SOUTH COUNTY FIRE AUTHORITY REGULAR MEETING MINUTES

April 15, 2014, 5:30 p.m.

Council Chambers, 333 Civic Center Plaza *Web Site: www.ci.tracy.ca.us*

1. Chairperson Thoming called the meeting to order at 5:30 p.m.

2. Roll call found Directors Ahmad, Maciel, Rickman, and Chairperson Thoming present.

3. Items from the Audience - None

4. Approval of Minutes – It was moved by Director Maciel and seconded by Director Rickman to adopt the regular meeting minutes of January 21, 2014. Voice vote found all in favor; passed and so ordered.

5. ACCEPT A REPORT ON THE SOUTH COUNTY FIRE AUTHORITY EMERGENCY RESPONSE PERFORMANCE FOR THE THIRD QUARTER OF FISCAL YEAR 2013-2014 – Division Chief Steve Hanlon provided the staff report. There were a total of 1,562 incidents in the South County Fire Authority (SCFA) during the third quarter of fiscal year 2013/2014. Emergency medical service calls accounted for 75% of all of the calls the SCFA was dispatched to during the past quarter. Fire alarms accounted for 10%, fires 9%, hazardous conditions 3% and service calls 3%. During the past quarter, there were eight structure fires in the SCFA. Six of the structure fires occurred in the City of Tracy and two in the Tracy Rural Fire Protection District (Tracy Rural). There were no structure fires in the Mountain House Community Services District (MHCSD) during the quarter.

   The estimated dollar loss from structure fires in the City during the third quarter of fiscal year 2013/2014 was $473,244 (property and content loss). The majority of the fire loss for the quarter was attributed to a strip mall fire that occurred on March 26, 2014, at McKinley Village Shopping Center. Another significant fire that had a consequence to the community occurred on February 13, 2014, at the Old Lammersville School House located at Clyde Bland Park. The fire caused an estimated $35,000 in damage and displaced the Tracy Unified and Jefferson School Districts 3rd Grade Program that partners with the West Side Pioneers Association to provide children a glimpse into school life in the 1870's. Structure fire dollar loss in the rural area during the third quarter of fiscal year 2013/2014 totaled $20,500. The two fires in Tracy Rural both involved industrial facilities. One involved the large A-Frame building at the Holly Commerce Center (former Holly Sugar facility) on January 30, 2014, and the other occurred on March 18, 2014, at Teichert Aggregates near MacArthur Drive and Linne Road.

   The Department's goal is to confine residential structure fires to the room of origin or less 90% of the time. For the first three quarters of fiscal year 2013/2014 that goal was met 70% of the time in the City. There were no residential structure fires in the Rural or Mountain House areas during the second or third quarter of the fiscal year. Both jurisdictions had one residential structure fire each during the first quarter and both of those were contained to the room of origin.

The average response time for all “code 3” incident types during the third quarter of fiscal year 2013/2014 were:

* City of Tracy Incidents	4:35
* Tracy Rural Fire Protection District	7:25
* Mountain House Community Services District	5:19

The SCFA response time performance can be broken down into four time segments, “Call Processing,” “Turnout Time,” “Travel Time,” and the “Total Reflex Time”. Division Chief Hanlon indicated pages 8, 9, and 10 of the Response Performance Report displayed each of the components of time by percentage and percentile and compares them to both the desired benchmarks and to the acceptable baselines.

During the third quarter of fiscal year 2013/2014, the department responded to 41% of all emergency incidents inside of the City of Tracy within the total reflex performance objective of 6.5 minutes. The 90th percentile for all incidents in the City was 8 minutes and 57 seconds (8:57) meaning 90% of all incidents were responded to in 8:57 or less. In the third quarter of fiscal year 2013/2014 the Fire Department responded to 60% of all emergency incidents in Tracy Rural within the total reflex performance objective of 10 minutes. The 90th percentile for all incidents in the rural area was 14 minutes and 7 seconds (14:07); 90% of all incidents were responded to within 14:07 or less. Response performance in the MHCSD was 27% for all emergency incidents within the total reflex performance objective of 6.5 minutes. The 90th percentile for all incidents was 9 minutes and 48 seconds (9:48).

