor any interest herein may be assigned or transferred, voluntarily or by operation of law, without the prior written approval of OCFA.

5.4 Independent Contractor.

Neither OCFA nor any of its employees shall have any control over the manner, mode or means by which CCMSI, its agents or employees, perform the services required herein, except as otherwise set forth herein. CCMSI shall perform all services required herein as an independent contractor of OCFA and shall remain at all times as to OCFA a wholly independent contractor with only such obligations as are consistent with that role. CCMSI shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of OCFA.

6. INSURANCE, INDEMNIFICATION AND BONDS

6.1 Insurance.

CCMSI shall procure and maintain, at its cost, and submit concurrently with its execution of this Agreement, public liability and property damage insurance against all claims for injuries against persons or damages to property resulting from CCMSI's performance under this Agreement. CCMSI shall also carry workers' compensation insurance in accordance with California worker's compensation laws. Such insurance shall be kept in effect during the term of this Agreement and shall not be cancelable without thirty (30) days written notice to OCFA of any proposed cancellation. OCFA's certificate(s), evidencing the foregoing and designating OCFA as an additional named insured for general liability and automobile liability insurance coverage shall be delivered to and approved by OCFA prior to commencement of the services hereunder. Insurance shall be of the type, in the amounts and subject to the provisions set forth in Section III of RFP #DC1898, incorporated herein by reference. The procuring of such insurance and the delivery of policies or certificates evidencing

the same shall not be construed as a limitation of CCMSI's obligation to indemnify OCFA, its officers, officials, employees and agents.

6.2 Indemnification.

To the fullest extent permitted by law, CCMSI shall defend, (at CCMSI's sole cost and expense with legal counsel reasonably acceptable to OCFA), indemnify and hold harmless OCFA, its officers, officials, employees and agents (collectively, the "Indemnified Parties") from and against any and all third-party actions, suits, proceedings, claims, demands, losses, costs, and expenses, including legal costs and attorneys' fees, for injury to or death of person or persons, for damage to property, including property owned by OCFA, arising out of or in any way connected with any negligent acts, errors, omissions, willful misconduct or fraud committed by CCMSI, its officers, employees or agents, in performance of this Agreement, except for such loss as may arise from the sole negligence or willful misconduct of the Indemnified Parties.

CCMSI's indemnification obligations under this Section 6.2 are contingent upon: (i) OCFA giving prompt written notice to CCMSI of any claim under this Section (provided, however, that failure to give such notification shall not affect the indemnification provided hereunder except to the extent, and only to the extent, that CCMSI shall have been actually prejudiced as a result of such failure); and (ii) at CCMSI's request and sole expense, OCFA cooperating in the investigation and defense of such claim(s). In any instance where CCMSI defends a claim pursuant to its indemnification obligations, OCFA shall be entitled, but not obligated to, participate in (but not control) such defense and to retain its own counsel, at its own expense. Neither party shall settle or consent to an adverse judgment in any such claim that adversely affects the rights or interests of the other party or imposes additional obligations on the other party without the prior express written consent of the other party.

7. RECORDS AND REPORTS

7.1 Reports.

CCMSI shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement as the Contract Officer shall require.

7.2 Records.

CCMSI shall keep such books and records as shall be necessary to properly perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. The Contract Officer shall have full and free access to such books and records at all reasonable times, including the right to inspect, copy, audit and make records and transcripts from such records.

7.3 Ownership of Documents.

All drawings, specifications, reports, records, documents and other materials prepared by CCMSI in the performance of this Agreement shall be the property of OCFA and shall be delivered to OCFA upon request of the Contract Officer or upon the termination of this Agreement at no cost to OCFA, and CCMSI shall have no claim for further employment or additional compensation as a result of the exercise by OCFA of its full rights or ownership of the documents and materials hereunder. CCMSI may retain copies of such documents for its own use. CCMSI shall have an unrestricted right to use the concepts embodied therein.

7.4 Release of Documents.

CCMSI shall not release publicly any drawings, specifications, reports, records, documents or other materials prepared by CCMSI in the performance of services under this Agreement without the prior written approval of the Contract Officer.

8. ENFORCEMENT OF AGREEMENT

8.1 California Law.

This Agreement shall be construed and interpreted both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Orange, State of California, or any other appropriate court in such county, and CCMSI covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

8.2 Waiver.

No delay or omission in the exercise of any right or remedy of a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. No consent or approval of OCFA shall be deemed to waive or render unnecessary OCFA's consent to or approval of any subsequent act of CCMSI. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

8.3 Rights and Remedies are Cumulative.

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

8.4 Legal Action.

In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain injunctive relief, a declaratory judgment, or any other remedy consistent with the purposes of this Agreement.

8.5 Termination Prior to Expiration of Term.

OCFA reserves the right to terminate this Agreement at any time, with or without cause, upon thirty (30) days written notice to CCMSI, except that where termination is due to the fault of CCMSI and constitutes an immediate danger to health, safety and general welfare, the period of notice shall be such shorter time as may be appropriate. Upon receipt of the notice of termination, CCMSI shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. CCMSI shall be entitled to compensation for all services rendered prior to receipt of the notice of termination and for any services authorized by the Contract Officer thereafter.

CCMSI may terminate this Agreement, with or without cause, upon thirty (30) days written notice to OCFA.

8.6 Termination for Default.

If either party (the "non-breaching party") determines that the other party (the "breaching party") has failed to fulfill its obligations under this Agreement, it shall notify the breaching party in writing of such default. The breaching party shall have thirty (30) days, or such longer period as the non-breaching party may designate, to cure the default by rendering satisfactory performance. In the event that the breaching party fails to cure the default within such period of time, or if the default constitutes an immediate danger to health, safety or general welfare, then the non-breaching party shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice. Upon termination pursuant to this Section 8.6, OCFA may take over the work and prosecute the same to completion by contract or otherwise, and CCMSI shall be liable for any costs incurred by OCFA in connection with its selection and retention of another third-party administrator owing to CCMSI's breach and subsequent termination, and to the extent that the total cost for performance of the services required hereunder exceeds the compensation herein stipulated, provided that OCFA shall use reasonable efforts to mitigate damages.

9. OCFA OFFICERS AND EMPLOYEES; NON-DISCRIMINATION

9.1 Non-Liability of OCFA Officers and Employees.

No official, officer or employee of OCFA shall be personally liable to CCMSI, or any successor-in-interest, in the event of any default or breach by OCFA or for any amount which may become due to CCMSI or its successor, or for breach of any obligation of the terms of this Agreement.

9.2 Covenant Against Discrimination.

CCMSI covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination or segregation in the performance of or in connection with this Agreement regarding any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry. CCMSI shall take affirmative action to insure that applicants and employees are treated without regard to their race, color, creed, religion, sex, marital status, national origin, or ancestry.

10. MISCELLANEOUS PROVISIONS

10.1 Confidentiality.

During the term of this Agreement each party may obtain, be exposed to, or disclose to the other party proprietary or confidential information including, but not limited to trade secrets, copyrights, patent rights and other proprietary or restricted information, and sensitive personal information, including without limitation, claimant identification and medical records, all of which are not generally known by the public ("Confidential Information").

To the extent allowed by law, both parties shall take all necessary action to protect the confidentiality of the Confidential Information of the other party, shall hold it in strict confidence, and shall not disclose or publish or permit the disclosure or publication of it to any person or entity except for the purpose of performance under this Agreement, and only with the other party's prior written consent. Without limiting the generality of the foregoing, each party agrees to use at least the same degree of care to avoid unauthorized disclosure, use or publication of the Confidential Information as it employs with respect to its own Confidential Information.

Notwithstanding the foregoing, CCMSI has been advised and is aware that all reports, documents, information and data including, but not limited to, computer tapes, discs or files furnished or prepared by CCMSI, or any of its subcontractors, and provided to OCFA may be subject to public disclosure as required by the California Public Records Act (California Government Code Section 6250 *et. seq.*). OCFA shall not, in any way, be liable or responsible for the disclosure of any information including, without limitation, Confidential Information, if such disclosure is deemed by OCFA to be required by law or by order of the Court.

If any of CCMSI's Confidential Information is subject to a Public Records Act request, OCFA shall (i) provide to CCMSI written notice of the request (ii) provide to

CCMSI a reasonable opportunity to respond to and/or oppose such action in the appropriate forum, and (iii) take such steps as are permitted under the Public Records Act to assert in response to such request any exemptions or other protections available thereunder to prevent, restrict and/or control the public release, access and/or disclosure of Confidential Information.

10.2 Coverage and Compensability.

Subject to applicable state regulations, codes and statutes, CCMSI shall retain final decision making authority as to compensability and coverage determinations regarding the payment of benefits as required by law, and to the extent possible, within OCFA's established parameters and the terms governing CCMSI's performance of services under this Agreement.

10.3 Duty of Cooperation.

OCFA acknowledges that accurate and legally sound determinations as to compensability and the provision of benefits require cooperation and access to OCFA materials, documents, and witnesses. OCFA agrees to cooperate fully in all aspects of CCMSI's investigation in order to ensure full compliance with all applicable workers' compensation statutes.

10.4 Healthcare Authority.

Subject to applicable state regulations, codes and statutes, CCMSI and its agents have no authority to control or direct the health care services proposed for or provided to injured persons. This authority shall lie only with the injured person and his/her treating physician in any case, and those individuals may accept, reject, or modify any advisory determinations made by CCMSI or its agents, except insofar as state workers' compensation laws may require them to follow the determinations of OCFA, CCMSI, OCFA's agents, a workers' compensation judge or review panel, or another third party.

