

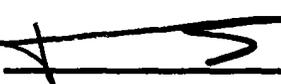
City of Needles - Proposed Contract Annual Budget

4-21-14

Salaries and Benefits	Number of Positions	Average Cost Per Position	SBCFPD Proposed Existing Staffing
<b>Suppression</b>			
LT Fire Fighter	6	43,769	263,022
<b>Suppression Total</b>	<b>6</b>		<b>\$ 263,022</b>
<b>PCF</b>	<b>0</b>		
<b>Worker's Comp (Included in employee costs)</b>			
<b>Chief Officers (6.32%)</b>			
SBCFPD Division Chief	1	276,763	17,491
Battalion Chief	3	266,982	50,620
<b>Chief Officers Total</b>	<b>4</b>		<b>\$ 68,111</b>
<b>Total Salaries and Benefits</b>	<b>10</b>		<b>\$ 331,133</b>
<b>Operating Expenses</b>			
Services and Supplies			85,743
<b>Station Expenses</b>			
C031			95,702
<b>Total Operating Expenses</b>			<b>\$ 181,445</b>
<b>Administrative Overhead Costs</b>			<b>107,487</b>
<b>Total S&amp;B and Operating Expenses</b>			<b>\$ 620,065</b>
<b>Total Annual Requirements</b>			<b>\$ 620,065</b>

Mark Hartwig, Fire Chief SBCFI

Date



Rick Daniels, City Manager

6/18/14

Date



**Fire District**  
**Division 5 – South Desert**

**Mark A. Hartwig**  
Fire Chief/Fire Warden

**Dave Benfield**  
Division Chief

January 5, 2015

Rick Daniels, City Manager  
City of Needles  
817 3<sup>rd</sup> Street  
Needles, CA 92362

Mr. Daniels:

Currently the City's contract with San Bernardino County Fire (County Fire) pays for six limited-term firefighters (LT's) and other costs. The LT's work a schedule like full-time firefighters, but they have much lower pay and no benefits. The LT's are allowed to work a maximum of three years for County Fire as LT's to prevent County Fire from violating labor laws.

The original vision in hiring LT's under this Limited Term Firefighter Program (LT Program) was both to implement low-cost firefighter positions, and to allow LT's to gain valuable experience so that they could ultimately become full-time firefighters with County Fire or other organizations. However, under this program, County Fire has experienced great difficulty maintaining staffing levels. As such, County Fire will begin phasing out the LT Program, and will be replacing LT's with full-time firefighters.

The time frame for this transition is not yet known and will depend heavily on revenues. This will impact the City of Needles greatly, as County Fire will no longer offer a low-cost option for firefighters. The phase-out of the LT Program will definitely increase contract costs drastically. Currently the contract cost for the City of Needles is approximately \$620,000. If we were to hypothetically (today) replace the LT's with full-time firefighters, contract costs would increase by approximately \$600,000. My intent in this letter is to advise you of County Fire's future staffing plans so that the City of Needles can adequately plan for the future increase in expenses, or explore other options. Please feel free to contact me with any questions.

Respectfully,

A handwritten signature in black ink, appearing to read "Dave Benfield".

Dave Benfield  
Division Chief

*City of Needles - Proposed Contract Annual Budget  
FY 15/16 Preliminary 4/10/15*

<b>Salaries and Benefits</b>	<b>Number of Positions</b>	<b>Average Cost Per Position</b>	<b>SBCFPD Proposed Existing Staffing</b>
<b>Suppression</b>			
Fire Fighter PM	6	149,087	894,522
<b>Suppression Total</b>	<u>6</u>		<b>\$ 894,522</b>
PCF	0		-
<b>Chief Officers (7.32%)</b>			
SBCFPD Division Chief	1	270,495	19,800
Battalion Chief	3	236,748	51,990
<b>Chief Officers Total</b>	<u>4</u>		<b>\$ 71,790</b>
<b>Total Salaries and Benefits</b>	<u><u>10</u></u>		<b>\$ <u><u>966,312</u></u></b>
<b>Operating Expenses</b>			
Services and Supplies			112,130
<b>Station Expenses</b>			
C031			85,666
<b>Total Operating Expenses</b>			<b>\$ 197,796</b>
<b>Administrative Overhead Costs</b>			<b>60,794</b>
<b>Total S&amp;B and Operating Expenses</b>			<b>\$ <u>1,224,902</u></b>
<b>Total Annual Requirements</b>			<b>\$ <u><u>1,224,902</u></u></b>

Mark Hartwig, Fire Chief SBCFI

Date

Rick Daniels, City Manager

Date

Exhibit A-1  
Fire Protection Services Agreement

**City of Needles - Proposed Contract Annual Budget  
2015-16**

<b>Salaries and Benefits</b>	<b>Number of Positions</b>	<b>Average Cost Per Position</b>	<b>SBCFPD Proposed Existing Staffing</b>
<b>Suppression</b>			
Fire Fighter PM	3	149,087	447,261
<b>Suppression Total</b>	<u>3</u>		<u>\$ 447,261</u>
<b>PCF</b>	0		-
<b>Chief Officers (3.66%)</b>			
SBCFPD Division Chief	1	270,495	9,900
Battalion Chief	3	236,748	25,995
<b>Chief Officers Total</b>	<u>4</u>		<u>\$ 35,895</u>
<b>Total Salaries and Benefits</b>	<u>7</u>		<u>\$ 483,156</u>
<b>Operating Expenses</b>			
Services and Supplies			56,065
<b>Station Expenses</b>			
C031			42,833
<b>Total Operating Expenses</b>			<u>\$ 98,898</u>
<b>Administrative Overhead Costs</b>			30,397
<b>Total S&amp;B and Operating Expenses</b>			<u>\$ 612,451</u>
<b>Total Annual Requirements</b>			<u>\$ 612,451</u>

*South Desert - Engineer - Estimate of a per person cost factoring out station (non-person costs) like utilities and other*