Staff recommended the Board of Directors accept the South County Fire Authority Response Performance Report for the third quarter of fiscal year 2013/2014.

Bob Sarvey asked which stations respond to mutual aid. Fire Chief Al Nero responded Stations 98, 94, 91, and 97 respond to requests for mutual aid.

Bob Sarvey provided a hand out and stated according to the quarterly report the percentage of rural response of the total responses of the fire district is 15%, and the 2011/2012 annual report stated that rural incurs 18% of the fire responses. Mr. Sarvey asked if the Rural District was experiencing fewer incidents over time.

Division Chief Hanlon responded there was an increase in incidents across the board. In 2007, a change was made to the way calls were being processed by the dispatch center and there was a reduction in calls. Division Chief Hanlon stated he was not sure it showed a true increase over time, or if the increase in calls was a result of the dispatching process.

Mr. Sarvey stated he was referring to the split between rural, the City of Tracy and Mountain House. Mr. Sarvey added that rural is experiencing fewer incidents and asked if that was the trend. Division Chief Hanlon stated he was not sure and would need to run a report.

It was moved by Director Maciel and seconded by Director Rickman to accept the South County Fire Authority Response Performance Report for the third quarter of fiscal year 2013/2014. All in favor; passed and so ordered.

6. ADOPT THE PROPOSED FISCAL YEAR 14/15 FIRE DEPARTMENT BUDGET FOR THE SOUTH COUNTY FIRE AUTHORITY AND REVIEW THE COST SPLIT BETWEEN THE CITY OF TRACY AND THE TRACY RURAL FIRE PROTECTION DISTRICT – Division Chief Bramell provided the staff report. The City of Tracy and the Tracy Rural Fire Protection District (Tracy Rural) are the member agencies of the South County Fire Authority (SCFA). In addition, the Mountain House Community Services District (MHCSD) contracts with Tracy Rural for fire services.

The cost distribution for fire services is calculated according to a formula that is based upon minimum staffing at stations throughout the SCFA. Services include several program areas such as fire administration, prevention, operations, and training. The cost for MHCSD is calculated first and deducted from the total with the balance then split 70%/30% respectively between the City of Tracy and Tracy Rural. New fire equipment is evenly split between the City and Tracy Rural.

According to Amendment No. 6 of the Joint Powers of Authority Agreement between the City of Tracy and Tracy Rural, minimum staffing at a relocated Station 92 (1035 East Grant Line Road) will be 3-persons per shift. Amendment No. 6 further stipulates that District will be responsible for 100% of the operational costs at relocated Station 92 upon issuance of Certificate of Occupancy or by June 30, 2015, whichever occurs later. It is anticipated that the facility construction will be completed late spring 2014. The cost of the additional three fire personnel will be borne by the City of Tracy through fiscal year 2014/2015. Effective fiscal year 2015/2016, the District will be responsible to fund 100% of the operational costs at relocated Station 92 for seven years and 10 months to satisfy a separate agreement known as the "Pre-paid Services Agreement."

The following table illustrates the staffing allocation based upon the number of crews operating in SCFA fire stations:

FISCAL YEAR 2014/2015 SCFA Cost Formula

Staffing Allocation

Number of Stations	Type of Crew	Number of Shifts	Total
5	3-person	3	45
2	2-person	3	12
Subtotal			**57**
Less Mountain House			*(9)*
Total Minimum Staffing			**48**

Of the 57 minimum staffing, included are a three person crew for Station 92 and nine for MHCSD (1 station with a three-person crew, three shifts). The MHCSD staffing has been deducted from the minimum staffing total to calculate the staffing split between the City and Tracy Rural. As a result, the total minimum staffing under the new formula is 48; 30 are allocated to the City and the remaining 18 are allocated to Tracy Rural.