10.5 No Interference with Practice of Medicine.

Neither party to this Agreement shall attempt, directly or indirectly, to control, direct or interfere with the practice of medicine by any health care provider.

10.6 Notice.

Any notice, demand, request, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by pre-paid, first-class mail to the address set forth below. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated forty-eight (48) hours from the time of mailing if mailed as provided in this Section.

To OCFA: Orange County Fire Authority
Attention: Rhonda Haynes
1 Fire Authority Road
Irvine, CA 92602

With Copy To:
David E. Kendig, General Counsel
Woodruff, Spradlin & Smart
555 Anton Blvd. Suite 1200
Costa Mesa, CA 92626

To CCMSI: Anne Kovel, Account Executive
4370 La Jolla Village Drive, Suite 400
San Diego, CA 92122

10.7 Integrated Agreement.

This Agreement contains all of the agreements of the parties and cannot be amended or modified except by written agreement.

10.8 Amendment.

This Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing.

10.9 Severability.

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement, which shall be interpreted to carry out the intent of the parties hereunder.

10.10 Corporate Authority.

The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by so executing this Agreement the parties hereto are formally bound to the provisions of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates stated below.

"OCFA"

ORANGE COUNTY FIRE AUTHORITY

Date: _____

By: _____

Keith Richter, Fire Chief

APPROVED AS TO FORM.

ATTEST:

By: David E. Kendig
DAVID E. KENDIG
GENERAL COUNSEL

Sherry A.F. Wentz
Clerk of the Board

Date: 3/19/14

"CCMSI"

CANNON COCHRAN MANAGEMENT SERVICES, INC.

Date: 3/14/14

By: Rodney J. Golden
Rodney J. Golden
Chief Operating Officer

EXHIBIT A
RFP DC1898
CCSMI PROPOSAL

Proposal to:

Orange County Fire Authority

RFP No. DC1898

Cannon Cochran Management Services, Inc.

4370 LaJolla Village Dr., Suite 400

San Diego, CA 92122

Phone: 619-275-1146

Fax: 217-477-6337

Contact: Anne Koval, Account Executive

akoval@ccmsi.com

December 2013



www.ccmsi.com

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Relevant Experience

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2. *Comp MC, Managed Care Program*
3. *iCE, Internet Claims Edge Print Screens*
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5. *Sample Implementation Plan*
6. *Client Information Request Form*

All data and information contained herein and provided by CCMSI in response to a PROSPECTIVE CLIENT’S RFP is considered confidential and proprietary. The data and information contained herein may not be reproduced, published or distributed to, or for, any third parties without the express prior written consent of CCMSI.

delivering what matters most.



PROACTIVE RISK MANAGEMENT AND CLAIMS ADMINISTRATION SOLUTIONS

Appendix A – CCMSI's Information

APPENDIX A OFFEROR'S INFORMATION

Please complete and/or provide all requested information. If the proposal is submitted by a corporation, please provide an additional attachment that states the names of the officers who can sign an agreement on behalf of the corporation and whether more than one officer must sign. If the proposal is by a partnership or a joint venture, state the names and addresses of all general partners and joint venture parties. If the respondent is a sole proprietorship or another entity that does business under a fictitious name, the proposal shall be in the real name of the respondent with a designation following showing "DBA (the fictitious name)," provided however, that no fictitious name shall be used unless there is a current registration with the Orange County Recorder.

The undersigned, as respondent, declares that all documents regarding this proposal have been examined and accepted and that, if awarded, will enter into a contract with the Orange County Fire Authority.

Firm's Legal Name: Cannon Cochran Management Services, Inc.	
Firm Parent or Ownership: N/A	
Address: 2 E. Main Street Danville, IL 61832	
Firm Telephone No. 217-446-1089	Firm Fax No. 217-443-0927
Firm's Tax I.D. Number: 37-1057804	Incorporated: YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
Legal form of company: (partnership, corporation, joint venture) S-Type Corporation	
Length of time your firm has been in business: 36 Years	Length of time at current location: 36 Years
Number of employees, number of clients 1000+ Employees. Clients: 390+ Individual Employers, 2 Captives, 15 Primary Insurance Companies & 50 Self-Insured Groups.	

Management person responsible for direct contact with the Orange County Fire Authority and service required for this Request for Proposal (RFP).

Name and Address: Anne Koval 4370 LaJolla Village Drive, Suite 400 San Diego, CA 92122	Title: Account Executive
Telephone No.: 619-275-1146	E-mail: akoval@ccmsi.com

Person responsible for the day-to-day servicing of the account:

Name and Address: Ishmail Elahi 18881 Von Karman, Suite 380 Irvine, CA 92612	Title: Account Manager
Telephone No.: 949-474-6500	E-mail: ielahi@ccmsi.com

delivering what matters most.



PROACTIVE RISK MANAGEMENT AND CLAIMS ADMINISTRATION SOLUTIONS

Transmittal Letter

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PROACTIVE RISK MANAGEMENT AND CLAIMS ADMINISTRATION SOLUTIONS



Cover Letter

December 27, 2013

Orange County Fire Authority
Purchasing Department
1 Fire Authority Road, Building C
Irvine, CA 92602

RE: RFP No. DC1898 – Third Party Claims Administration Services

First and foremost, we thank you for the opportunity to participate in this RFP process. We are excited about the potential partnership with OFAC to further your risk management accomplishments and build a model third party claims administration program.

We hope our response to this RFP clearly displays our intense desire and capability to become one of OFAC's many long-term loyal partners. We are also an employee owned company which we believe provides a distinct advantage over our competitors in our ability to maintain a long-term client centric vision and provide our employees with a positive culture working environment that invests in their future.

We believe OFAC, like our existing clients, will see us not as a company that simply manages claims, but a true partner that delivers excellent service, superior total cost of risk savings and contributes to the health and safety of your employees.

We thank you for considering CCMSI as a prospective partner in managing this important responsibility and look forward to the opportunity to serve you in the future.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Anne Koval', written over a light grey circular stamp.

Anne Koval, Senior Account Executive
b.619.275.1146 • 619.723.9514
akoval@ccmsi.com

CANNON COCHRAN MANAGEMENT SERVICES, INC.
4370 LaJolla Village Drive, Suite 400 San Diego, CA 92122
(619) 275-1146 Fax: (217) 477-6337 www.ccmsi.com

www.ccmsi.com

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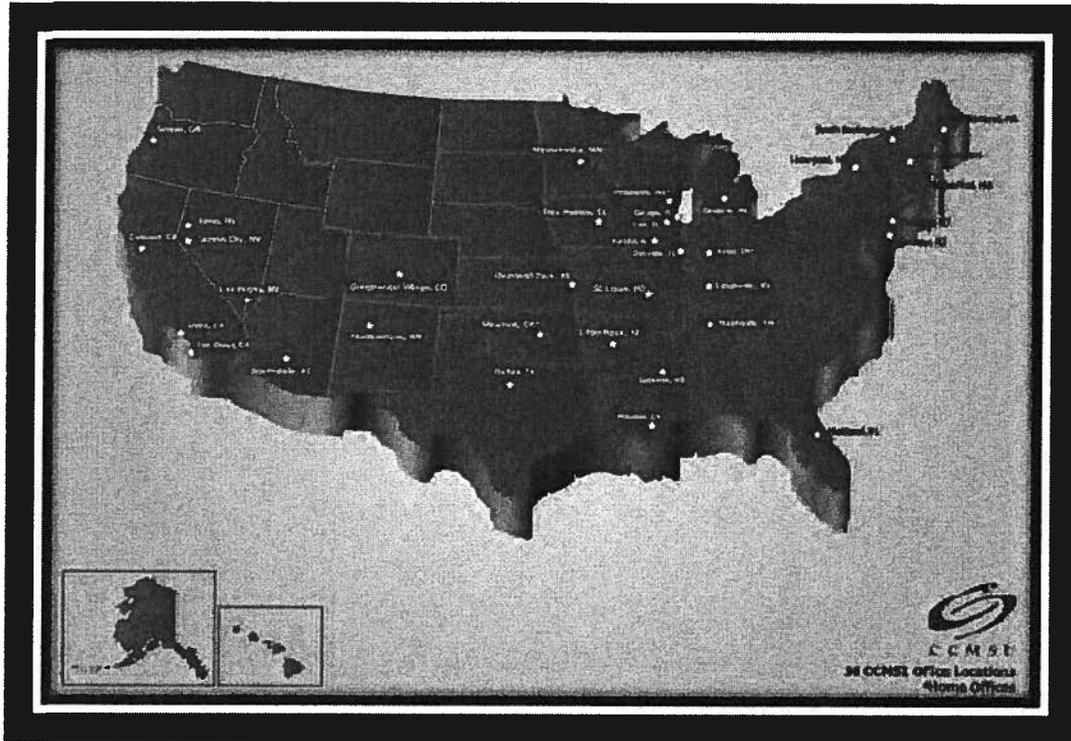
PROACTIVE RISK MANAGEMENT AND CLAIMS ADMINISTRATION SOLUTIONS

Relevant Experience

RELEVANT EXPERIENCE

Offerors shall demonstrate experience in claims administration.

Cannon Cochran Management Services, Inc. (CCMSI) was founded in 1978. Today, CCMSI provides property and casualty claims management services, including workers' compensation, liability and property from 36 office locations across the U.S.



We have successfully administered numerous individual and group self-insured programs for thousands of diverse companies of all sizes, nationwide, with a **98% client retention rate that is unparalleled in our industry.**

Over the last 30 years, CCMSI has generated controlled growth of approximately 5-10% per year.

