

City of Brea

# Fire Service Delivery Options Assessment



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## INTRODUCTION

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

Accordingly, the Brea City Council directed staff to seek proposals from the Orange County Fire Authority (OCFA) and the Consolidated Fire Protection District of Los Angeles (LA County) for contract fire services. This action was based upon a recommendation made by a subcommittee of the Budget Strategic Planning (BSP) group, who, after an extensive study, concluded that there was a potential cost savings to the City by contracting for fire protection services, rather than maintaining an in-house fire department. However, the subcommittee further concluded that any savings could not be validated without first receiving formal proposals.

Based upon Council's direction, staff solicited, and received formal proposals from both OCFA and LA County Fire. The City Council directed that a review and analysis

of the proposals be performed along with a comparison of these proposals with the Brea Fire Department services and costs.

This report presents the City Council with five (5) options to consider in providing Fire Protection, Emergency Medical, and Hazardous Materials Services to the Community. Each of the following options was analyzed:

- Maintain the Brea Fire Department in its current configuration
- Contract with the Orange County Fire Authority
- Contract with the Consolidated Fire Protection District of Los Angeles County
- Restructure the Brea Fire Department
- Restructure the Brea Fire Department and share Command staffing with the City of Fullerton

This report discusses each of these options using evaluation criteria utilized by the previous BSP subcommittee. These criteria were approved by the City Council at a study session conducted in December 2009.

## **METHODOLOGY**

Prior to commencing the study, the Project Manager consulted with the City Manager, Personnel Services Director, and Financial Services Director in order to arrive at a common understanding of the project scope and timetable for the

performance of the analysis. A City Council study session was conducted for the purpose of validating the rating criteria to be utilized for the analysis.

Additionally, the Project Manager scheduled individual meetings with key stakeholders including the Brea Fire Chief and the President and Vice-President of the Brea Professional Firefighters' Association to gain an understanding of their specific interests with respect to the analysis.

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

To initiate the assessment, the Project Manager performed an extensive review of the proposals submitted by OCFA and LA County. Once the Project Manager developed a general understanding of the two proposals, a number of questions were formulated and transmitted to each agency for the purpose of clarifying proposal information and obtaining more specific data to aid in the analysis of service options.

Further, the Project Manager met with the Fullerton and Brea Fire Chiefs and the Brea Personnel Services Director to discuss the Chiefs' proposals for regional

cooperation between the two agencies in an alternative Brea Fire Department structure.

Utilizing the information contained in the proposals, the responses to the questions, and the financial and personnel information provided by the City of Brea, the Project Manager completed the analysis of the various options, which is presented herein for review by the Brea City Council and City Staff.

## **EXECUTIVE SUMMARY**

The Brea Fire Department, the Orange County Fire Authority, and the Consolidated Fire Protection District of Los Angeles County are all prepared to provide all-risk fire protection, emergency medical, hazardous materials, and prevention services to the City of Brea. Each agency's staff is fully qualified and trained to provide the proposed services.

While each of the options submitted by the three agencies differs, each staffing and equipment option is able to meet the necessary response times to deal with any emergency that may occur in any area of the Brea city limits, including Carbon Canyon. OCFA and LA County have a greater depth of directly controlled resources within five miles of the city limits that offer additional operational capabilities than are provided to the Brea Fire Department in its current configuration. In the event that the Brea City Council elects not to contract for fire services, future cooperative efforts with the City of Fullerton could add some additional directly controlled resources for Brea beyond those located within the city limits.

Before considering one-time start-up and staff transition costs, the Orange County Fire Authority net costs for fire services for Options 1, 2, and 3 provide savings to the City of Brea, as compared to the cost to maintain the existing Brea Fire Department structure. The Brea Fire Department alternative Options A and B also provide significant savings to the City. OCFA Option 4 and the proposal from LA County are more costly than maintaining the existing Brea Fire Department configuration.

One-time start-up costs ranging from \$371,000 to \$392,000 for OCFA and approximately \$1.3 Million for LA County would need to be absorbed by Brea in order to achieve the annual savings in future years.

Beyond the start-up costs, there will be staff transition costs consisting of transferring portions of leave banks, paying off remaining leave banks for employees transitioning to the new fire agencies, as well as paying off leave banks for those employees who will not be absorbed by the new fire agency. These costs are significant, but can be recovered from future savings in annual contract costs. These transition costs would largely be avoided by implementing Brea Fire Department Option A or B.

The operational savings to Brea on an annual basis ranges from a low of \$372,977 in year one for OCFA Option 3 to a high of \$1,451,069 in year one for OCFA Option 2. The Brea Fire Department Option A provides year one savings of \$546,938. Option B, which is the Shared Command option with Fullerton, provides savings of \$675,410 in 2010-11, based on phased implementation, and rises to \$1,048,796 in 2011-12, when the full savings from the implementation occurs.

A comparison of costs of the current Brea Fire Department structure with the OCFA, LA County and the Brea Fire Department Alternate Deployment options are presented below:

<b>OCFA Option #1</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
OCFA #1 Net Costs	9,649,408	10,069,461	10,508,358	10,966,945	11,446,107
Brea Fire Costs	11,081,729	11,605,672	12,267,109	12,883,855	13,531,328
<b>Annual Savings</b>	<b>1,432,321</b>	<b>1,536,211</b>	<b>1,758,751</b>	<b>1,916,910</b>	<b>2,085,221</b>

<b>OCFA Option #2</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
OCFA #2 Net Costs	9,630,660	10,049,870	10,487,885	10,945,550	11,423,749
Brea Fire Costs	11,081,729	11,605,672	12,267,109	12,883,855	13,531,328
<b>Annual Savings</b>	<b>1,451,069</b>	<b>1,555,802</b>	<b>1,779,224</b>	<b>1,938,305</b>	<b>2,107,579</b>

<b>OCFA Option #3</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
OCFA #3 Net Costs	10,708,752	11,176,476	11,665,188	12,175,831	12,709,393
Brea Fire Costs	11,081,729	11,605,672	12,267,109	12,883,855	13,531,328
<b>Annual Savings</b>	<b>372,977</b>	<b>429,196</b>	<b>601,921</b>	<b>708,024</b>	<b>821,935</b>