<b>Salaries and Benefits</b>	<b>Number of Positions</b>	<b>Average Cost Per Position</b>	<b>SBCFPD Proposed Existing Staffing</b>
<b>Suppression</b>			
Engineer	1	167,350	167,350
<b>Suppression Total</b>	<u>1</u>		<u>\$ 167,350</u>
<b>PCF</b>	0		-
<b>Chief Officers (1.22%)</b>			
SBCFPD Division Chief	1	270,495	3,300
Battalion Chief	3	236,748	8,665
<b>Chief Officers Total</b>	<u>4</u>		<u>\$ 11,965</u>
<b>Total Salaries and Benefits</b>	<u>5</u>		<u>\$ 179,315</u>
<b>Operating Expenses</b>			
Services and Supplies			27,636
<b>Station Expenses</b>			
C031			-
<b>Total Operating Expenses</b>			<u>\$ 27,636</u>
<b>Administrative Overhead Costs</b>			10,132
<b>Total S&amp;B and Operating Expenses</b>			<u>\$ 217,084</u>
<b>Total Annual Requirements</b>			<u>\$ 217,084</u>

Mark Hartwig, Fire Chief SBCFI

Date

Rick Daniels, City Manager

Date

			Per Person
2025 Clothing & Personal Supplies	\$	5,000.00	\$ 833.33
2070 Food	\$	2,050.00	\$ 341.67
2075 Memberships	\$	150.00	\$ 25.00
2090 Miscellaneous Expense	\$	3,100.00	\$ 516.67
2120 Small Tools & Instruments	\$	2,250.00	\$ 375.00
2125 Inventoriable Equipment	\$	18,100.00	\$ 3,016.67
2130 Noninventoriable Equipment	\$	2,900.00	\$ 483.33
2135 Special Dept Expense	\$	1,400.00	\$ 233.33
2180 Utilities	\$	8,500.00	
2220 Other General Liab (Isf Only)	\$	452.00	\$ 75.33
2235 Vehicle Liability (Isf Only)	\$	10,676.00	\$ 1,779.33
2245 Other Insurance (Isf Only)	\$	656.00	\$ 109.33
2285 Collision Insurance	\$	1,661.00	\$ 276.83
2304 Office Exp. - Outside Vendors	\$	1,535.00	\$ 255.83
2305 General Office Expense	\$	100.00	\$ 16.67
2316 Surplus Handling Charges	\$	300.00	\$ 50.00
2405 Auditing	\$	326.00	\$ 54.33
2415 County Services (Incl Cowcap )	\$	13,752.00	\$ 2,292.00
2441 Exterminator	\$	300.00	
2445 Other Professional & Spec Svcs	\$	410.00	
2460 Geograph Info Mgmt Syst (Gims)	\$	66,681.00	\$ 11,113.50
2812 Household Expenses	\$	300.00	\$ 50.00
2815 Kitchen & Dining	\$	2,800.00	\$ 466.67
2820 Bedding	\$	4,200.00	\$ 700.00
2835 General Household Expenses	\$	2,900.00	\$ 483.33
2840 Medical Expense	\$	5,600.00	
2855 General Maintenance-Equipment	\$	6,550.00	
2865 Equip. Distribution (Isf Only)	\$	93,924.00	
2870 Gen Maint-Struct,Imp & Grounds	\$	4,500.00	
2930 Maintenance Charges (Isf Only)	\$	29,392.00	
2410 Data Processing (Isf Only)	\$	490.00	\$ 81.67
540 Admin Programs	\$	24,039.00	\$ 4,006.50
	\$	314,994.00	\$ 27,636.33
Check Figure	\$	314,994.00	



**SAN BERNARDINO COUNTY  
FIRE PROTECTION DISTRICT**

**F A S**

**STANDARD CONTRACT**

**FOR OFFICIAL USE ONLY**

<input type="checkbox"/> New	Vendor Code	Dept.	Contract Number				
<input checked="" type="checkbox"/> Change		<b>SC</b>	<b>04-1235-A2</b>				
<input type="checkbox"/> Cancel		<b>CFD</b>	<b>A</b>				
Dept.		Orgn.	License No.				
San Bernardino County Fire Protection District		106 C070					
Contract Representative		Telephone	Total Contract Amount				
Carlo Pacot, Finance Manager		(909) 387-5944	\$612,451 annually				
Contract Type							
<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Encumbered <input type="checkbox"/> Unencumbered <input type="checkbox"/> Other:							
If not encumbered or revenue contract type, provide reason:							
Commodity Code	Contract Start Date	Contract End Date	Original Amount				
	06/01/2004	5/31/16					
Fund	Dept.	Organization	Appr.				
FSZ	610	C030					
Obj/Rev Source	GRC/PROJ/JOB No.	Amount					
9800							
Fund	Dept.	Organization	Appr.				
Obj/Rev Source	GRC/PROJ/JOB No.	Amount					
		\$					
Fund	Dept.	Organization	Appr.				
Obj/Rev Source	GRC/PROJ/JOB No.	Amount					
		\$					
Project Name		Estimated Payment Total by Fiscal Year					
Agreement between		FY	Amount	I/D	FY	Amount	I/D
San Bernardino County Fire		2004-05	\$442,445		2009-11	\$551,983	
Protection District and the City		2005/06	\$453,480		2011/12	\$504,823	
of Needles		2006/07	\$450,903		2012/13	\$562,796	
		2007/08	\$547,598		2013/14	\$602,375	
		2008/09	\$539,526		2014/15	\$620,065	
					2015/16	\$612,451	

THIS CONTRACT is entered into in the State of California by and between the **SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT**, hereinafter called the **SBCFPD**, and

Name City of Needles  
 Attn: City Manager  
 Address 817 3<sup>rd</sup> Street  
Needles, CA 92363  
 Telephone (760) 326-2113 Federal ID No. or Social Security No. \_\_\_\_\_

hereinafter called City  
 \_\_\_\_\_  
 \_\_\_\_\_

**IT IS HEREBY AGREED AS FOLLOWS:**

*(Use space below and additional bond sheets. Set forth service to be rendered, amount to be paid, manner of payment, time for performance or completion, determination of satisfactory performance and cause for termination, other terms and conditions, and attach plans, specifications, and addenda, if any.)*

Agreement No. 04-1235 is hereby amended as follows:

- All references to County Fire, San Bernardino County Consolidated Fire District, County Service Area 70, and County Service Area 38 are hereinafter SBCFPD.
- Replace the current Exhibits A, A-1 and C with the updated Exhibits A, A-1 and C (attached).