CCMSI is a Delaware registered S-Corporation. **Our company is 100% employee owned.** Unlike other TPAs, we are not owned by an insurance carrier, broker or private equity fund; this allows us to make client-centric decisions and focus on long-term client value creation versus short-term financial performance. Our employee ownership culture allows us to attract and retain the best employees and drives our **exceptionally low turnover rate of 7%.**

We are a national TPA with annual gross revenue of \$116 million, with a workforce of over 1,000 professionals. We offer clients a wide range of risk management services including; claims administration, loss control, medical managed care and Internet based risk management information technology.



Cannon Cochran Management Services, Inc.
delivering what matters most.

We are at an optimal size, because we are still small enough to offer flexible and intimate service larger TPAs are unable to provide, yet we are large enough to offer vast resources in people, technology and other cost reduction services that smaller TPAs cannot deliver.

Please refer to Exhibit 1 – Corporate Claims Handling Best Practices, Exhibit 2 – Comp MC Managed Care Program, and Exhibit 3 – iCE, Internet Claims Edge for additional information regarding our services.

Superior Loss Cost Savings:

Benchmarking:

In order to benchmark our own performance as a TPA and the performance of our clients, CCMSI conducts industry research and maintains continual focus on the trends in risk management and claims costs. Our company has been published several times in leading risk publications including Risk & Insurance Management and Public Risk for our work related to our cost of risk strategies and benchmarking efforts.

Proven Cost of Risk Savings:

CCMSI has proven results in reducing our client's loss costs. In our past benchmarking efforts utilizing comparable industry data (not broad general data used by other TPA's to quote savings) we have established that typically our average cost per claim is between 15-20% less than that of other TPA's and bundled claims services.

Superior Claims Adjusting:

CCMSI relies on proven methodologies and outstanding adjusters to deliver the maximum loss cost savings available to our clients. We hire the best team members and provide them smaller caseloads and greater resources (such as claims assistants, superior work flow technology, etc.) than our competitors. So rather than managing an overwhelming number of claims and pushing paper, our adjusters can do what they do best which is mitigate loss costs and take care of your injured workers and claimants.

Examples of cost of risk savings for our clients:

- Vermillion County - **Reduced loss costs over 50%** from \$400,000 average total incurred to \$200,000 year over year.
- City of St Louis – In the first year CCMSI provided claims management services, we **reduced total incurred costs 34%** and closed 80% of new claims within one year.
- St. Paul Public Schools – CCMSI **reduced average cost per claim by 45.4%** compared to their prior TPA.
- New Mexico Public Schools Insurance Pool – CCMSI's average cost per claim **is 50% below the State Average.**
- Nevada System of Higher Education - Since taking over NHSE in 2006, workers' compensation costs have been **reduced from \$.70 to \$.17 per payroll dollar.**

Governmental Entity Experience:

CCMSI has extensive experience and success in delivering claims management solutions to self-insured and governmental entities. Currently over 95% of our clients are self-insured organizations and public entities comprise the largest entity class in our organization.



We recognize governmental entities have sophisticated risk management personnel and thus have high and unique expectations. We recognize in such programs the impact of claims handling, litigation and subrogation to the self-insured organization is magnified, given that all claims are paid directly by the client. Attention to detail and process is also imperative for governmental entities as all expenditures involve strict budgeting and public scrutiny. Our TPA model serves sophisticated governmental entities by delivering a high level of communication, aggressiveness and meticulous, client- specific processes.

Understanding Unique Risks – We have a thorough understanding of the risks facing a public entity such as the diversity of exposure from law enforcement, fire fighting, detention, healthcare, volunteer and administrative positions. Each of these roles from heavy physical trades to administrative functions requires a varying approach to both claims handling and return to work programs.

Unionized employees such as police or fire fighters may also require additional coordination with a city or county to accommodate benefit payments specific to union contract requirements. CCMSI adjusters work diligently to create an open line of communication with all involved parties in claim resolution efforts.

CCMSI has extensive experience with public entity accounts including over 5,000 authorities, cities, counties, school districts and states across the country. Currently, our California office locations services San Francisco Unified School District and the City of Salinas.

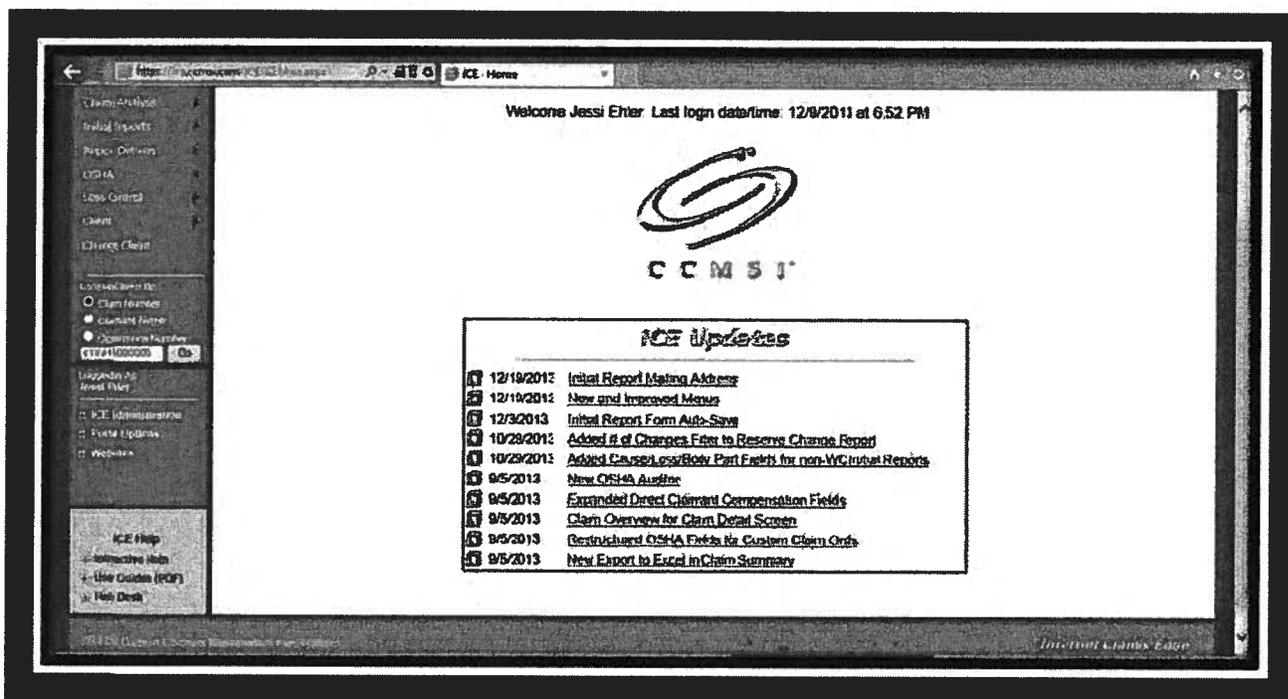


PROPOSAL QUESTIONNAIRE

About Your Firm's Management Information System

1. Describe the type of data processing hardware and software proposed for this contract. Discuss your firm's experience in using the system, whether the system is owned and operated in-house or through an agreement with another provider, the general capabilities of this system, compatibility with other existing systems for continuity of data and transferring of historical data, and any projected upgrades or changes during the term of this contract.

iCE (Internet Claims Edge) developed by in-house programmers in 1992, iCE is proprietary to CCMSI. Upgrades are seamless to our clients and listed on the home screen when logging in.



We offer superior technology that allows us to adapt the capture and reporting of data to the client's specific needs. Our technology allows the delivery of key performance metrics and analytics to measure and improve program performance. Just a few examples include our Client Dashboard Report and our new iPhone app that allows our clients to review claims data directly on their iPhone. **See Exhibit 3 for our Print Screens.** A few key features of RMIS "iCE" include:

General Features –

- 24-7 internet access to live data
- Flexible user friendly navigation
- Capacity to receive data from multitude of data sources
- Password protection with varying levels of security access
- Allow's hierarchy of up to 25 levels to track data by state, department etc.
- Ability to create customized user fields
- Ability to view all claim summary and detail
- Ability to view adjuster notes by category including; summary, medical, litigation, reserves etc.
- Ability to generate state specific First Report of Injury and other state forms in PDF



- OSHA reporting
- Medical bill and medical report viewing online
- ***iPhone app allowing the viewing of claim and summary data via iPhone***

Reporting Features –

- On-line access to monthly standard reports dating back 24 months
- User specific Executive Portal showing key data upon log-in
- Complete ad-hoc reporting capabilities including financial, claims detail and loss control data.
- Summary and detail claim reporting including drill-down capabilities
- Analytical tools including historical and current period comparisons including various graphical presentation
- Cost containment savings and fee reporting
- ***Dashboard providing key performance analytics including, file open duration, reporting lag times etc.***

Client employees and their designated representatives with appropriate access levels will be able to review all aspects of the claims file through CCMSI's Internet Based Risk Management system, iCE. The Quick Claim Look Up function, allows the user to go directly to an individual claim for review. The information outlined below can be viewed for a particular claim file, a selected group of files, (e.g. department or division,) a particular time period, or for OFAC as a whole.

Each electronic claim file is complete with commentary on the items listed below, as well as, the associated financial data. All payments made on a claim are listed on the financial transaction screens. That screen provides information on each individual payment and also contains a link to the scanned images of medical bills and reports. In addition, we offer "as of date" financial information. A simple calendar selection function allows a rollback of information to a previous date.



The following print screen details the categories viewable to OFAC for a particular claims file.