<b>OCFA Option #4</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
OCFA #4 Net Costs	11,391,011	11,889,436	12,410,232	12,954,402	13,522,999
Brea Fire Costs	11,081,729	11,605,672	12,267,109	12,883,855	13,531,328
<b>Annual Savings</b>	<b>-309,282</b>	<b>-283,764</b>	<b>-143,123</b>	<b>-70,547</b>	<b>8,329</b>

<b>LA County</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
LA County Net Costs	11,288,642	11,891,330	12,527,068	13,197,671	13,905,053
Brea Fire Costs	11,081,729	11,605,672	12,267,109	12,883,855	13,531,328
<b>Annual Savings</b>	<b>-206,913</b>	<b>-285,658</b>	<b>-259,959</b>	<b>-313,816</b>	<b>-373,725</b>

<b>Brea Option A</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
Brea Option A Net Costs	10,534,791	11,058,734	11,720,171	12,336,917	12,984,390
Brea Fire Costs	11,081,729	11,605,672	12,267,109	12,883,855	13,531,328
<b>Annual Savings</b>	<b>546,938</b>	<b>546,938</b>	<b>546,938</b>	<b>546,938</b>	<b>546,938</b>

<b>Brea Option B</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
Brea Option B Costs	10,406,319	10,556,876	11,218,313	11,835,059	12,482,532
Brea Fire Costs	11,081,729	11,605,672	12,267,109	12,883,855	13,531,328
<b>Annual Savings</b>	<b>675,410</b>	<b>1,048,796</b>	<b>1,048,796</b>	<b>1,048,796</b>	<b>1,048,796</b>

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

<b>Option</b>	<b>Station 1</b>	<b>Station 2</b>	<b>Station 3</b>	<b>Station 4</b>	<b>Total Positions</b>
<b>Brea Fire</b>	Paramedic Engine(4)	BLS Truck (3) BLS Engine(3) Battalion Chief(1)	Paramedic Engine(4)	Type 3 Engine with 1 Full-time Engineer (cannot respond alone to calls)	14 Full-Time 2 Part-Time  4 Paramedics
<b>Brea Options</b>	Paramedic Engine (4)	BLS Engine/Truck (4) Battalion Chief(1)	Paramedic Engine(4)	Private Ambulance(2)	13 Full-Time 2 Part-Time EMTs  4 Paramedics
<b>OCFA Option 1</b>	PAU Truck (4)	Paramedic Engine (4)	Paramedic Engine (4)	Closed	12 Full-Time  5 Paramedics
<b>OCFA Option 2</b>	PAU Truck (4)	BLS Engine (3) Paramedic Van(2)	PAU Engine (3)	Closed	12 Full-time  4 Paramedics

<b>OCFA Option 3</b>	PAU Truck (4)	Paramedic Engine(4)	PAU Engine(3)	Paramedic Squad(2)	13 Full-Time 6 Paramedics
<b>OCFA Option 4</b>	PAU Truck (4)	BLS Engine (3) Paramedic Van (2)	PAU Engine (3)	Paramedic Squad (2)	14 Full-Time 6 Paramedics
<b>LA County</b>	PAU Engine (3)	PAU Quint(4) Paramedic Squad (2)	PAU Engine (4) Patrol	Closed	13 Full-Time 5 Paramedics

OCFA and LA County have different policies for dealing with existing sworn and non-sworn Brea Fire Department personnel. Both agencies will absorb all the sworn fire personnel that meet basic requirements, but will only transfer the employees in rank that they require to serve Brea. All others will be offered positions as Firefighters. LA County will blanket all transferring employees and will “Y-Rate” them, meaning they will not lose any salary. However, OCFA does not Y-Rate, unless the City wants to pay for that benefit, and will bring in transferring employees at the step in the position salary range that most closely matches their current salary. Neither agency will commit to absorbing the non-sworn civilian employees, resulting in layoffs, with the exception of one (1) Fire Prevention Officer to be hired by OCFA.

If the City chooses to contract for fire services, the Brea City Council will have to give up some of the direct control of policy and budget. OCFA offers some policy and budget role for the City since it is organized as a Joint Powers Authority (JPA), meaning that each member agency has a seat on the JPA Board of Directors and has an equal vote in policy matters. The Consolidated Fire Protection District of Los Angeles County is a Special District and is governed by the LA County Board of

Supervisors. Therefore, no policy or budget role is provided for the Brea City Council. However, both contract agencies propose long-term contracts with cost containment provisions that should mitigate some of the issues associated with a reduced governance role. Brea Fire Department Option B would provide for shared governance of fire services.

Finally, both contract agencies do provide an organizational structure that assures regular communication on operational and budget matters, and do an excellent job in resolving any issues that may arise with their contract cities.

## **FIRE AGENCY DESCRIPTION**

### **Brea Fire Department**

The Brea Fire Department is a department within the City of Brea structure, which is a municipal corporation, incorporated in 1917, operating under the Council-Manager form of government. The Fire Chief is appointed and supervised by the City Manager. The Brea City Council is the governing body and exercises policy and budget control for the City as a whole including the Brea Fire Department. The Brea Fire Department serves approximately 40,176 residents within its geographical boundaries of 12.4 square miles. Brea's Fire Department provides fire protection, emergency medical services, and fire prevention services within the City of Brea. Brea's Fire Department consists of 53 employees who provide administrative services as well as staffing for the four fire stations. The Department has 46 sworn career firefighters. Of the 46 sworn personnel, 16 are licensed paramedics.

## **Orange County Fire Authority**

The Orange County Fire Authority is a Joint Powers Authority, formed in 1995, for the purpose of providing regional fire protection services to its 23 member agencies, consisting of 22 Orange County cities, and the County of Orange. The Governing Board consists of one representative appointed by every member city, along with two members of the Orange County Board of Supervisors, each of which has an equal vote on the Governing Board. The Board appoints the Fire Chief, and exercises policy and budget control. The Fire Authority is staffed with 841 firefighters, 41 fire management staff, 276 non-safety staff, and 495 reserve (volunteer) personnel who currently serve 1.4 million residents in an area of 550 square miles.