Formula Calculation

Service Area	Cost Split	Calls for Service Variance	Final Cost Allocation
City	30/48 = 63%	(+7%)	70%
Tracy Rural	18/48 = 37%	(-7%)	30%

The new cost formula reflects the City's share of 63% of the minimum staffing net of MHCSD (30/48) and 37% for Tracy Rural (18/48). From this split, the adjustment of 7% is added to the City's share and 7% deducted from Tracy Rural in consideration of cost for the number of calls for service handled by the City. As such, the cost split between the City and Tracy Rural is 70% and 30% respectively. This split is calculated after deducting for MHCSD expenses.

Effective fiscal year 2015/2016, the cost formula would be revised again as the cost of the three-person crew at the relocated Station 92 would be transferred to Tracy Rural. Tracy Rural's share, less MHCSD, with the 7% adjustment would be approximately 36.75%.

On March 18, 2014, City Council and Tracy Rural Board of Directors held a joint budget workshop to review and discuss the proposed SCFA fiscal year 2014/2015 budget.

Tim Smith, Chairman of the Tracy Rural Board of Directors requested that the methodology of procuring staffing via "Supplemental Services" for Fire Station 91 be reviewed by the City of Tracy. Staff presented a report to the City Council regarding fiscal implications of dissolving the supplemental services methodology at the regularly scheduled meeting on April 1, 2014.

City Council discussed and accepted the staff report and determined to not make any changes to supplemental services for fiscal year 2014/2015. The budget as presented in the staff report remains unchanged from the proposed budget presented at the March 18, 2014, joint budget workshop.

The proposed fiscal year 2014/2015 Fire Department program budget, less equipment replacement and overhead costs, is $16.5 million, a 5.6% increase compared to the fiscal year 2013/2014 adopted budget of $15.6 million. This increase reflects inflationary operational and benefit costs, coupled with recommended budget augmentations for fiscal year 2014/2015. Proposed augmentation requests for fiscal year 2014/2015 are reflected in the table below:

Fiscal Year 2014/2015 Proposed Augmentations

FY 14/15 Proposed Augmentations	Cost
EMS Specialist (1 FTE)	$115,750
Reserve Firefighter Minimum Wage Increase	$2,950
SCBA Field Equipment	$52,770
Fire Prevention Training	$3,000
Public Education Materials	$5,000
Total	**$179,470**

Fiscal year 2014/2015 equipment replacement costs are $204,730. Built in the base budget is approximately $40,000 for emergency replacements. The total requested replacements for fiscal year 2014/2015, less the emergency funding, is $164,730.

Replacement equipment is used to provide service across the jurisdictional area of the South County Fire Authority. The reason for replacement is typically due to worn or damaged equipment that has met its useful service life or state/local mandates that dictate replacement.

Equipment replacements are acquired through Fund 605. Each agency pays annually to Fund 605 based on the annual formula, so funds can be accumulated for replacements. Fund 605 does not cover vehicles or stations, but other operational equipment. New operational equipment is split evenly between the City and Tracy Rural.

The table below reflects fiscal year 2014/2015 proposed equipment replacement costs:

FY 14/15 Proposed Equipment Replacement Requests	**Cost**
Records Management System	$48,000
Station Furnishings	$11,900
Field Generators	$11,400
Fire Hose	$15,000
SCBA Tester Unit	$5,430
Subtotal Requests	$91,730
Emergency Equipment Replacement (if necessary)	$40,000
Total	**$131,730**

The following table reflects fiscal year 2014/2015 proposed new equipment costs:

FY 14/15 Proposed New Equipment Request	**Cost**
Equipment for New Engines	$73,000
Total	**$73,000**

Fiscal year 2014/2015 overhead or indirect costs, which are shared between the City, Tracy Rural and MHCSD, are approximately $453,400.

FY 14/15 Indirect Costs	**City Share**	**TRFPD Share**	**MHCSD Share**
$453,400	$267,050	$114,710	$71,640

Below are the anticipated fiscal year 2014/2015 applicable fire expenses for the City of Tracy, Tracy Rural Fire Protection District, and MHCSD:

Year	**City of Tracy**	**TRFPD**	**MHCSD**
FY 13/14	$10.1M	$3.95M	$2.38M
FY 14/15	**$10.5M**	**$3.92M**	**$2.43M**

The fiscal impact is indicated within this report. The City of Tracy, Tracy Rural and MHCSD will each pay their proportionate share of the fire department budget based upon he adopted formula.