**Auditor/Controller-Recorder Use Only**

<input type="checkbox"/> Contract Database	<input type="checkbox"/> FAS
Input Date	Keyed By

2 SBCFPD hereby exercises the option pursuant to 12 c of the Agreement to extend the term of the Agreement for one year.

IN WITNESS WHEREOF, this Agreement has been executed and approved and is effective and operative as to each of the parties are herein provided.

**SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT** City of Needles  
*(Print or type name of corporation, company, ARMC, etc.)*

▶ \_\_\_\_\_  
James Ramos, Chairman, Board of Directors

Dated: \_\_\_\_\_

SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIRMAN OF THE BOARD  
Laura H. Welch, Secretary

By \_\_\_\_\_  
*Deputy*

By ▶ \_\_\_\_\_  
*(Authorized signature - sign in blue ink)*

Name Rick Daniels  
*(Print or type name of person signing contract)*

Title City Manager  
*(Print or Type)*

Dated: \_\_\_\_\_

Address \_\_\_\_\_  
\_\_\_\_\_

Approved as to Legal Form  
▶ \_\_\_\_\_  
Counsel Carol Greene  
Date \_\_\_\_\_

Reviewed by Contract Compliance  
▶ \_\_\_\_\_  
Date \_\_\_\_\_

Presented to Board for Signature  
▶ \_\_\_\_\_  
Mark A. Hartwig  
Date \_\_\_\_\_

**“EXHIBIT A”  
FIRE PROTECTION SERVICES AGREEMENT  
CITY OF NEEDLES**

**SERVICE LEVELS**

- Maintain three (3) fulltime firefighters on duty at the City fire station for 24 hours a day.
- Staff one fire engine with three personnel.
- County Fire to use dispatch services from the Confire JPA (ComCenter) in Rialto.
- County Fire to provide fire prevention services/plans and inspections to City.
- County Fire to provide Fire Investigator to conduct origin and cause investigations at the same level County furnishes within its own boundaries.
- County Fire will include City in fire department disaster response planning at the same level County Fire furnishes within its own boundaries.
- Communication system includes an automated incident reporting system with full record management. It also includes mapping services and map book creation for specialized fire protection needs in the City.
- All fiscal services are offered through County Fire so the City will not incur any workload or bill payments or payroll, except for normal oversight and accountability.
- Vehicle repairs will be performed by County Fire certified mechanics who travel to on-site stations to reduce “down time,” or at our “state of the art” shop that has full capability to build a fire engine from the ground up.
- Household Hazardous Waste collection site will be operated by County Fire.
- CUPA Services will be administered by County Fire upon Needles City Council’s action relinquishing authority back to the County Of San Bernardino.

**"EXHIBIT C"**  
**FIRE PROTECTION SERVICES AGREEMENT**  
**CITY OF NEEDLES**

**FIRE EQUIPMENT**

**VEHICLES**

**One (1) Fire Engine Type 4 (Ford F-550 4X4)**

Year: 2003      Vin: 1FDAW57P63ED01197      License: E1152567  
County Inventory No.: 18324  
Unit# BP-31      Mileage: 92,441 Located @ Station 31

**One (1) Fire Engine Type 1 (KME)**

Year: 2005      Vin: 1K9AFA2845N058921      License: E1209261  
County Inventory No.: 18342  
Unit# E-31      Mileage: 145,007 Located @ Station 31

**One (1) Utility Truck (Ford F350 4x4)**

Year: 2003      Vin: 1FTSW3155EA18252      License: E1205453  
County Inventory No.: 5815  
Unit# U-31      Mileage: 106,561 Located @ Station 31

**Total Vehicles:**

1- Fire Engines (Type 1)  
1- Fire Engines (Type 4)  
1 - Utility

**EQUIPMENT**

**One (1) Amkus Cutter (Serial No. 12090963)**

Fixed Asset Inventory No.: 250745  
Year: 2012      Model: AMK22      Assigned: BP-31

**One (1) Amkus Cutter (Serial No. 12040857)**

Fixed Asset Inventory No.: 250541  
Year: 2012      Model: AMK22      Assigned: E-31

**Two (2) Amkus Power Units (Honda 5.5) with Spreaders and Rams**

Year 2003

**Two (2) AED's (Laredal)**

Year 2001/2002      Model FR2

One (1) **Ice Machine** (Hoshizaki)

Year: 2001 Model: KML 350/B-250

One (1) **Stationary Air Compressor/Tank**

Year: 1990's

One (1) **Station Generator Portable** (Yamaha)

Year: 1980's

**Rick Daniels**

---

**Subject:** Annexation Property Tax Transfer

**From:** Chamberlin, John [<mailto:jchamberlin@sbcfire.org>]

**Sent:** Monday, April 27, 2015 5:07 PM

**To:** Rick Daniels

**Subject:** Re: Needles Clarification

The \$612k is available as a final one year extension if you choose that model. This would be under the agreement that we are heading to annexation.

Otherwise we will need to start adding in the capital for rolling stock in the following FY.

Typically, we have signed into 10 year contracts and offered a single one year extension to help organize the appropriate movement or need of the entity.

Truly, We have launched the last of our cost savings measures to this point.

If annexation were to occur, the transfer would amount to the \$582k. Even though the admin cost is less, so is the pass through.

Hope this helps.