## **Consolidated Fire Protection District of Los Angeles County**

The Consolidated Fire Protection District of Los Angeles County was established in 1949 and is a Special District under California law. Pursuant to California Government Code Section 55632, the Board of Supervisors of Los Angeles County is the governing body for the District. The Board appoints the Fire Chief and exercises policy and budget control. The District serves approximately 4.14 million people in 58 cities and all of the unincorporated areas of Los Angeles County, including the City of La Habra in Orange County. The District operates 170 fire stations with 163 staffed engine companies; 32 ladder truck companies, which include 19 quints that have both pumper and ladder truck features; 5 light forces, which are comprised of both an engine and truck company that respond in tandem; 4 hazardous materials response

squads; 2 urban search and rescue task forces; 3 staffed paramedic air squads; and 67 paramedic rescue squads.

## **BREA FIRE DEPARTMENT STAFFING AND COSTS**

The Brea Fire Department provides fire prevention, inspection, plan check, emergency preparedness, and education using non-sworn staff that operates in the Brea Civic and Cultural Center, and operates 4 fire stations with sworn staffing and equipment as follows:

### **Summary of Brea Fire Station Staffing**

Station 1	Station 2	Station 3	Station 4	Total Positions
Paramedic Engine(4) <sup>1</sup>	BLS Truck (3) BLS Engine(3) Battalion Chief(1)	Paramedic Engine(4)	Type 3 Engine with 1 Full-time Engineer (cannot respond alone to calls)	14 Full-Time <sup>2</sup> 2 Part-Time  4 Paramedics

### **Brea Fire Cost Methodology**

In order to give the City Council the best possible estimate of the cost of maintaining the Brea Fire Department, it is important to calculate the net cost of providing the services. The Fire Department budget is only one cost component. Other departments also incur on-going costs in support of an in-house Fire Department, and there are certain major capital costs that will be incurred to maintain an in-house fire function, which are not contained in the Fire Department budget. These include

<sup>1</sup> Brea Paramedic Engine staffing = 2 full-time paramedics +1 full-time firefighter + 1 part-time Apprentice Firefighter

<sup>2</sup> One of the full-time positions is a Battalion Chief not assigned to an Engine or Truck Company

replacement of major apparatus that will be lease-purchased, as well as the replacement of other fixed assets. Similarly, the Brea Fire Department generates revenue from their plan-check and inspection services, as does the Development Services Department, directly related to fire activities. The generation of these revenues offset a portion of the cost of providing the services and therefore is credited to the Fire Department.

The Brea Financial Services Department projected percentages in the growth of the fire-related component for the 5-year period commencing with the 2010-11 fiscal year. The projected costs for maintaining the Brea Fire Department in its current configuration are depicted in the table below:

### **Brea Fire Department 5-Year Cost Projection**

	2010-11	2011-12	2012-13	2013-14	2014-15
Fire Budget <sup>3</sup>	11,095,270	11,539,081	12,116,035	12,721,837	13,357,928
City Costs <sup>4</sup>	257,917	263,075	273,598	284,542	295,924
Fire Pumper Lease		74,974	74,974	74,974	74,974
Fixed Asset Costs			73,960	73,960	73,960
Fire Revenue	(228,371)	(228,371)	(228,371)	(228,371)	(228,371)
Dev. Svs Revenue	(43,087)	(43,087)	(43,087)	(43,087)	(43,087)
<b>NET COSTS</b>	<b>11,081,729</b>	<b>11,605,672</b>	<b>12,267,109</b>	<b>12,883,855</b>	<b>13,531,328</b>

<sup>3</sup> Assumes annual increases of 2% for 2010-11, 4% for 2011-12, and 5% for fiscal years 2012 through 2015

<sup>4</sup> Assumes annual increases of 1% for 2010-11, 2% for 2011-12, and 4% for fiscal years 2012 through 2015

## ORANGE COUNTY FIRE AUTHORITY STAFFING AND COSTS

The Orange County Fire Authority provided four (4) different options for serving the City of Brea. Assuming that the Council elects to contract for fire services, there are certain costs that the City will continue to incur for services currently provided by the Brea Fire Department that will not be provided by either contract service provider. Specifically, the City will need to retain its Emergency Preparedness function. While OCFA will provide resources in the City EOC to liaise with other City services in the event of an emergency, the OCFA proposal does not include Emergency Preparedness planning or coordination for the City as a whole.

Additionally, the revenues that are currently generated by the Brea Fire Department and the Development Services Department will no longer be available, and are therefore added to the cost of the OCFA options. The proposed station staffing and equipment configuration and the estimated costs for each of the four options are summarized below:

### Summary of OCFA Fire Station Staffing

	Station 1	Station 2	Station 3	Station 4	Total Positions
<b>OCFA Option 1</b>	PAU Truck (4) <sup>5</sup>	Paramedic Engine (4) <sup>6</sup>	Paramedic Engine (4)	Closed	12 Full-Time 5 Paramedics
<b>OCFA Option 2</b>	PAU Truck (4)	BLS Engine (3) Paramedic Van(2) <sup>7</sup>	PAU Engine (3) <sup>8</sup>	Closed	12 Full-time 4 Paramedics

<sup>5</sup> OCFA PAU Truck staffing = 1 full-time paramedic + 3 full-time Fire Personnel

<sup>6</sup> OCFA Paramedic Engine staffing = 2 full-time paramedics + 2 full-time Fire Personnel

<sup>7</sup> OCFA Paramedic Van staffing = 2 full-time paramedics

<sup>8</sup> OCFA PAU Engine staffing = 1 full-time paramedic + 2 full-time Fire Personnel

<b>OCFA Option 3</b>	PAU Truck (4)	Paramedic Engine(4)	PAU Engine(3)	Paramedic Squad(2) <sup>9</sup>	13 Full-Time 6 Paramedics
<b>OCFA Option 4</b>	PAU Truck (4)	BLS Engine (3) Paramedic Van (2)	PAU Engine (3)	Paramedic <sup>10</sup> Squad (2)	14 Full-Time 6 Paramedics