ICE

Claim # 01C23A663929 - Alnada, Penny - 10/2/2008
Alternate Claim #:

Claim Detail	Summary Text	Financial Summary	Notes	Legal	Client Details	Adjuster Details	Reserve Detail	Transaction Detail
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View/Print Multiple Pages

Claim	Status:	Open	Adjuster:	TYSON, LISA	Empl Adjuster
	Coverage Code:	FC	Supervisor:	ELAH, SHIVAL	Empl Supervisor
	Claim Type:	Bodemry	Claim Source:	Topline	
			Claim Denied:	fi	

Claimant	Name:	Alnada, Penny	Address:	1400 Cavallo Road #5 ANTIOCH, CA 94509 United States
	Phone:	925-978-9731		
	Soc Sec Num:	100-306-1099		
	Age:	43	Gender:	F
	Marital Status:	Unmarried	Date of Birth:	3/29/1965

Empl.	Date Of Hire:	7/13/2006	Job Class:	BLDG OPERATIONS - FARFIELD
	Days Per Week:	1	Avg Weekly Wage:	\$483.40
	TTD Rate:	\$322.26	PPD Rate:	\$230.00

Incident	Date Of Loss:	10/2/2008	Time of Injury:	00:00
	Loss Type:	SPRAIN/STRAIN	Body Part:	ANKLE(S)
	Cause Code:	STEPPED INTO	Entry Date:	10-2-2008 12:00:00
	Description:	STEPPED INTO A POT HOLE		
	Occurrence:			
Accident State:	CA	State of Jurisdiction:	CA	

Codes	REGION:	CALIFORNIA & PACIFIC NW	PROPERTY:	SOMERSVILLE TOWNE CENTER
	SUB-LOCATION:	NA		

Contacts	Date	UserID	Comments
	Employee:		

OFAC will have the ability to filter claims information by any or all of the following:

- Date of loss
- Date of entry
- Date closed
- Policy Holder (if applicable)
- Claimant name
- Claimant social security number
- Claim number
- Total incurred over a specific dollar amount
- Total incurred between specific dollar amounts
- Type of claim (indemnity, medical, and/or incident)
- Claim status (open, closed, pending)
- Location/State/Department, etc.
- Description codes (customized by OFAC with up to 25 possible fields)
- View claims under investigation
- View denied claims
- View claimants with 1, 2, 3, 4, 5 or more claims

Once the desired claim has been located, OFAC will have the ability to view the following information with a simple click of the mouse and download the information to Excel format:

- Claim status (open, closed, pending)
 - Claimant information (name, address, etc.)
 - Employment information (Average weekly wage, PPD rate, etc.)
 - Accident information (loss type, loss cause, accident description, etc.)
 - Detailed summary of claim facts and information
 - Contact information (claimant, client, and medical provider)
 - Ability to e-mail adjuster with any questions
 - Legal information (if applicable)
 - All adjuster log notes, which can be sorted by date, note activity, or adjuster in ascending or descending order. Adjuster log notes may include the following:
 - Action plan/diary review
 - Claimant contact and summary of conversations
 - Client contact and summary of conversations
 - Excess insurance information and reporting
 - All information obtained during the investigation process
 - A summary of all legal correspondence
 - A summary of all medical treatment
 - A summary of all medical case management activity
 - Reserve rational
 - Settlement evaluation
 - State reporting and correspondence
 - A summary of information regarding subrogation potential, and efforts to recover
 - Supervisor comments and direction to the adjuster
 - A summary of all vocational rehab activity
 - Financial and payment transaction analysis which includes the following:
 - Pie and bar charts to provide a comprehensive and visual breakdown of claim reserves and reserve development
 - Financial information valued as of a specific date
 - Payment transactions list all financial transactions. Including check number, input date, payment amount, payee name, payment status, print date, invoice number and comment
 - Medical invoices may also include a scanned image of the invoice, any related attachments such as medical records, as well as the explanation of review.
2. List your ability to provide reports as described in the Travelers Account Handling Instructions.

All handling instructions provided by Travelers including client specific are adhered to by CCMSI. This includes but not limited to: upon receipt of each new claim the adjuster will confirm policy coverage through the Traveler's EBC portal, utilizing only approved attorneys and vendors or specifically presenting a firm or company for approval, reporting of all claims to Traveler's as warranted.

CCMSI's ICE (Internet Claims Edge) risk management system is designed to provide timely, accurate and rich data for our clients. All key claims and loss control data are captured in our system, and can be retrieved via standard, and ad hoc on line reports. Based upon the desired selection criteria, ad hoc reports can be generated by the user with a few selective mouse clicks. Reports can be detailed or have simple summaries with pie charts.

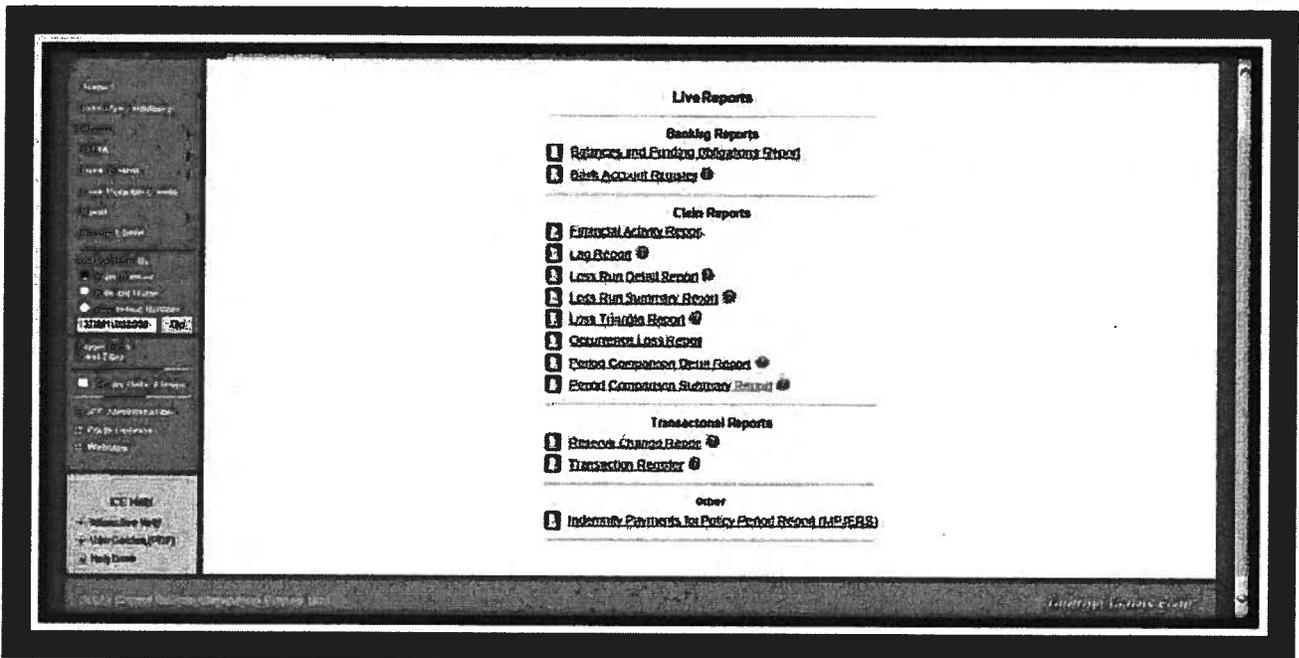


Standard Reports - CMSI over the years has developed a catalog of over 400 reports based specifically upon the requirements of our clients. The standard reports include Detail Claim Information Reports, Summary Reports at various reporting levels, Check and Payment registers, late reporting information, loss ratio reports by desired operating levels, etc. These static reports are posted on-line within 5 business days and available 24-7 within our on-line RMIS system.

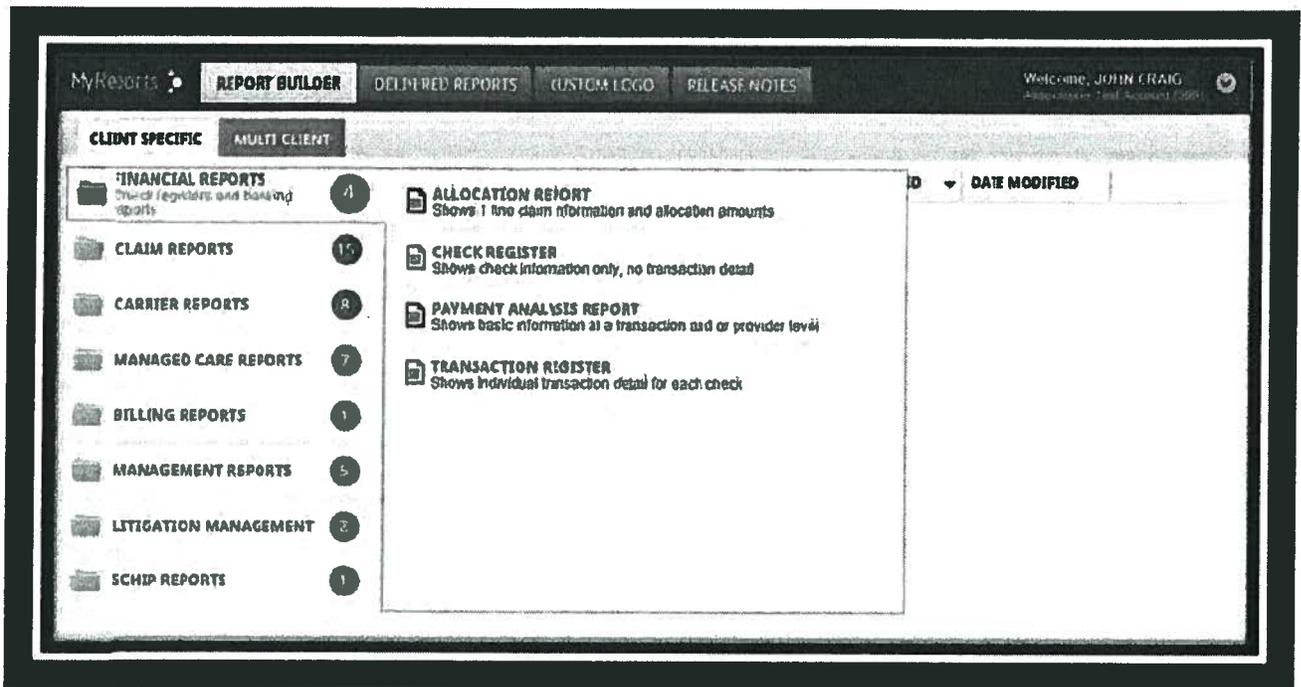
Ad hoc reporting – through iCE our clients can generate a wide array of useful ad-hoc reports with the opportunity to sort and categorize by various fields and data. Robust analytics are provided including useful charts and graphs.