**CITY OF NEEDLES  
SHERIFF DEPARTMENT & FIRE DEPARTMENT EXPENSE  
AS COMPARED TO TOTAL GENERAL FUND ACTUAL REVENUES**

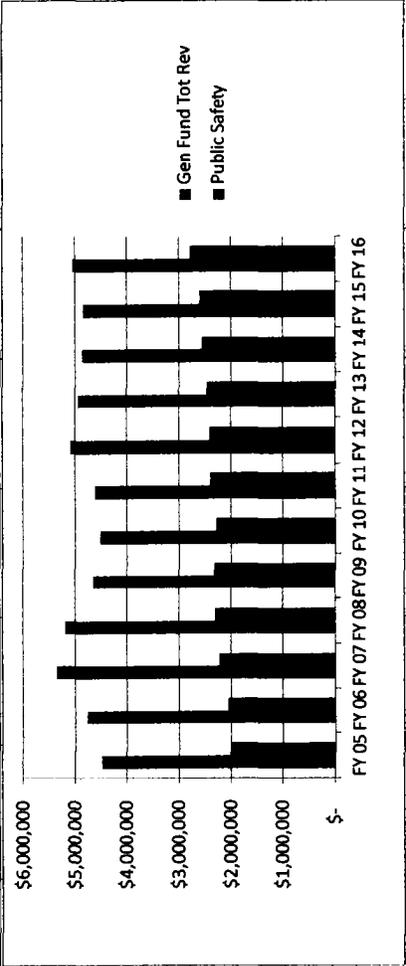
FY 05 to FY 16

	FY 05	FY 06	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16
<b>SHERIFF</b>												PROJECTED
Contract	\$ 1,395,874	\$ 1,528,870	\$ 1,633,229	\$ 1,721,652	\$ 1,692,016	\$ 1,645,156	\$ 1,780,227	\$ 1,770,541	\$ 1,838,534	\$ 1,896,998	\$ 1,932,690	\$ 2,098,774
Other expenses	\$ 97,918	\$ 39,808	\$ 35,231	\$ 6,577	\$ 58,806	\$ 49,903	\$ 46,140	\$ 53,088	\$ 47,579	\$ 51,005	\$ 43,212	\$ 58,081
<b>TOTAL</b>	<b>\$ 1,493,792</b>	<b>\$ 1,568,678</b>	<b>\$ 1,668,460</b>	<b>\$ 1,728,229</b>	<b>\$ 1,750,822</b>	<b>\$ 1,695,059</b>	<b>\$ 1,826,367</b>	<b>\$ 1,823,629</b>	<b>\$ 1,886,113</b>	<b>\$ 1,948,003</b>	<b>\$ 1,975,902</b>	<b>\$ 2,156,855</b>
<b>FIRE</b>												
Contract	\$ 442,445	\$ 442,445	\$ 442,445	\$ 538,872	\$ 539,532	\$ 551,988	\$ 551,983	\$ 551,988	\$ 570,162	\$ 602,375	\$ 618,765	\$ 612,451
Other expenses	\$ 75,377	\$ 42,373	\$ 115,001	\$ 38,954	\$ 28,903	\$ 32,082	\$ 16,055	\$ 32,082	\$ 5,569	\$ 4,940	\$ 3,504	\$ 13,500
<b>TOTAL</b>	<b>\$ 517,822</b>	<b>\$ 484,818</b>	<b>\$ 557,446</b>	<b>\$ 577,826</b>	<b>\$ 568,435</b>	<b>\$ 584,070</b>	<b>\$ 568,038</b>	<b>\$ 584,070</b>	<b>\$ 575,731</b>	<b>\$ 607,315</b>	<b>\$ 622,269</b>	<b>\$ 625,951</b>
<b>General Fund</b>												
Revenue**	\$ 4,472,679	\$ 4,770,254	\$ 5,359,242	\$ 5,184,649	\$ 4,641,647	\$ 4,511,043	\$ 4,613,406	\$ 5,083,642	\$ 4,938,541	\$ 4,865,256	\$ 4,847,549	\$ 5,041,600
Sheriff total %	33%	33%	31%	33%	38%	38%	40%	36%	38%	40%	41%	43%
Fire Total %	12%	10%	10%	11%	12%	13%	12%	11%	12%	12%	13%	12%
	45%	43%	42%	44%	50%	51%	52%	47%	50%	53%	54%	55%

\*\*General Fund Revenue has been adjusted for any one time only items, for consistency.

**GRAPHICAL PRESENTATION: PUBLIC SAFETY PORTION OF GENERAL FUND REVENUE**

	FY 05	FY 06	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16
Gen Fund Tot Rev	\$ 4,472,679	\$ 4,770,254	\$ 5,359,242	\$ 5,184,649	\$ 4,641,647	\$ 4,511,043	\$ 4,613,406	\$ 5,083,642	\$ 4,938,541	\$ 4,865,256	\$ 4,847,549	\$ 5,041,600
Public Safety	\$ 2,011,614	\$ 2,053,496	\$ 2,225,906	\$ 2,306,055	\$ 2,319,257	\$ 2,279,129	\$ 2,394,405	\$ 2,407,699	\$ 2,461,844	\$ 2,555,318	\$ 2,598,171	\$ 2,782,806



## City of Needles Parcel Counts

### Breakdown by Parcel Type

Parcel Type	Count	Description
0	3,188	Real Property
6	543	Manufactured Homes
	3,731	Total

### Breakdown by Use Code - 0 Parcel Types

Use Code	Count	Description
0000	1,217	VACANT LAND
0002	1	WATER WELL SITE
0003	2	IMPROVEMENTS ASS'D ASSOCIATED APN
0100	9	STORAGE WAREHOUSE
0103	2	MINI-STORAGE WAREHOUSE
0104	3	STORAGE BUILDING
0113	2	LIGHT INDUSTRIAL
0114	1	HEAVY INDUSTRIAL
0210	8	GENERAL OFFICE
0211	2	BANK, S&L
0230	5	MEDICAL OFFICE
0253	1	MORTUARY
0300	78	RETAIL STORE
0301	1	RETAIL WAREHOUSE
0302	1	DISCOUNT STORE
0304	4	RETAIL STRIP
0305	5	SHOPPING CENTER
0312	4	CONVENIENCE STORE
0314	1	MARKET
0321	3	RESTAURANT
0322	2	BAR, TAVERN
0330	13	HOTEL
0331	12	MOTEL
0333	2	RV PARK
0342	1	AUTO DEALERSHIP (SALES/SVC)
0343	13	SERVICE STATION
0344	5	SERVICE GARAGE
0345	1	MINI-LUBE GARAGE
0346	1	CAR WASH, COIN-OP
0350	12	PARKING LOT
0388	4	CLUBHOUSE
0391	2	AMUSEMENT/THEME PARK
0399	1	MISC REC FACILITY (NOT COMMON AREAS)
0400	20	RELIGIOUS STRUCTURE
0421	1	MUSEUM