### OCFA 5-Year Cost Projection

OCFA Option #1	2010-11	2011-12	2012-13	2013-14	2014-15
OCFA Fire Budget	9,247,660	9,663,804	10,098,675	10,553,116	11,028,006
City Retained Costs	130,290	134,199	138,225	142,371	146,643
Fire Revenue Loss	228,371	228,371	228,371	228,371	228,371
Dev. Svcs. Revenue Loss	43,087	43,087	43,087	43,087	43,087
<b>Net Costs</b>	<b>9,649,408</b>	<b>10,069,461</b>	<b>10,508,358</b>	<b>10,966,945</b>	<b>11,446,107</b>

OCFA Option #2	2010-11	2011-12	2012-13	2013-14	2014-15
OCFA Fire Budget	9,228,912	9,644,213	10,078,202	10,531,721	11,005,648
City Retained Costs	130,290	134,199	138,225	142,371	146,643
Fire Revenue Loss	228,371	228,371	228,371	228,371	228,371
Dev. Svcs. Revenue Loss	43,087	43,087	43,087	43,087	43,087
<b>Net Costs</b>	<b>9,630,660</b>	<b>10,049,870</b>	<b>10,487,885</b>	<b>10,945,550</b>	<b>11,423,749</b>

OCFA Option #3	2010-11	2011-12	2012-13	2013-14	2014-15
OCFA Fire Budget	10,307,004	10,770,819	11,255,505	11,762,002	12,291,292
City Retained Costs	130,290	134,199	138,225	142,371	146,643
Fire Revenue Loss	228,371	228,371	228,371	228,371	228,371
Dev. Svcs. Revenue Loss	43,087	43,087	43,087	43,087	43,087
<b>Net Costs</b>	<b>10,708,752</b>	<b>11,176,476</b>	<b>11,665,188</b>	<b>12,175,831</b>	<b>12,709,393</b>

<sup>9</sup> OCFA Paramedic staffing = 2 full-time paramedics. Requires replacement of existing station 4 with a single or double-wide trailer and vehicle shelter at an estimated cost of \$287,500 + the cost of annual lease.

<sup>10</sup> Requires replacement of existing Station 4 with trailer and vehicle shelter @ \$287,500 + annual lease cost

OCFA Option #4	2010-11	2011-12	2012-13	2013-14	2014-15
OCFA Fire Budget	10,989,263	11,483,779	12,000,549	12,540,573	13,104,898
City Retained Costs	130,290	134,199	138,225	142,371	146,643
Fire Revenue Loss	228,371	228,371	228,371	228,371	228,371
Dev. Svcs. Revenue Loss	43,087	43,087	43,087	43,087	43,087
<b>Net Costs</b>	<b>11,391,011</b>	<b>11,889,436</b>	<b>12,410,232</b>	<b>12,954,402</b>	<b>13,522,999</b>

## LA COUNTY STAFFING AND COSTS

The Consolidated Fire Protection District of Los Angeles County (LA County) provided one option for serving the City of Brea. As described earlier in this report, there will be costs associated with the City of Brea retaining the Emergency Preparedness function and loss of fees currently collected by the Brea Fire and Development Services

The proposed LA County station staffing and equipment configuration and estimated costs are described below:

### Summary of LA County Fire Station Staffing

Station 1	Station 2	Station 3	Station 4	Total Positions
PAU Engine (3) <sup>11</sup>	PAU Quint(4) <sup>12</sup> Paramedic Squad (2) <sup>13</sup>	PAU Engine (4) Patrol	Closed	13 Full-Time  5 Paramedics

<sup>11</sup> LA County PAU Engine Staffing = 1 full-time Paramedic + 2 or 3 full-time Fire Personnel

<sup>12</sup> LA County PAU Quint Staffing = 1 full-time Paramedic + 3 full-time Fire Personnel

<sup>13</sup> LA County Paramedic Squad Staffing =2 full-time Paramedics

## LA County 5-Year Cost Projection

LA County	2010-11	2011-12	2012-13	2013-14	2014-15
LA County Budget <sup>14</sup>	10,886,894	11,485,673	12,117,385	12,783,841	13,486,953
City Retained Costs	130,290	134,199	138,225	142,371	146,643
Fire Revenue Loss	228,371	228,371	228,371	228,371	228,371
Dev. Svcs. Revenue Loss	43,087	43,087	43,087	43,087	43,087
<b>Net Costs</b>	<b>11,288,642</b>	<b>11,891,330</b>	<b>12,527,068</b>	<b>13,197,670</b>	<b>13,905,054</b>

### START -UP/CONVERSION COSTS

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

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

<sup>14</sup> Assumes a 5.5% increase in annual costs

remaining vehicle fleet would continue to be owned by Brea and could be sold to partially offset the transition costs.

LA County identified the vehicles necessary for District operation in the City which would be accepted at no cost, and also identified vehicles that would not be directly needed to serve the City, but would be accepted by the District for Conversion Cost Credit. The value of these vehicles would need to be negotiated with the District. The remaining Brea fleet could be sold and utilized to pay a portion of the transition costs.

## **Orange County Fire Authority**

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

**Total with 3 Stations = \$289,580 to \$371,097**

**Total with 4 Stations = \$304,955 to \$391,672**

The above cost estimates include improvements and purchases that would be necessary in advance of OCFA assuming operations in Brea. OCFA also identified several issues in the proposal that, while not in immediate need for correction, are future needs that will require funding and would be discussed and agreed upon between Brea and OCFA. The identified issues have the potential to add significant additional future costs. However, many of these issues would need to be addressed

as part of the City's maintenance program whether or not the Brea Fire Department is maintained, or contract fire services are provided.

## **LA County Fire**

Start-up costs would include facility improvements, Communications equipment, modifications to Brea vehicles that will be accepted by the District, Fire Equipment, Personal Protective Equipment and Uniforms, Medical Equipment and other miscellaneous items.

The estimated conversion cost for the above items is:

**Total with 3 Stations = \$1,271,883**

Based upon a recent letter received from their Fire Chief, LA County no longer offers the option of amortizing the conversion costs over 60 months. All conversion costs would need to be paid upon commencement of the contract.

## **City of Brea Fire Department Options**

With either the Brea Fire Department Option A staffing option, or the Brea/Fullerton Option B, no significant start-up or conversion costs are anticipated since all existing Fire Equipment, Personal Protective Equipment and Uniforms, Medical Equipment, and Communications Equipment are expected to be retained.