Special Customized Reports – in the rare occasion our clients reporting needs cannot be met by our catalog of standard reports, or ad hoc reporting capabilities, we can custom design and develop the necessary reports to meet your needs. Our standard fee is \$125/hour for development however if the custom report requests are minimal there most likely we will not charge for this service.

Live Reports- this feature provides the 13 most commonly used reports by our clients, including detail and summary loss runs, transaction, comparative period, loss triangles and reserve change reports. These reports can be generated with user-selected periods and as of dates.



My Reports - this allows you to build a Loss Run exactly the way you want to see it. There are over 300 fields to choose from. You can choose the fields you want, the order you want them to appear, and the hierarchy that you want to have totals for. This report can then be scheduled to be run automatically on a regular basis and then emailed to you (pdf or xls) or posted to our iCE application. Our Customer Service team is available to assist you in creating these reports.



3. Describe your firm's ability to provide the OCFA with a minimum of 3 MIS user connections on existing personal computers allowing for full database access and standard/ad hoc report writing/generating.

Yes. Our system is web based so no installation is required. An Internet connection is the only requirement to access our system. To enter the system you simply go to our web page and click on the appropriate link and input your user name and ID.

4. Discuss the MIS technical support services provided by your firm. Include the location of MIS staff and how many clients are serviced from that location.

We have a staff of over 40 Information technology professionals including programmers, Data Specialists and Hardware Software Specialists, Project Managers and Reporting Analysts dedicated to this objective.

The Client's Account Manager in conjunction with our Corporate IT department will provide the client's users with their initial on-site training. A comprehensive, one day training program will provide a tutorial on all elements of the iCE system's functionality including:

- Internet claims reporting
- How to access your adjuster's electronic claim files
- How to access and download static, standard reports that we provide OFAC each month
- How to access our report library and utilize/customize existing report templates
- How to write ad hoc reports peculiar to the need of each user

Our Help Desk is located in Danville, Illinois. It is open Monday thru Friday, 8AM to 5PM, CST. Also, our Customer Service Unit is available in Metairie, Louisiana during the same hours. The claims service team is available at your disposal to assist with any support needs.

5. Provide a resume about the Claims Adjuster assigned.

OFAC's account will be serviced from our Irvine, California office location.

Account Manager – San Diego, CA
Biographical Information

Professional Experience: [REDACTED] joined CCMSI in January 2008 as an Account Manager and Regional Sales Executive located in San Diego, CA. Prior to CCMSI, she worked for Carl Warren & Company in various positions during her 15 years of employment, including over ten years of Program Management for various Municipalities, Public Entity Pools and five (5) Fortune 25 Companies.

Currently [REDACTED] is the assigned Account Manager for:

- San Francisco Unified School District
- City of Salinas
- AMD
- Apple, Inc.
- Terra SP (Agribusiness Captive)

Program Management Including:

- Account and Personnel Management: Private and Public Sector
- Oversee and manage operational issues for more than fifty five (55) National and Regional programs. Clients include from Fortune 25 corporations, Municipalities and industries such as Retail, Banking, Restaurant and High-Tech.
- Bank of America, ConAgra, McKesson Corporation, Long's Drugs, DHL, etc.
- Contacted and interacted directly with all Risk Management or the CEO, CFO or COO.
- Prepare and Implement Client Renewal Action Plans
- Prepare and Present Stewardship Reports
- Hire, train and manage support departments in various states for regional and national based clients.
- Oversee all operational issues for support of client programs.
- In charge of all financial audits internally and by client, broker, independent or carrier's
- Expert and internal/external trainer on all in house and external proprietary software applications
- Carrier due Diligence and Continued Compliance Approval
- Carrier Compliance Officer: Includes creating all written documents, IT upload interface issues and commencing oral interviews
- Manage adjusters and extensive interaction with JPA and Executive Board.
- Creation team for the on line access system, execution of roll out to internal employees and external users. SAS70 compliance operational issues team, which implemented compliance for new software applications. Proficient in "translation" from the client/broker – to the IT programmer – to our internal employees for ad hoc reports or like.
- Create and Implement Strategic Marketing Plans by Industry, Line of Business and Region
- Proposal Response, Intelligence/Team Preparation, Create/Deliver Oral Presentation
- Industry Conference Coordination/Plan, Budget, Participate

[REDACTED] is currently enrolled to complete the AIC program and has her Health & Life Insurance License. She attended Grossmont College and San Diego State University receiving a Business Administration

bachelor's degree. She continually participates in Management, Sales and Insurance Seminars and Conferences and is an active member of the San Diego RIMS chapter.

██████████
Claims Supervisor - Irvine, CA
Biographical Information

██████████ joined CCMSI in 2008. He has 20 years experience in California workers' compensation claims administration and extensive knowledge for Arizona, Nevada and Hawaii.

Currently, ██████████ provides claims supervision for the following programs:

- AMD
- Macerich
- St. John Knits
- Young's Market Company

Before joining CCMSI, ██████████ worked as a Sr. Claims Examiner for Zenith Insurance, Gallagher Bassett, Tristar Risk Management, Golden Eagle Insurance, Home Insurance, AIG, and Farmer's Insurance Group. He has handled many clients in various industries including: Wahoo's Restaurant, Hyde & Hyde, ARM (ACE USA), Continental Airlines, Yum Brand Restaurants Group, Accor Economy Lodging, Cedars-Sinai Hospital and Long Beach Memorial Hospital. He was responsible for handling complex litigated claims from inception to closure, staffing cases with senior management and managing attorneys regarding complex issues and settlement authority. He has participated in claim reviews with clients, staffed cases with in-house nurses to develop cost-effective medical management techniques, resolved claims expeditiously and cost-effectively in collaboration with in-house attorneys.

██████████ earned his Bachelor's degree in economics from the University of Texas at Austin, Texas. He also has his I.E.A. Certificate, Self-Insured Certificate, and Nevada Workers' Compensation Certificate. He is a certified I.E.A. instructor for advanced issues in workers' compensation.

██████████
Senior Claims Specialist - Irvine, California
Biographical Information

██████████ joined Cannon Cochran Management Services, Inc. as a temporary employee in July of 2012. ██████████ was offered a permanent position with CCMSI in August 2012 as a Senior Claims Specialist of the Irvine Claim Office.

██████████ is responsible for handling of workers' compensation claims for both public and private sector clients in California. She has over 15 years' experience handling both insured and self-insured employers Workers' Compensation claims.

██████████ began her career in 1995 as a Workers' Compensation Assistant and Medical Only Examiner with Sedgwick Claims Management Services, Inc. She was the dedicated Medical Only/Assistant for St. John's Hospital in Santa Monica. She was then promoted to a Claim Examiner and assigned to handle Saint John's Hospital in Santa Monica. She worked on the St. John's Hospital account for 6 years handling injuries involving simple to complex strains, injuries resulting in combative patients, exposure to virus/infections and needle stick exposure. She handled other various employers such as Home Depot, Montgomery Ward, Daughters of Charity and Cornerstone Construction. She worked at Intercare, a third party administrator, as a Senior Claims Examiner handling the County of Los Angeles account. She left Intercare to begin working

for a paperless Insurance Company, CompWest handling various small and mid-size Insured employers. After CompWest, she took an opportunity to work for Majestic Insurance who was later acquired by AM Trust. AM Trust then closed their Irvine, California operations and moved the claims to their northern and southern California offices. ██████ took an opportunity to work as a Lien Representative for a copy service, making appearances at Lien Conferences to resolve clients' liens and preparing cases for Lien Trial.

██████ attended Saddleback College completing courses in Computer Science and Business Management. She has her self-insurance license with the state of California.

6. **Methods of Billing for Cost Containment Services - Please describe your firm's banking, tax reporting, and financial process to support the self-insurance process.**

CCMSI works closely with our clients to determine specific banking needs during the initial set up. We are capable of accommodating multiple options for the funding of claims payments.

See Exhibit 4 for our Treasury Alternatives.

CCMSI will work directly with OFAC to establish appropriate funding and authorization levels, funding frequency, and reporting requirements with regard to utilization of the claim fund account. We provide detailed transaction registers requesting replenishment of the account equal to the prior month's payments. We also provide a reconciled bank statement monthly. The account can be funded via electronic funding (ACH or Wire). We will establish positive pay under most options.

We typically require an initial deposit equal to 2-3 months average monthly payments.

Transition Plan (Not applicable to current OCFA TPA Provider)

Describe your proposed transition plan for the transition of claims administration, reporting, file transfer, and processing from the current TPA that will ensure continuity of service for existing and new claims. Please include a proposed timeline schedule.