Staff recommended the South County Fire Authority Board of Directors review and adopt the proposed Fire Department Budget for fiscal year 2014/2015.

Bob Sarvey stated Mountain House has indicated their withdrawal from SCFA and asked if there was a contingent budget to address that possibility. Fire Chief Nero responded that the board was notified in September, 2013. Fire Chief Nero added that the contract requires a two year notification, and that will be taken into account for the fiscal year 2015/2016 budget.

Mr. Sarvey asked for confirmation that there was no potential cost split under that scenario with Mountain House pulling out. Fire Chief Nero responded not for fiscal year 2014/2015.

Mr. Sarvey asked if staff had planned beyond fiscal year 2014/2015. Fire Chief Nero responded staff would take that into account when preparing the fiscal year 2015/2016 budget.

Mr. Sarvey asked if Tracy Rural would have two stations with six firefighters each for fiscal year 2014/2015. Fire Chief Nero responded Tracy Rural are responsible for the two stations that have two people and will also be responsible for the two people at Station 92. The City will pay the cost for the third person at Station 92 through June 30, 2015.

Mr. Sarvey made an appeal to the board to reject the fiscal year 2014/2015 budget and asked the board to re-examine the cost allocations and the amount Tracy Rural owes the City. Mr. Sarvey stated the difference between the 30% that is being proposed this year and the 36.5% next year over 7 ½ years is $6,652,310. Mr. Sarvey further stated Tracy Rural allegedly owes $5.5 million, so there should be an adjustment this year. Tracy Rural will have two stations with six seats, totaling 12 firefighters out of 48. Tracy Rural should only be responsible in the future for 25%, not 36.5%. Mr. Sarvey believed a fair way to allocate cost is by the percentage of service in each area and in the historical records he provided, Tracy Rural has between 24 to 26% service and yet paid between 30 to 40 % of the budget. Mr. Sarvey stated the City of Tracy owes the Tracy Rural money if a formula is used that reflects who is getting service where.

Director Thoming asked about the $453,400 Indirect Costs. Division Chief Bramell responded that the numbers are prepared by the Finance Department. It is a proportionate share by department.

Allan Borwick, Budget Officer, responded the indirect costs are based on an allocation of the overhead costs over all the City departments and programs based on their impact and using the various services.

Director Thoming asked if the different departments within the City are allocated a certain percentage. Mr. Borwick responded yes and a certain percentage based on the usage. The overhead services are the City Clerk, City Manager, City Attorney, Human Resources and Finance.

It was moved by Director Maciel and seconded by Director Rickman to adopt the fiscal year 2014/2015 budget for the South County Fire Authority. All in favor; passed and so ordered.

7. RECEIVE AND ACCEPT THE FIRE CHIEF'S INFORMATIONAL UPDATE – Fire Chief Nero presented the report. At the April 1, 2014, special meeting of the South County Fire Authority, the Board authorized the Fire Chief to negotiate a short term Advanced Life Support agreement with the San Joaquin County Emergency Medical Services Agency and authorized the Chairman to sign the agreement.

   Fire Chief Nero stated the negotiations have concluded and the agreement will go before the Board of Supervisors on April 29, 2014, for their approval.

   Staff recommended that the South County Fire Authority Board of Directors receive and accept the Fire Chief's informational update.

   It was moved by Director Ahmad and seconded by Director Rickman to accept the Fire Chief's informational update.

8. ITEMS FROM THE AUDIENCE - None

9. Adjournment – It was moved by Director Maciel and seconded by Director Rickman to adjourn. Voice vote found all in favor; passed and so ordered. Time: 6:00 p.m.

The above are summary minutes. The above agenda was posted at Tracy City Hall on April 10, 2014.

_____
Chairperson

Attest:

_____
Secretary