## **STAFF TRANSITION POLICIES AND COSTS**

The City of Brea Fire Department provides its services with a complement of sworn safety and non-sworn employees. The sworn personnel provide Fire Suppression and Paramedic Services, while the non-sworn employees provide Fire Prevention, Emergency Preparedness, Public Education, and Weed Abatement programs as well as general administrative duties. Should the City Council choose to contract for fire services or redeploy existing staff, it will impact the existing employees. Each of the contract fire agencies has established policies which govern who and how transitioning employees are absorbed into the new organization. The Brea redeployment proposal mirrors those changes.

It should be noted that while both OCFA and LA County will absorb all safety personnel that meet basic criteria, there is no commitment to offer positions for the non-sworn Brea personnel. This means that unless the City of Brea is prepared to offer these employees positions in other parts of the City organization, which may be difficult given the current budget constraints, layoffs of the non-transitioning employees will be necessary.

If the City contracts with OCFA or LA County, it will be responsible for the cost of accrued benefits that have been earned by Brea employees who are leaving the organization. For those employees being absorbed into one of the contract fire agencies, the City would be responsible for the cost of transferring a portion of the leave banks to that agency and paying off any remaining balance of vacation and compensated time. Any employee being laid off would also be entitled to a payoff of any of these leave balances. The Brea Financial Services Department provided an

estimate of these transition costs which is included in this section. These costs would be in addition to the start-up costs identified in the previous section.

The proposing agencies have different policies for absorbing transitioning personnel which are described below:

## **OCFA**

The OCFA will hire all full-time sworn Brea Fire Department employees based upon their rank held on July 1, 2009, subject to certain conditions. Proposed current employees for hiring include 46 safety personnel, and 1 non-sworn prevention personnel. This includes 1 Fire Chief, 2 Division Chiefs, 3 Battalion Chiefs, 13 Fire Captains, 15 Engineers, 12 Firefighters and 1 Fire Prevention Officer (non-sworn).

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

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

For the Brea Fire safety personnel who have the most seniority, and will therefore transition to the same rank, there will be no negative financial impact, since the

OCFA salary ranges for comparable Brea Fire ranks are approximately 5% higher. However, for those employees who do not fall into that category, there will be a reduction in salary as a result of the transition to OCFA.

Depending upon the option selected, OCFA would need from 9 to 12 Captains, 9 to 12 Engineers, 9 to 12 Firefighter Paramedics, and 6 to 9 Firefighters. As a result, the Fire Chief, Battalion Chiefs, and a number of Captains and Engineers, depending upon their seniority will be transitioned at least one rank below, and in some cases, two or more below their current positions.

OCFA will hire one Fire Prevention Officer and will consider as part of negotiations, hiring a second Fire Prevention Officer. Existing Apprentice Firefighters and non-sworn full-time and part-time Brea Fire Department personnel will not be absorbed and will be subject to layoff. This would involve approximately 22 employees.

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

OCFA suggests that a 120-hour sick leave bank be established for all transitioning employees. This is an option that the City can choose not to exercise. The estimated cost from the Brea Financial Services Department for providing the benefit is approximately \$178,000. These costs will not have to be paid up-front, but are billed to the City as the transitioned employees use the bank. OCFA is open to negotiating the frequency of billing for this benefit.

## **LA County**

The District would offer employment to all full-time sworn Fire personnel, subject to a medical examination, drug screen, and an appropriate personnel review prior to acceptance of District employees.

Firefighting personnel with less than six months of service with the City and Apprentice Firefighters would not be brought in as District employees. Appointment of non-uniformed civilian employees would not be guaranteed and would be subject to District needs and negotiation.

District policy is to accept only as many officers and other promoted personnel as there are positions created within the District as a result of the City's contracting with the District. All other positions would be blanketed in as Firefighters. The District would Y-Rate all transitioning sworn personnel, resulting in no reduction in salaries.

The City would be required to transfer to the District for each employee, to the extent the employee is entitled to such benefit time in City employment, a maximum of 20 vacation days, and 12 sick leave days. The estimated cost for providing that benefit is \$770,900.

## **BREA RESPONSIBILITY FOR PHASE-OUT OF PERS RETIREMENT COSTS**

The estimated savings for Brea in transferring services to either OCFA or LA County includes the amount that would have been paid for active employee retirement contributions to CalPERS. That is, for the first two years Brea would not be making any payroll-related contributions for those former (now current) employees.

However, after two years, CalPERS will adjust the employer contribution rate for Brea safety employees to reflect the lower payroll, which will result in an increased rate on the remaining (police) payroll. This is required to cover the ongoing contributions for “past service” of the former Fire employees. According to the CalPERS actuary, the rate increase cannot be calculated accurately at this time, but will be amortized over a probable ten-year period (as obligations decline). No projections for those costs are included in this analysis.

### **FIRE PREVENTION SERVICES**

In addition to the fire and life safety services provided through the staffing located at the fire stations, both regional fire agencies provide full Fire Prevention departments which provide the services currently provided by the City of Brea Fire Department non-sworn staff at the Brea Civic and Cultural Center. Although OCFA's and Los Angeles County's main operations are located in Irvine and Commerce, respectively, both agencies will provide convenient local resident and business access to plan check services. The cost for these services is included in the proposed annual contract costs or is covered by user fees.

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

LA County will provide a Regional Inspector to serve Brea with the Brea satellite office to be located at Fire Station 191, located in the City of La Habra. Smaller plan check services, such as tenant improvements or large residential additions requiring fire sprinklers would be handled by the Regional Inspector. For larger projects, such as new fire alarm systems or new buildings, plans would be dropped off at either the Fire District's Fire Prevention Offices in the City of Commerce, or at the satellite office in La Habra.

It appears from an initial review of the information submitted by the City and the two contract fire agencies that turn-around times for plan check services are similar.

Based upon the above information, it appears that the residents and businesses in Brea will be provided with at least comparable services to those currently provided by the Brea Fire Department, and will have easy access to those services, should the City Council elect to contract with either OCFA or Los Angeles County.