1. **Provide a detailed transition plan which will ensure the continuance of uninterrupted services to the OCFA and its injured employees. Include in this plan the name/title of the primary and alternate contact person(s), transition timeline, necessary resources for efficient transition and transition costs, if any.**

We have developed an effective transition process that will minimize any inconvenience or impact to clients and their employees.

We have included our sample **Implementation Plan as Exhibit 5**. Our detailed Implementation Plan addresses every step necessary to ensure a smooth transition for our clients. The plan highlights the owner of each activity including the client's staff to provide an understanding of your required preparation.

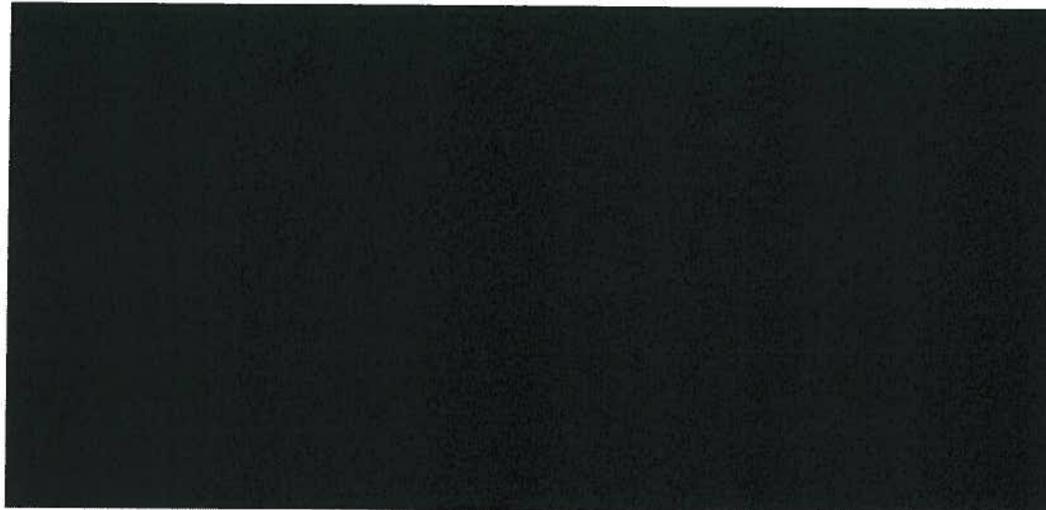
Immediately after you select CCMSI as your new TPA, we will forward our **Client Information Request Form enclosed as Exhibit 6**, which highlights the primary information necessary to begin the process.

From there, we will schedule regular weekly implementation meetings to coordinate and drive the implementation process.



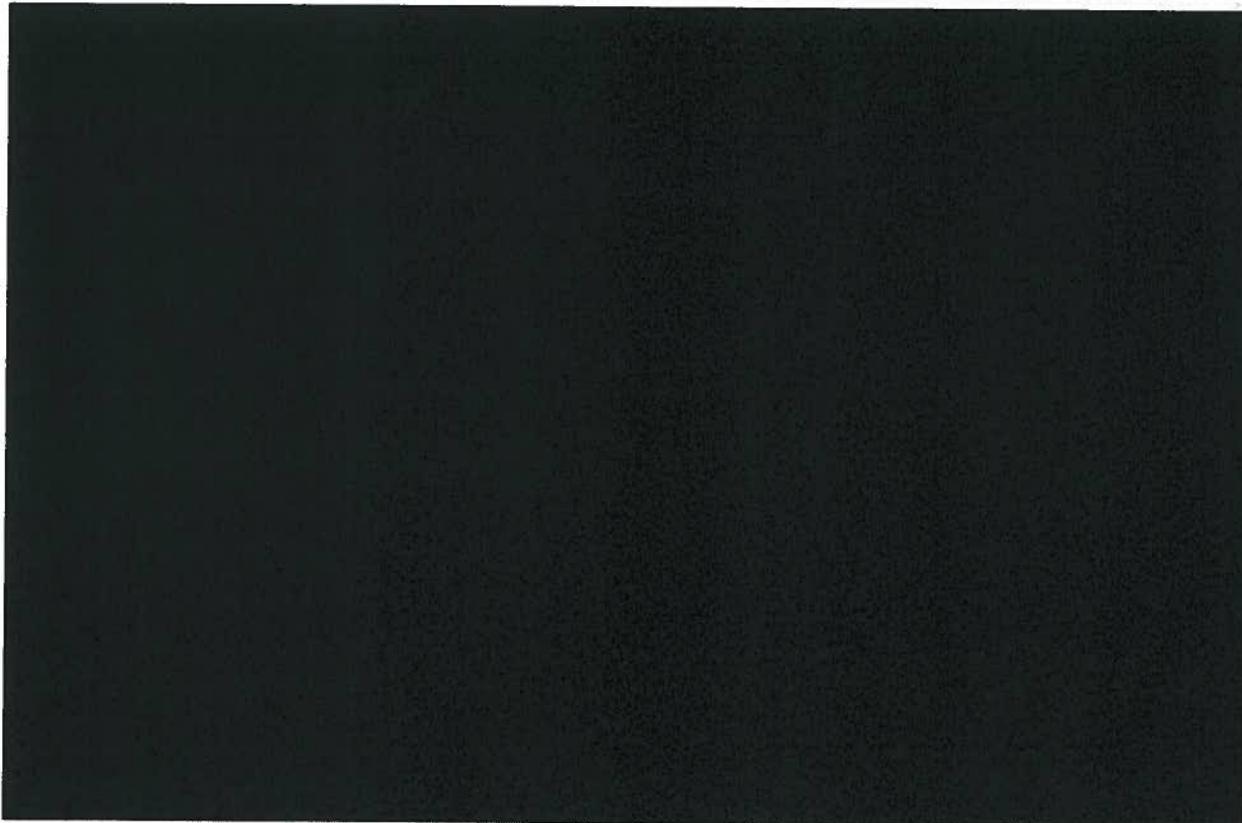
Client Time Commitment

We have prepared the following chart which highlights the key implementation areas and the required time commitment from client staff. This is the total estimated time to completion.



Smooth Transition

CCMSI recognizes a smooth implementation is vital to effectively begin a new TPA program and develop the trust of our clients and their employees. Therefore, we have the knowledge and experience to successfully implement your claims management program. *Other TPAs tout their implementation "process" while we have an excellent process; we instead tout our results and proven success.*



Implementation Team

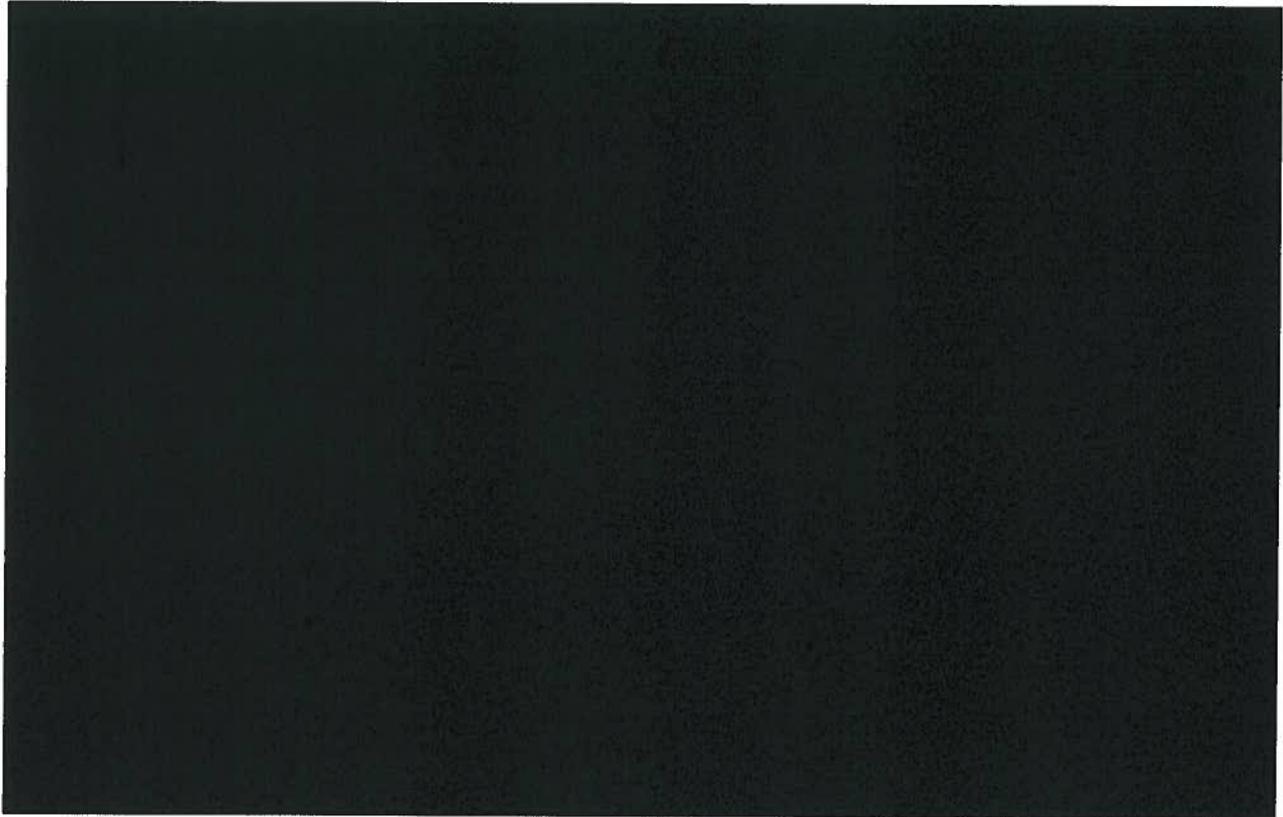
CCMSI has established the following Implementation Team inclusive of these representatives. We will also request the client to designate at least one Internal Implementation Manager to facilitate all Client resources necessary for the implementation.