0430	2 GOVERNMENT BUILDING
0480	1 MULTIPURPOSE BUILDING
0510	1,283 SFR - SINGLE FAMILY RESIDENCE
0520	41 MH ON FEE LAND, NOT IN MH SUBDIVISION
0521	1 MH ACCESSORIES, FEE LAND
0522	2 MH, IN-PARK (LEASED LAND)
0523	1 MH ACCESSORIES, IN-PARK (LEASED LAND)
0525	122 MH ON FEE LAND, IN MANUFACTURED HOME SUBDIVISION
0526	75 MANUF HOME ON PERM FOUND (18551)
0599	39 MISC RESIDENTIAL STRUCTURE
0600	92 TWO SFR
0601	3 THREE SFR
0602	3 FOUR SFR
0603	7 DUPLEX
0604	8 TRIPLEX (TRUE OR COMBINATION)
0605	2 QUAD (TRUE OR COMBINATION)
0610	1 MULTI-SFR, 5-14 UNITS
0611	3 APARTMENT, 5-14 UNITS
0620	1 MULTI-SFR, 15 UNITS AND UP
0621	4 APARTMENT, 15 UNITS AND UP
0622	1 TOWNHOUSE APARTMENT, 15 UNITS AND UP
0631	2 GOV'T ASSISTED APT (HUD, 236, ETC.)
0650	10 MANUFACTURED HOME PARK
0902	1 PERMANENT OPEN SPACE EASEMENT
0999	43 CHECK

3,188 Total



# FEMA

## Staffing for Adequate Fire & Emergency Response Grants - Award Year 2014

This page contains a list of Staffing for Adequate Fire & Emergency Response (SAFER) Grants awarded for Fiscal Year (FY) 2014. SAFER grants are awarded to: Fire departments, national, state, local, or tribal organizations that represent the interests of volunteer firefighters. The intended audience is AFG stakeholders, which include but are not limited to award recipients and the communities they serve.

### Weekly Award Postings For Award Year 2014

ORGANIZATION	CITY	STATE	PROGRAM	AWARD AMOUNT	AWARD DATE
City of Central Falls Fire Department	Central Falls	RI	Hiring	\$544,264.00	8/21/2015
College Station Fire Department	College Station	TX	Hiring	\$758,982.00	8/21/2015
Crooks Fire and Rescue	Crooks	SD	Recruitment	\$580,000.00	8/21/2015
Hamlin Morton Walker Fire District	Hamlin	NY	Recruitment	\$36,700.00	8/21/2015
Lompoc Fire Department	Lompoc	CA	Recruitment	\$34,750.00	8/21/2015
Spanish Fort Fire and Rescue	Spanish Fort	AL	Recruitment	\$634,234.00	8/21/2015
Volunteer Fire Department of Seymour, Inc.	Seymour	TN	Recruitment	\$612,620.00	8/21/2015
Westampton Fire Department and Emergency Services	Mount Holly	NJ	Recruitment	\$208,000.00	8/21/2015

STATION	CITY	STATE	PROGRAM	AWARD AMOUNT	AWARD DATE
Benton County Fire Protection District #4					
Columbus Rural Fire District#3	Columbus	MT	Hiring	\$343,494.00	7/3/2015
Desert Hills Fire District	Lake Havasu City	AZ	Hiring	\$741,042.00	7/3/2015
East Wayne Fire District	Dalton	OH	Hiring	\$648,000.00	7/3/2015
Euclid Fire Department	Euclid	OH	Hiring	\$977,469.00	7/3/2015
Keizer Fire District	Keizer	OR	Hiring	\$550,896.00	7/3/2015
Mid-County Fire Protection District	Camdenton	MO	Hiring	\$99,900.00	7/3/2015
North Star Volunteer Fire Department	North Pole	AK	Hiring	\$737,934.00	7/3/2015
Rocky Point Volunteer Fire Department	Rocky Point	NC	Hiring	\$84,000.00	7/3/2015
S.E. Thurston Fire Authority	Yelm	WA	Hiring	\$802,068.00	7/3/2015
Seaside Fire Department	Seaside	CA	Hiring	\$754,260.00	7/3/2015
Siletz RFPD	Siletz	OR	Hiring	\$177,150.00	7/3/2015

Last Updated: 08/21/2015 - 09:22

**Rick Daniels**

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**Subject:**

Volunteer Fire Department in Blythe

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**From:** Frank Luckino [<mailto:fluckino@29palms.org>]

**Sent:** Friday, July 10, 2015 9:58 AM

**To:** Rick Daniels

**Cc:** Bill Kem

**Subject:** Re: Fire Department in Blythe

Rick,

If possible, the Blythe model is the best, if you can get that type of community support in Needles. I am copying Billy Kem from Blythe, Fire Chief. Blythe has the best model for fire protection but, they have created an institution in the volunteer fire department — they have 32 fireman and a waiting list. And they have the business support to have these men leave their jobs if a call happens. It is 100 years old