### **DISPATCH AND COMMUNICATIONS**

Both agencies provide dispatch and communications through their centralized communications facilities. If the City contracts with one of these agencies, the "911" emergency reporting system would remain in effect. A direct computer link and a direct telephone (ring-down) line or "speed dial" system would be maintained between the Brea Communication/Dispatch Center which is the PSAP (public safety answering point) and the contract provider's dispatch center. If a fire call comes in to Brea Public Safety Dispatch, a one-button transfer device will be used to send the

call to the regional dispatch facility. This is the same process currently used for dispatching Yorba Linda fire calls, which is an OCFA city.

For OCFA, the dispatch center is located in Irvine, with LA County's District Fire Command and Control Facility being located in Los Angeles. No impact is anticipated to the current Brea Public Safety Dispatch operation in terms of cost or staffing. Brea currently provides the same service to Yorba Linda, who is serviced by OCFA.

### **LENGTH OF CONTRACT CONSIDERATIONS**

As a condition of entering into a contract for services with the City of Brea, both OCFA and LA County Fire require that long-term contracts be entered into for specified periods.

In the case of OCFA, a JPA Service Agreement with a 20-year term through June 30, 2030, with an option to exit at the 10-year interval is proposed.

The Consolidated Fire Protection District of Los Angeles County requires a minimum term of agreement of 10 years.

Based upon the above, the minimum term is essentially the same, meaning that the City of Brea would need to make a commitment of at least 10 years to the contract agency.

## ANNUAL COST CONTAINMENT PROVISIONS

Both agencies will enter into contracts with Brea that will provide a cap on the maximum increases in the cost for services for each fiscal year of the contract.

These provisions should provide some certainty in terms of future budget planning and mitigate, to some degree, the requirement to commit to long-term agreements and the reduced level of policy control.

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

LA County Fire places a 5.5% payment cap on any increases to the City's annual fee each year for the first five years of the agreement. For the sixth year of the Agreement term, the payment cap would be the average of the immediately preceding four years' percentage increases in the annual fee plus one percent (1%). For the seventh year of the Agreement and each subsequent year, the payment cap would be the average of the immediately preceding five years' percentage increases plus one percent (1%).

## REGIONAL FIRE PROTECTION

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

Both OCFA and LA County prepared their service delivery models assuming use of certain agency assets beyond the Brea city limits to respond to incidents in different parts of the City. Therefore, while comparisons are provided for staffing and equipment proposed to be located within the City, information is also presented that identifies directly controlled resources within five miles of jurisdictional boundaries.

Mutual aid is currently available to the Brea Fire Department. While not directly comparable to directly controlled resources, there is no specific statistical data to suggest that those resources would be any less responsive than in the past, if Brea continued to provide its own Fire services. If the City Council elects to retain the Brea Fire Department, access to additional directly controlled resources can be achieved through an automatic aid or boundary drop agreement with the City of

Fullerton, and/or through sharing command between the two cities. These concepts are discussed in the section of the report relating to alternatives for restructuring the Brea Fire Department.

### **RESOURCES WITHIN FIVE MILES OF BREA**

The deployment models described for OCFA and LA County only depict the resources proposed to be located at existing Brea Fire Stations within the city limits. However, in fact, both agencies operate under a regional concept in their approaches to providing emergency services to their contract cities. To provide the best response times possible, the closest available resource is dispatched to all incidents regardless of jurisdictional or municipal boundaries. Each of these agencies have significant directly controlled resources located within five miles of Brea that will be utilized to provide services to the Community in addition to those within the city limits. These regional resources located within five miles of Brea are as follows:

#### **OCFA**

ORC34 1530 N Valencia Ave Placentia	9 personnel per shift – 27 total personnel	Medic Engine (4) Truck (4) Battalion Chief (1)
ORC10 18422 E Lemon Ave Yorba Linda	3 personnel per shift – 9 total personnel	PAU Engine (3) Water Tender (2-3) Patrol (CAFS) (2-4)
ORC35 110 S Bradford Ave Placentia	3 personnel per shift – 9 total personnel	PAU Engine (3)

ORC41 Fullerton Airport	2 personnel seven days a week, 4 personnel on five of the seven days (second helicopter staffed five days a week)	4 Helicopters (2-4) Helicopter Support (2-3) Helitender (2-3)
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## LA County

Station 15 11460 Santa Gertrudes Whittier	4 personnel per shift -12 total personnel	Quint (4)
Station 59 1001 Scott Ave Whittier	4 personnel per shift -12 total personnel	BLS Engine
Station 119 20480 Pathfinder Road Diamond Bar	5 personnel per shift -15 total personnel	BLS Engine Paramedic Rescue Squad
Station 191 850 W. La Habra Blvd La Habra	5 personnel per shift -15 total personnel	PAU Engine Paramedic Rescue Squad
Station 192 520 S. Harbor Blvd La Habra	3 personnel per shift -9 total personnel	PAU Engine
Station 193 1000 Risner Way La Habra	3 personnel per shift -9 total personnel	PAU Engine
Station 194 1401 S. Beach Blvd La Habra	4 personnel per shift -12 total personnel	PAU Engine

## **ALTERNATIVE BREA FIRE DEPARTMENT DEPLOYMENT SCENARIOS**

Direct contracting for fire protection services is only one approach to achieving potential budget savings while maintaining a viable Fire department. Knowing that City Council would want a full analysis of alternatives, the Brea Fire Chief first looked at the opportunities for reorganization or redeployment of existing personnel. This redeployment, shown below as Brea option A, would result in a staffing model similar to that proposed by OCFA. It would reduce administrative/management staff by converting a Division Chief to a civilian Fire Marshal position, eliminates a Training Captain position, eliminates City staff at Station 4 and instead assigns an ambulance unit with two emergency medical technicians. The Brea redeployment would also eliminate the Apprentice Firefighter program, and retain the truck for adaptive response capability. Current staffing would be retained, with several reductions in grade consistent with the OCFA model, which also results in excess firefighters assigned to relief duties on each shift. These may be reduced by attrition in the future which would result in additional savings. This redeployment also uses a “boundary-drop” arrangement with Fullerton, where their units respond as both a “nearest available unit,” and as back-up for Brea. With this option, all non-sworn staff would be retained.

Brea Option B adds another dimension of cooperation with the City of Fullerton. The Fire Chief began discussion with Fullerton staff and found that they, too, were looking for ways to reduce their budget and simultaneously take advantage of anticipated retirements.