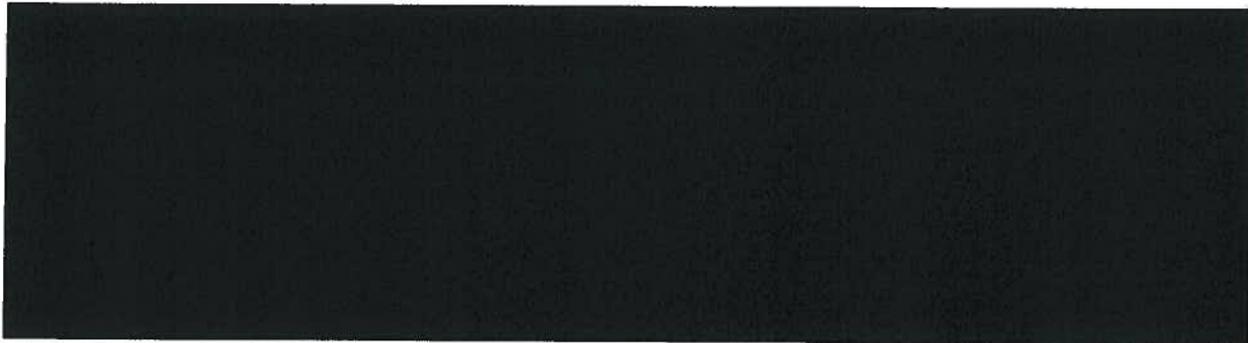
As you can see, we will utilize a cross functional team which also reaches to front line team members who will be performing the day-to-day execution within the program. This ensures that the program is implemented with universal integration between functions and that the design and implementation is designed in the most effective and practical manner from a front line team member's perspective.

Implementation Team	
Regional Vice President	
Implementation Manager	
Account Manager	
RMIS and Data Management	
Hiring Manager	
IT Reporting Manager	
Data Migration Manager	
Treasury	
Cost Containment	

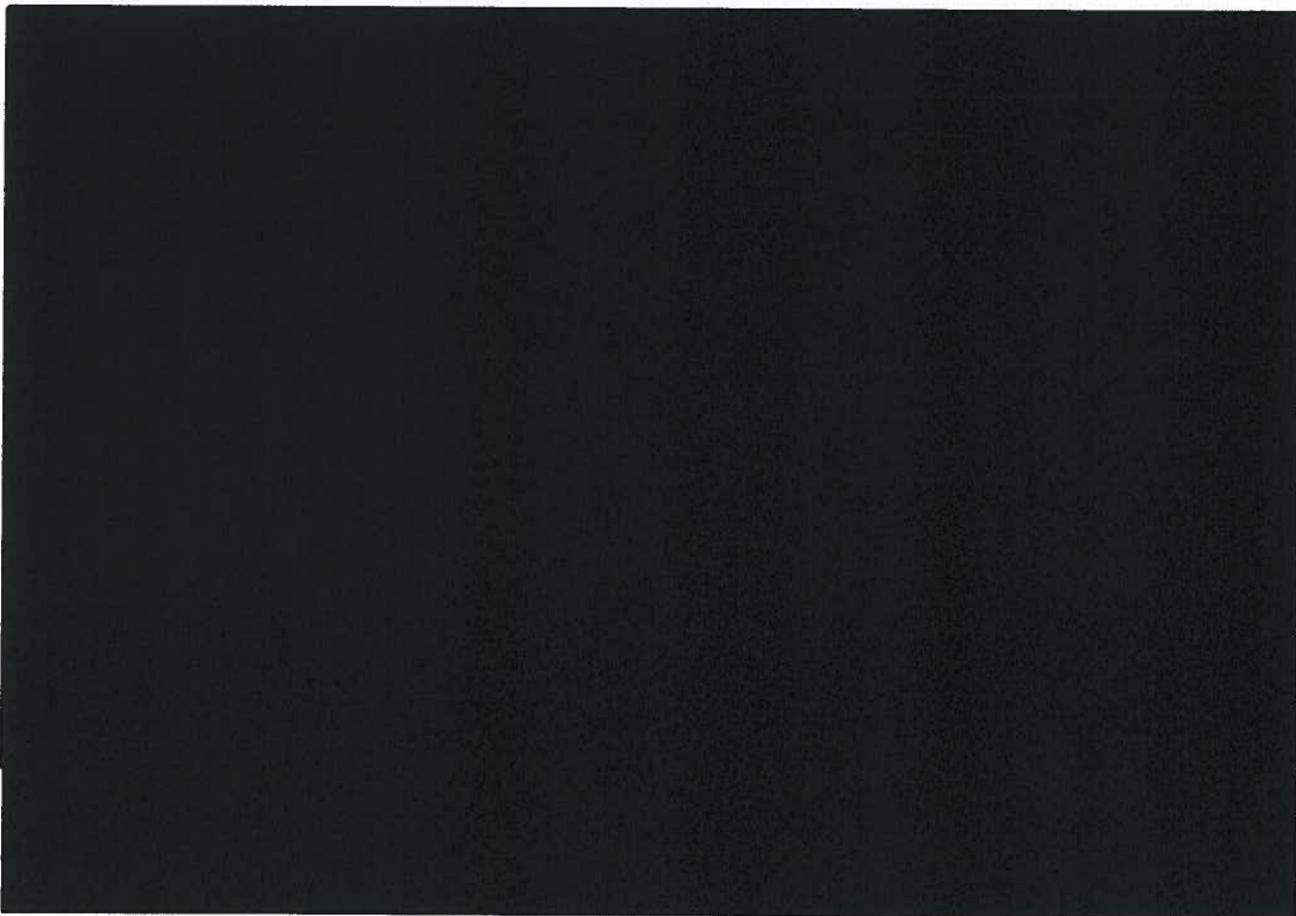
We do not utilize a dedicated implementation team model as we believe the best individuals to design and implement are the actual staff that will service your account. *Successful implementation involves high level collaboration between the team members from both companies who will work hand in hand to develop and execute the day-to-day operations.*

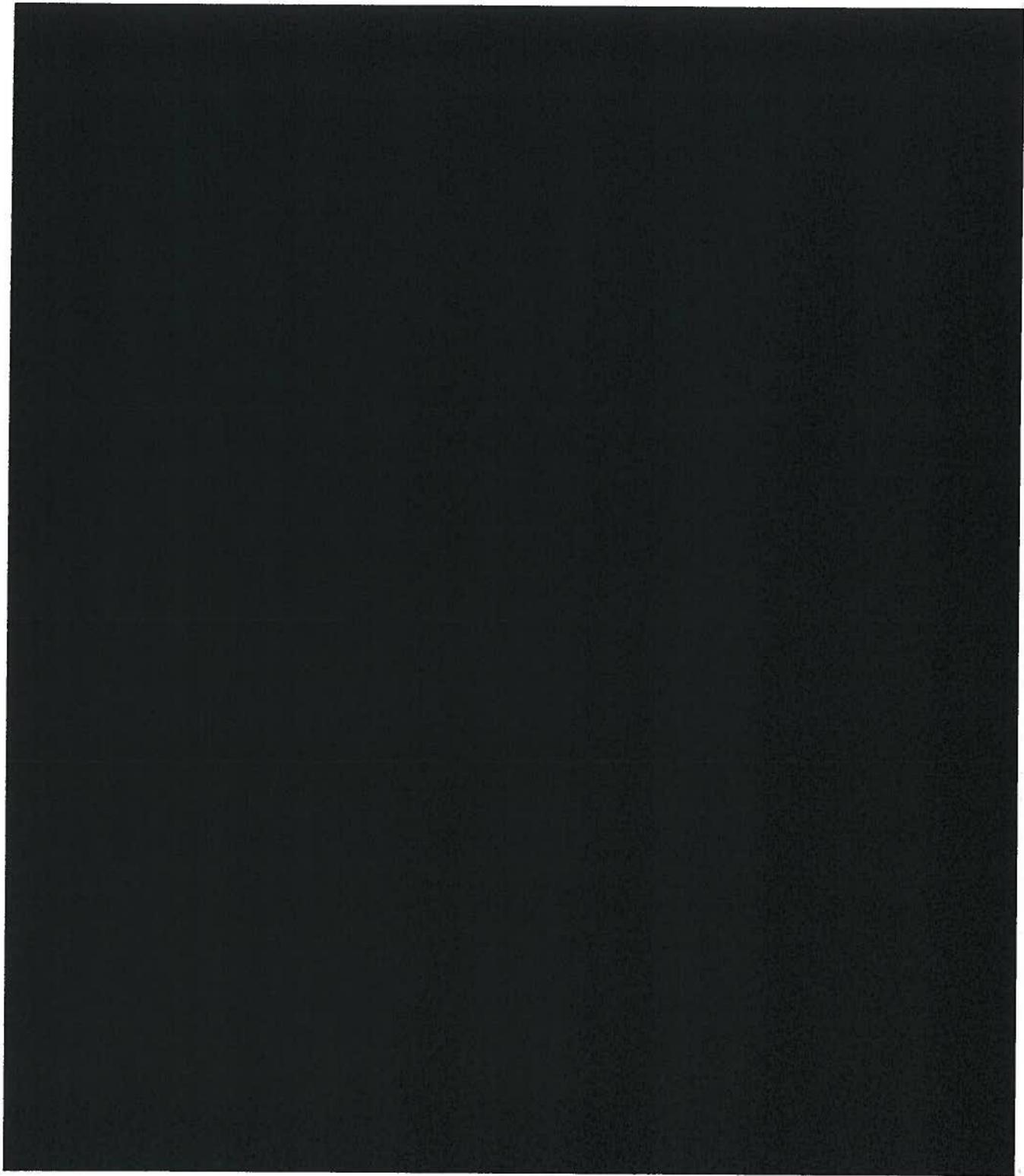
Work capacity is not an issue with our staff for two reasons: 1) CCMSI is one of the fastest growing TPAs. Therefore, we build in adequate capacity within our operational/staffing model to allow adequate time and resources to perform their daily responsibilities AND implement new clients. 2) As you can see, we have an extensive team to perform the implementation task so the Account Manager mostly coordinates the implementation but the cross-functional support staff performs the time intensive heavy lifting.