Thanks

Frank J. Luckino  
City Manager  
City of Twentynine Palms  
50-401-0520

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# OPERATING BUDGET

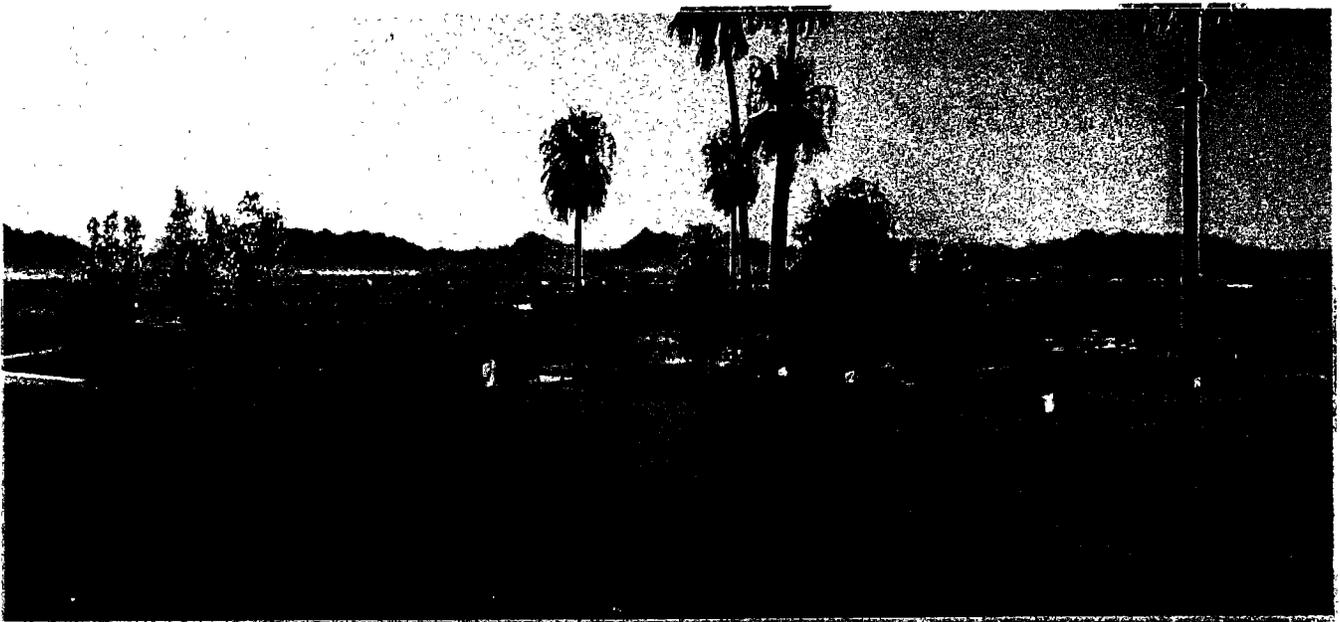
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STUDY SESSION  
MAY 26, 2015

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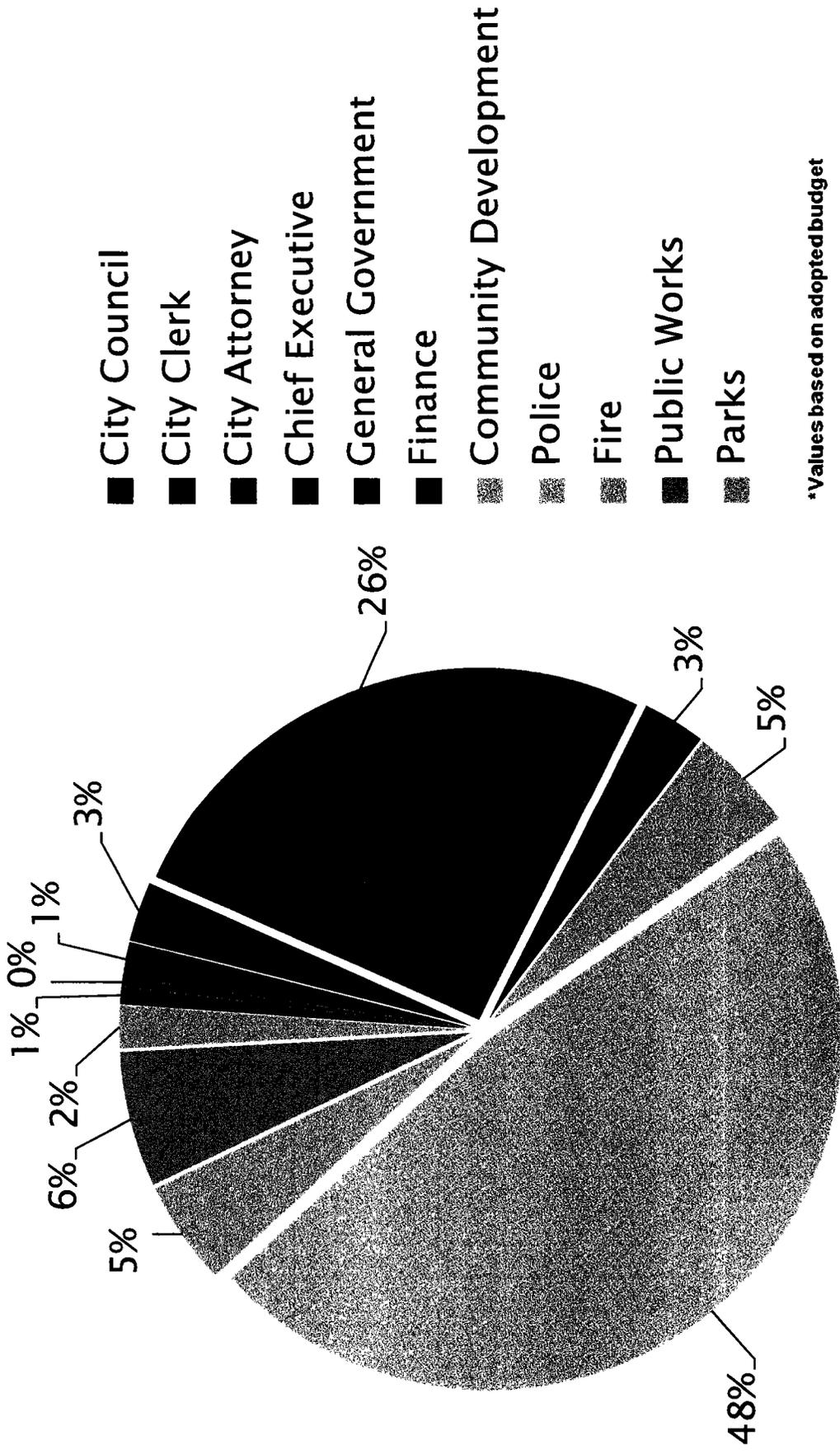
FISCAL YEAR 2015-2016

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# General Fund Expenditures and Transfer Out