To accomplish savings and maintain Brea (and Fullerton) services at an appropriate level, the plan involves a phased transition, timed with retirements in both cities, toward a *unified command structure*. Brea and Fullerton would save money beginning in 2010-11 and thereafter, by combining resources into a reduced and *shared* administrative/management structure. In short, the current separate management teams (other than Fire Chief) for Brea and Fullerton involve eleven (11) positions (five in Brea and six in Fullerton); this would be reduced by five (5) positions, leaving six (6) positions serving the two cities:

- Division Chief retirements in Brea and Fullerton allow for the elimination of one position (1)
- Promotion to the vacant Division Chief position creates another vacancy at the Battalion Chief level which may be eliminated (1)
- Brea's Fire Marshal position could be replaced by a single position (currently Fullerton's) serving Brea and Fullerton (1)
- An existing Brea vacancy and an anticipated Fullerton retirement would eliminate two remaining Battalion Chiefs (2)

The resulting unified command staff would include one Division Chief, an Administrative Chief, a Training Officer, and three shift Battalion Chiefs serving both cities. Brea and Fullerton Fire Chiefs would remain in their respective cities until some future date when retirement or other vacancy opportunity allows the two cities to consider a single Fire Chief for the combined Brea and Fullerton fire services.

Some consolidation and conformity in promotional processes, wages and benefits, liability/workers' compensation, and bargaining unit structures may be possible as the model evolves.

First year (2010-11) savings would be based upon both a redeployment of Brea staff and the shared Division Chief, Fire Marshal, Training Officer and Administrative Chief positions for one-half year. Full-year savings in 2011-12 and beyond, as well as other retirement/vacancy savings that should occur, is projected to grow. Savings represent the difference between each city's current costs compared to the shared costs. Brea's cost savings are greater than Fullerton's because Brea's base costs are slightly higher and more positions would be eliminated from the Brea structure. Brea's share of the new structure is estimated at 37% based upon a proportionate distribution of the costs between the two cities. Fullerton's share would be approximately 63%.

### **Brea Option A**

<b>Administrative Positions</b>	<b>Current Annual Cost</b>	<b>Costs as Proposed</b>	<b>Cost Savings</b>
1 DC/OPS (Keep Position)	\$242,278	\$242,278	\$0
1 DC/FM (Change to Civilian)	\$246,440	\$151,519	\$94,921
1 Capt/Admin/T.O. (Eliminate)	\$171,992	\$0	\$171,992
Totals	\$660,710	\$393,797	\$266,913
<b>Administration Total Savings</b>			<b>\$266,913</b>

<b>Operations Positions</b>	<b>Current Annual Cost</b>	<b>Costs as Proposed</b>	<b>Cost Savings</b>
Battalion Chiefs (Keep Current Staffing Level)	\$664,317	\$664,317	\$0
Captains (Reduce from 12 to 9)	\$1,938,065	\$1,472,198	\$465,867
Engineers (Reduce from 15 to 9)	\$2,144,743	\$1,259,791	\$884,952
Firefighters (Increase from 12 to 18; includes 3 relief FF)	\$1,458,319	\$2,620,455	(\$1,162,136)
Apprentice Firefighters (Eliminate)	\$149,342	\$0	\$149,342
<b>Totals</b>	<b>\$6,354,786</b>	<b>\$6,016,761</b>	<b>\$338,025</b>
Recommended agreement with Fullerton Fire Department to ensure appropriate response for structure fires (22 calls @ \$1,000 per call)			(\$22,000)
Recommended agreement with Ambulance Company would require payment of rental of Fire Station #4 (\$3,000 per month)			(\$36,000)
<b>Operations Total Annual Savings</b>			<b>\$280,025</b>
<b>Administration Total Annual Savings</b>			<b>\$266,913</b>
<b>Overall Total Annual Savings</b>			<b>\$546,938</b>

Based upon the City's seniority rules and the tenure of the existing staffing, three (3) Captains will be demoted to Engineer and one (1) will be demoted to Firefighter. Eight (8) Engineers will be demoted to Firefighter. The reductions in classification will be conducted in accordance with all applicable policies and practices. It should be noted that the demotions required in this plan are entirely consistent with demotions required of both the Los Angeles County Fire and the OCFA proposals and *no full-time sworn or non-sworn employees will be laid off*. The savings cited assume that the demoted employees will not be Y-rated, the same as OCFA, which will result in a reduction in salary for the demoted employees. Should the City Council desire to

provide Y-rating, the estimated additional cost is approximately \$164,000. A summary of the proposed *Operations Division* staffing under the Brea Fire Department Alternative options and a cost estimate for Options A and B are presented below:

### Summary of Brea Fire Station Options A and B Staffing

Station 1	Station 2	Station 3	Station 4	Total Positions
Paramedic Engine(4)	BLS Engine/Truck(4) <sup>15</sup> Battalion Chief(1)	Paramedic Engine(4)	Private Ambulance (2) <sup>16</sup>	13 Full-Time 2 EMT
				4 Paramedics

### Brea Fire Department Option A 5-Year Cost Projection

	2010-11	2011-12	2012-13	2013-14	2014-15
Fire Budget (Revised) <sup>17</sup>	10,548,332	10,992,143	11,569,097	12,174,899	12,810,990
City Costs <sup>18</sup>	257,917	263,075	273,598	284,542	295,924
Fire Pumper Lease		74,974	74,974	74,974	74,974
Fixed Asset Costs			73,960	73,960	73,960
Fire Revenue	(228,371)	(228,371)	(228,371)	(228,371)	(228,371)
Dev. Svs Revenue	(43,087)	(43,087)	(43,087)	(43,087)	(43,087)
<b>NET COSTS</b>	<b>10,534,791</b>	<b>11,058,734</b>	<b>11,720,171</b>	<b>12,336,917</b>	<b>12,984,390</b>

<sup>15</sup> 1 Captain, 1 Engineer, and 2 Firefighters will use “Adaptive Response” and use either the Engine or Truck to respond to an incident, depending on the type of call

<sup>16</sup> A private ambulance with 2 Emergency Medical Technicians will be deployed on Medical Aid Calls

<sup>17</sup> Assumes annual increases of 2% for 2010-11, 4% for 2011-12, and 5% for fiscal years 2012 through 2015