2. Describe in detail your firm's data processing and staff experience with converting claim and financial records data from former TPAs to your proposed system. Provide the client's company name, type of system converted from, contact name and phone number.





COMMUNICATION AND REPORT SAMPLES

Provide examples of status reports and/or other written information you have provided to other clients, which would be similar in scope to the report requirements stated in the scope of work as required by Travelers insurance customer service instructions.

We are in compliance with all California State DWC forms and notices in English and Spanish, including changes/additions pursuant to SB863. We have also updated our forms to comply with the new Supplemental Job Displacement benefit forms required 01/01/2014.



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PROACTIVE RISK MANAGEMENT AND CLAIMS ADMINISTRATION SOLUTIONS

Appendix B – Cost Proposal

APPENDIX B- PRICING PAGE

Proposal Costs - The fee information is relevant to a determination of whether the fee is fair and reasonable in light of the services to be provided. This section shall include the proposed costs to provide the services that your firm is able to provide. Any additional fees outside the scope of the agreement must be approved by the OCFA in writing before commencing services for said fees. Please indicate which method of pricing your firm utilizes. The costs indicated must be inclusive of all required program elements including Managed Care Services, and Bill Review/PPO Utilization Services for these claims.

Entire Administration of Claims Pricing to include any allocated and unallocated costs associated with the claim.

Specify how the base price is computed, i.e. flat fee or price per claim. Include any minimums and maximums, and any special services included in the base price.	Flat Rate/Annually, Per Month Per Open Claim, Per Claim Cost (please indicate which method your firm is using)
Flat Rate Annually	\$ Not Applicable
Per Month Per Open Claim	\$ Listed Below.
Indemnity Claim Cost	\$ \$90 (\$75 per month plus 20% administration fee)
Future Medical Claim Cost	\$ \$78 (\$65 per month plus 20% administration fee)
Any services considered to be allocated expenses and not covered under the base price. <i>*Please provide details of services and costs.</i>	Please refer to following page. \$
Cost of transitioning of claim files from existing TPA (Only applicable in the first contract year for new TPA provider).	Data Migration/client set up: \$5,000 onetime fee Claim Review: Per open or reopen transfer claim: One time charge; \$250 per claim. \$
Travelers reporting	If applicable, client will be responsible for payment of any carrier fees associated with the transition of claim handling responsibilities to CCMSI
On-site computer terminal access (licensing fee if applicable)	\$ Access to ICE (Internet Claims Edge) Up to 5 users, no charge. Each additional user; \$500 per year. Travelers and Broker access: No charge.
Special reporting (MMSEA)	\$ MMSEA \$25/Eligible Claim; onetime fee charged as ALE to file
Preparation of 1099's	\$ Included in Administration Fee
Storage of claims	\$ For claims received at time of transfer - Included in Administration Fee. For physical files closed at time of transfer, with receipt of information the fee will be a pass through cost from the offsite storage facility.
Total Annual Fee for first year	\$

Any additional information you would like OCFA to consider.

Term of Offer: It is understood and agreed that this offer may not be withdrawn for a period of **one hundred eighty days** (180 days) from the Proposal Submittal Deadline, and at no time in case of successful Offeror.

Allocated Expense

Managed Care Services/Other ALE Services	
<i>Service</i>	<i>Fee</i>
Fee Schedule, U&C Re-pricing	\$9.00 per bill
PPO Network Access	30% of savings below state fee schedule
Hospital/Specialty Review	30% of savings below state fee schedule
Pharmacy Benefit Program	15% of savings
Field Case Management*	We outsource to the vendor of clients' choice for these services. Fees are charged as ALE at <u>cost</u> to the claim file.
Telephonic Case Management*	We outsource to the vendor of clients' choice for these services. Fees are charged as ALE at <u>cost</u> to the claim file.
Utilization Review*	We outsource to the vendor of clients' choice for these services. Fees are charged as ALE at <u>cost</u> to the claim file.
State Reporting EDI	Initial Reporting \$10.00 per report; Subsequent Reports \$5.00 per report
Field Investigation	T&E \$90/hour charged as ALE to claim file
Index Bureau	\$12.30 per submission
MMSEA Section 111 Reporting	\$25/Eligible Claim; one time

- Managed care expenses, which include the services provided by comp mc, CCMSI's proprietary managed care program. Examples of managed care expenses includes but is not limited to PPO networks, utilization review, nurse case management, medical bill audits and medical bill review
- Independent medical examinations
- Fraud detection expenses, such as surveillance, which include the services provided by fire, CCMSI's proprietary Special Investigation Unit (SIU), and other related expenses associated with the detection, reporting and prosecution of fraudulent claims, including legal fees
- Attorneys, experts and special process servers
- Court costs, fees, interest and expenses
- Depositions, court reporters and recorded statements
- Independent adjusters and appraisers
- Charges associated with accident reconstruction, cause and origin investigations, etc.
- Charges for medical records, personnel documents, and other documents necessary for adjudication of claims under Client's program
- Charges associated with MMSEA Section 111 Reporting; and MSP compliance costs including lien research, Medicare Set-Aside Allocations; and Contractual Settlement Allocations
- Other expenses normally recognized as ALAE by industry standards
- Managed care expenses, which include the services provided by comp mc, CCMSI's proprietary managed care program. Examples of managed care expenses includes but is not limited to PPO networks, utilization review, nurse case management, medical bill audits and medical bill review

delivering what matters most.



PROACTIVE RISK MANAGEMENT AND CLAIMS ADMINISTRATION SOLUTIONS

Appendix C – Certification of Proposal

**Best and Final
Pricing Proposal to:**

**Orange County Fire Authority
RFP DC1898**

Cannon Cochran Management Services, Inc.

4370 LaJolla Village Dr., Suite 400

San Diego, CA 92122

Phone: 619-460-0978

Fax: 217-477-6337

Contact: Anne Koval, Account Executive
akoval@ccmsi.com

February 2014



www.ccmsi.com

APPENDIX B- PRICING PAGE

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Flat Rate Annually	\$ Not Applicable
Per Month Per Open Claim	\$ Listed Below.
Indemnity Claim Cost	\$ Indem/Settlement Discussion/C&R: \$81.60 (\$68 per month plus 20%)
Future Medical Claim Cost	\$ Future Med/Liens - \$66.00 (\$55 per month plus 20%)
Any services considered to be allocated expenses and not covered under the base price. <i>*Please provide details of services and costs.</i>	Please refer to following page. \$
Cost of transitioning of claim files from existing TPA <i>(Only applicable in the first contract year for new TPA provider).</i>	Data Migration/client set up: \$5,000 onetime fee Claim Review: Per open or reopen transfer claim: One time charge; \$250 per claim. Future Med/Lien files Only - one time charge \$150 per claim
Travelers reporting	\$ If applicable, client will be responsible for payment of any carrier fees associated with the transition of claim handling responsibilities to CCMSI
On-site computer terminal access <i>(licensing fee if applicable)</i>	\$ Access to ICE (Internet Claims Edge) Up to 5 users, no charge. Each additional user; \$500 per year. Travelers and Broker access: NO charge.
Special reporting (MMSEA)	\$ MMSEA \$25/Eligible Claim; onetime fee charged as ALE to file
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DISCUSSION CALENDAR – AGENDA ITEM NO. 12
EXECUTIVE COMMITTEE MEETING
March 27, 2014

TO: Executive Committee, Orange County Fire Authority

FROM: Keith Richter, Fire Chief

SUBJECT: **Award of Contract – Public Relations Firm (RFP No. DC1921)**

Summary:

This agenda item is submitted to discuss approval of a contract with a Public Relations firm based on the results of a formal Request for Proposal (RFP) process.

Recommended Action:

Approve and authorize the Fire Chief to execute a Professional Services Agreement with the successful Public Relations firm, as determined by the RFP process.

Background:

In our efforts to improve communications with a variety of audiences, the OCFA recently issued an RFP seeking proposals from Public Relations firms. The selected firm will work with OCFA to develop outreach plans for specific issues, targeted for various audiences, and will assist to develop communication strategies in support of specified proposals, policies and programs that promote and benefit OCFA's mission to provide fire and emergency response services to residents of Orange County.

This RFP process is currently underway with an expedited timeline. Responses to the RFP are due on March 20, 2014, and interviews of the finalists are scheduled for March 24, 2014. An updated staff report will be provided to the Executive Committee upon completion of the interviews with the finalists, and prior to the March 27, 2014, Executive Committee meeting to provide information about the firm recommended for contract award.

Impact to Cities/County:

None.

Fiscal Impact:

To be determined, following completion of the RFP process.

Staff Contact for Further Information:

Keith Richter, Fire Chief
keithrichter@ocfa.org
(714) 573-6010

Attachments:

None.