\$9,606,583



\*Values based on adopted budget

CITY OF BLYTHE

COMPARISON OF EXPENDITURES/TRANSFERS  
THREE YEAR COMPARISON

	ACTUAL 2013/2014	ADOPTED BUDGET 2014/2015	PROPOSED BUDGET 2015/2016
<b>GENERAL FUND:</b>			
City Council	46,622	55,822	76,166
City Clerk	32,546	36,962	35,987
City Attorney	145,430	158,500	158,500
City Manager	229,875	264,844	264,991
General Government	1,431,989	1,370,339	2,469,469
Personnel	8,719	9,425	8,455
Finance	356,353	283,092	269,344
Development Services	504,201	483,275	478,743
Police	4,763,637	4,836,897	4,594,210
Fire Department	323,312	374,550	463,597
Public Works	1,294,222	622,570	598,554
Parks	548,959	163,675	188,567
<b>Total General Fund</b>	<b>9,685,864</b>	<b>8,659,951</b>	<b>9,606,583</b>
<b>SPECIAL REVENUE:</b>			
Development Impact Fees	0	50,000	37,400
Capital Improvement Fees	0	197,000	52,100
Lighting District	184,911	195,724	194,806
Landscape Districts	23,341	41,141	47,210
Asset Forfeitures	14,411	61,150	73,324
Traffic Safety	50,000	72,700	0
State Gas Tax	333,349	573,090	652,609
Measure A Sales Tax	541,607	1,634,611	1,726,551
AB 2766 Air Quality Improvement	352,435	15,000	46,085
EDA Comm Dev Blk Grant (CDBG)	314,319	51,500	61,991
<b>Total Special Revenue Funds</b>	<b>1,814,373</b>	<b>2,891,916</b>	<b>2,892,076</b>
<b>ENTERPRISE FUNDS</b>			
Water Utility	2,512,441	2,650,311	2,491,119
Sewer/Wastewater Treatment	2,592,847	3,159,506	3,010,136
Refuse/Solid Waste	2,366,289	2,386,324	927,055
Golf Course	0	0	0
<b>Total Enterprise Funds</b>	<b>7,471,577</b>	<b>8,196,141</b>	<b>6,428,310</b>
<b>CAPITAL PROJECTS FUNDS</b>			
Capital Projects - General	339,911	0	0
Capital Projects - Streets	54,845	1,498,000	1,516,100
Capital Projects - Capital Parks	364,204	51,500	49,813
<b>Total Capital Projects</b>	<b>758,959</b>	<b>1,549,500</b>	<b>1,565,913</b>
<b>INTERNAL SERVICE FUNDS</b>			
Central Communications	4,914	6,900	6,700
Building Maintenance	252,315	260,555	377,726
Central Garage	607,387	683,387	763,023
Risk Management	217,061	235,000	225,800
Unemployment Comp.	20,550	25,000	185,000
Workers Compensation	388,480	352,610	413,773
Recreation	280,053	276,824	281,220
<b>Total Internal Service Funds</b>	<b>1,770,760</b>	<b>1,840,276</b>	<b>2,253,242</b>
<b>TRUST &amp; POLICE GRANT FUNDS</b>			
Blythe Financing Authority	356,798	349,498	350,588
Community Facility District	127,816	139,264	135,285
Police Grants	326,517	431,564	89,195
<b>Total Trust &amp; Police Grant Funds</b>	<b>811,131</b>	<b>920,326</b>	<b>575,068</b>
<b>TOTAL ALL CITY FUNDS</b>	<b>22,312,663</b>	<b>24,058,110</b>	<b>23,321,192</b>

CITY OF BLYTHE  
SUMMARY OF APPROPRIATIONS  
BY DEPARTMENT AND  
BY EXPENDITURE CLASSIFICATION

DEPARTMENT NAME	DEPARTMENT NUMBER	PERSONNEL	TRAVEL	OTHER	CAPITAL	OPERATING EXPENSES	TOTAL									
		SALARIES	BENEFITS	SERVICES	SUPPLIES	PRINTING	REPAIRS	DEPRECIATION	GRANTS	INDEMNITY	UNEMPLOYMENT COMP.	WORKERS COMPENSATION	RECREATION	TRAVEL	OTHER	TOTAL
<b>GENERAL FUND:</b>																
City Council	11	17,640	41,241	16,985	300											76,186
City Clerk	12	7,200	707	24,450	3,560											36,987
City Attorney	13			188,500												188,500
Administration	21	184,986	55,286	18,960	4,250											264,991
General Government	28	1,456,116	81,255	21,700	1,500											2,469,488
Finance	31	146,411	66,163	55,825	6,300											277,799
Development Services	41	288,142	123,261	55,980	9,826											478,743
Police	60	2,721,076	1,376,697	434,763	39,676											4,694,210
Fire	60	265,119	51,350	140,498	16,600											483,697
Public Works	70	122,363	65,810	76,981	234,500											599,654
Parks	90	55,141	32,923	64,203	36,300											188,567
Total General Fund		3,797,088	3,270,664	1,127,010	372,900	42,600	28,625	0	821,710	346,188						9,606,563
<b>SPECIAL REVENUE FUNDS:</b>																
Development Impact Fees	101			37,400												37,400
Capital Improvement Fees	102			52,100												52,100
Lighting District	103			22,006	172,800											194,806
Landscape Districts	106	10,786	5,642	16,943	13,930											47,210
Asset Forfeitures	107															73,324
Traffic Safety	111															0
State Gas Tax	112			197,737	66,610											264,347
Measure A Sales Tax	114			74,240												74,240
AB 2766 Air Quality Improv	115															0
Comm Dev Block Grant	121															0
Total Special Revenue Funds		236,097	120,410	310,926	242,240	176,002	0	0	1,572,190	236,211						2,892,076
<b>ENTERPRISE FUNDS:</b>																
Water Fund	410	370,420	183,026	667,283	622,070											2,491,119
Sewer Fund	420	488,407	235,940	928,900	390,475											3,010,136
Sanitation	430	16,600	9,181	788,479	97,160											927,065
Total Enterprise Funds		876,427	428,146	2,386,672	1,109,696	0	5,000	190,000	371,795	1,062,676						6,428,310
<b>CAPITAL PROJECTS FUNDS</b>																
General Capital Projects	310															0
Street Capital Projects	320															1,616,100
Capital Parks Projects	340															49,813
Total Capital Projects		0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,665,913
<b>INTERNAL SERVICE FUNDS</b>																
Central Communications	601			6,200	500											6,700
Building Maintenance	603			160,378	117,360											377,728
Central Garage	606	146,426	67,466	74,596	264,600											783,023
Risk Management	607			175,800												226,600
Unemployment Comp.	608															186,000
Workers Compensation	609			313,773												413,773
Recreation	630	133,406	63,349	34,585	16,020											281,220
Total Internal Service Funds		278,631	130,814	765,329	397,470	76,000	0	110,000	352,648	162,960						2,263,242
<b>TRUST &amp; GRANT FUNDS</b>																
Blythe Financing Authority	201			4,400												350,688
Community Facility District	601			9,500												135,286
Police Grants	641	14,000	3,880	2,645	18,670											89,195
Total Trust & Grant Funds		14,000	3,880	16,445	18,670	346,188	0	0	50,100	125,786						576,068
<b>TOTAL ALL CITY FUNDS</b>		<b>5,200,441</b>	<b>3,953,814</b>	<b>4,686,382</b>	<b>2,140,975</b>	<b>638,690</b>	<b>33,925</b>	<b>1,886,913</b>	<b>2,968,643</b>	<b>1,923,708</b>						<b>23,321,192</b>