<sup>18</sup> Assumes annual increases of 1% for 2010-11, 2% for 2011-12, and 4% for fiscal years 2012 through 2015

## Brea Option B – Command Sharing with Fullerton

Fiscal Year 2010-11

Shared Positions	Brea Current Annual Cost	Brea Shared Costs	Brea Six-Month Cost Savings
Division Chief/OPS	\$242,278	\$44,821	\$76,318
Division Chief/Fire Marshal	\$246,440	\$45,590	\$77,628
Training Officer	\$171,992	\$33,670	\$52,326
(3) Battalion Chiefs	\$664,317	\$122,899	\$209,260
Administrative Battalion Chief	\$0	\$42,147	(42,147)
<b>Totals</b>	<b>\$1,325,027</b>	<b>\$289,127</b>	<b>\$373,385</b>
<b>Shared Positions 2010-11 Six-Month Savings</b>			<b>\$373,385</b>

Operations Positions	Current Annual Cost	Costs as Proposed	Cost Savings
Captains (Reduce from 12 to 9)	\$1,938,065	\$1,472,198	\$465,867
Engineers (Reduce from 15 to 9)	\$2,144,743	\$1,259,791	\$884,952
Firefighters (Increase from 12 to 18; includes 3 relief FF)	\$1,458,319	\$2,620,455	(\$1,162,136)
Apprentice Firefighters (Eliminate)	\$149,342	\$0	\$149,342
<b>Totals</b>	<b>\$5,690,469</b>	<b>\$5,352,444</b>	<b>\$338,025</b>
Recommended agreement with Ambulance Company would require payment of rental of Fire Station #4 (\$3,000 per month)			(\$36,000)
<b>Operations Total Annual Savings</b>			<b>\$302,025</b>
<b>Shared Positions Six Month Savings</b>			<b>\$373,385</b>
<b>Overall 2010-11 Savings (Six Months)</b>			<b>\$675,410</b>

**Fiscal Year 2011-12 (Full Year Savings)**

<b>Shared Positions</b>	<b>Brea Current Annual Cost</b>	<b>Brea Shared Costs</b>	<b>Brea Annual Cost Savings</b>
Division Chief/OPS	\$242,278	\$89,643	\$152,635
Division Chief/Fire Marshal	\$246,440	\$91,183	\$155,257
Training Officer	\$171,992	\$67,340	\$104,652
(3) Battalion Chiefs	\$664,317	\$245,797	\$418,520
Administrative Battalion Chief	\$0	\$84,293	(84,293)
<b>Totals</b>	<b>\$1,325,027</b>	<b>\$578,256</b>	<b>\$746,771</b>
<b>Shared Positions Annual Savings</b>			<b>\$746,771</b>

<b>Operations Positions</b>	<b>Current Annual Cost</b>	<b>Costs as Proposed</b>	<b>Cost Savings</b>
Captains (Reduce from 12 to 9)	\$1,938,065	\$1,472,198	\$465,867
Engineers (Reduce from 15 to 9)	\$2,144,743	\$1,259,791	\$884,952
Firefighters (Increase from 12 to 18; includes 3 relief FF)	\$1,458,319	\$2,620,455	(\$1,162,136)
Apprentice Firefighters (Eliminate)	\$149,342	\$0	\$149,342
<b>Totals</b>	<b>\$5,690,469</b>	<b>\$5,352,444</b>	<b>\$338,025</b>
Recommended agreement with Ambulance Company would require payment of rental of Fire Station #4 (\$3,000 per month)			(\$36,000)
<b>Operations Total Annual Savings</b>			<b>\$302,025</b>
<b>Shared Positions Annual Savings</b>			<b>\$746,771</b>
<b>Overall Annual Savings</b>			<b>\$1,048,796</b>

## Brea Fire Department Option B 5-Year Cost Projection

	2010-11	2011-12	2012-13	2013-14	2014-15
Fire Budget (Revised)	10,419,860	10,490,285	11,067,239	11,673,041	12,309,133
City Costs	257,917	263,075	273,598	284,542	295,923
Fire Pumper Lease		74,974	74,974	74,974	74,974
Fixed Asset Costs			73,960	73,960	73,960
Fire Revenue	(228,371)	(228,371)	(228,371)	(228,371)	(228,371)
Dev. Svs Revenue	(43,087)	(43,087)	(43,087)	(43,087)	(43,087)
<b>NET COSTS</b>	<b>10,406,319</b>	<b>10,556,876</b>	<b>11,218,313</b>	<b>11,835,059</b>	<b>12,482,532</b>

### GOVERNANCE

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

If the Brea City Council elects to enter into a contract for fire protection services with one of the regional fire agencies, or if a partnership is implemented with the City of Fullerton, it will be necessary to relinquish a certain amount of local control. The amount of control differs between the two regional fire providers since they are organized differently, as has been described earlier in this report.

### **Orange County Fire Authority**

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

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

OCFA maintains a number of subcommittees which are comprised of member agency City Managers, therefore, the Brea City Manager would have an opportunity

to participate on these committees, including the Technical Advisory Committee and the Budget and Finance Committee.

### **Consolidated Fire Protection District of Los Angeles County**

The Consolidated Fire Protection District of Los Angeles County was established in 1949 and is a “special district” under California law. Pursuant to California Government Code Section 55632, the Board of Supervisors of Los Angeles County is the governing board for the District. The Board appoints the Fire Chief and is responsible for making all final decisions regarding governance of the District. Neither the Brea City Council nor the Brea City Manager would have any formal policy-making or advisory role with the District.

### **Summary of Governance Control**

<b>Total Control</b>	<b>Shared Control</b>	<b>Some Control</b>	<b>No Control</b>
City of Brea	Brea/Fullerton	OCFA	LA County

### **CONCLUSION**

The Brea City Council is faced with a number of difficult policy choices, particularly given the issues that all cities in California and the nation are facing. One of the most

critical choices is how to provide fire and emergency services now, and in the long-term. The budget problem creates a unique opportunity to look at the options available to Brea to assure that fire services are delivered at the highest level achievable with the scarce dollars available.

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

This report has been prepared to provide the Brea City Council and staff with a complete analysis of the options to aid them in charting the future of fire services in Brea.