000 GENERAL FUND  
 60 FIRE  
 422 FIRE  
 11 FIRE ADMINISTRATION

<i>Account Number</i>	<i>2015 Adopted</i>	<i>2015 YTD</i>	<i>2016 Proposed</i>
100 SALARIES			
112-000 PART TIME EMPLOYEES	30,000	25,000	30,000
<b>Total</b> SALARIES	30,000	25,000	30,000
200 BENEFITS			
222-000 F.I.C.A.	2,295	1,913	2,295
252-000 U.I.C.	225	188	225
262-000 WORKERS COMPENSATION INSURANCE	3,522	2,935	3,522
<b>Total</b> BENEFITS	6,042	5,036	6,042
300 PROF/TECHNICAL SERVICES			
342-005 WEB PAGE LICENSING	375	380	385
<b>Total</b> PROF/TECHNICAL SERVICES	375	380	385
400 PROPERTY SERVICES			
444-000 EQUIP RENTAL/CENTRAL GARAGE	2,600	2,604	3,400
444-010 EQUIP RENTAL/FUEL CHARGES	1,750	630	1,000
<b>Total</b> PROPERTY SERVICES	4,350	3,234	4,400
500 OTHER SERVICES			
532-000 COMMUNICATIONS	2,300	1,950	2,400
582-000 TRAVEL	0	108	0
<b>Total</b> OTHER SERVICES	2,300	2,058	2,400
600 SUPPLIES			
612-000 OFFICE SUPPLIES	100	0	100
642-000 MEMBERSHIPS/BOOKS/PERIODICALS	1,400	1,350	1,400
652-000 SPECIAL DEPARTMENTAL SUPPLIES	100	90	100
<b>Total</b> SUPPLIES	1,600	1,440	1,600
700 CAPITAL OUTLAYS			
<b>Total</b> CAPITAL OUTLAYS	0	0	0
<b>Total</b> FIRE ADMINISTRATION	44,667	37,148	44,827

000 GENERAL FUND  
 60 FIRE  
 422 FIRE  
 22 FIRE FIGHTING

<u>Account Number</u>	<u>2015 Adopted</u>	<u>2015 YTD</u>	<u>2016 Proposed</u>
100 SALARIES			
117-000 ON CALL FIREFIGHTERS (34)	152,616	165,383	206,519
135-001 ASST FIRE CHIEF PAY/ON CALL	7,200	6,000	7,200
135-002 FIRE OFFICER'S PAY	9,000	7,500	9,000
135-004 SAFETY OFFICER PAY	1,200	1,000	1,200
135-005 TRAINING OFFICER PAY	1,200	1,000	1,200
<b>Total SALARIES</b>	<b>171,216</b>	<b>180,883</b>	<b>225,119</b>
200 BENEFITS			
222-000 F.I.C.A.	13,099	13,844	17,222
252-000 U.I.C.	1,285	1,357	1,688
262-000 WORKERS COMPENSATION INSURANCE	20,101	21,245	26,428
<b>Total BENEFITS</b>	<b>34,485</b>	<b>36,446</b>	<b>45,338</b>
300 PROF/TECHNICAL SERVICES			
342-000 AIR PACK TESTING/CERTIFICATION	2,000	2,535	2,000
349-000 TRAINING SERVICES	1,000	0	1,000
<b>Total PROF/TECHNICAL SERVICES</b>	<b>3,000</b>	<b>2,535</b>	<b>3,000</b>
400 PROPERTY SERVICES			
432-000 REPAIR/MAINTENANCE SERVICES	1,500	3,256	1,500
444-000 EQUIP RENTAL/CENTRAL GARAGE	64,507	21,168	117,788
444-010 EQUIP RENTAL/FUEL CHARGES	7,850	4,139	7,500
<b>Total PROPERTY SERVICES</b>	<b>73,857</b>	<b>28,563</b>	<b>126,788</b>
500 OTHER SERVICES			
532-000 COMMUNICATIONS	3,500	2,823	3,500
535-000 POSTAGE	25	29	25
<b>Total OTHER SERVICES</b>	<b>3,525</b>	<b>2,852</b>	<b>3,525</b>
600 SUPPLIES			
632-000 REPAIR/MAINTENANCE SUPPLIES	1,000	232	1,000
632-001 SAFETY SUPPLIES	32,800	13,721	4,000
652-000 SPECIAL DEPARTMENTAL SUPPLIES	10,000	14,580	10,000
<b>Total SUPPLIES</b>	<b>43,800</b>	<b>28,533</b>	<b>15,000</b>

700 CAPITAL OUTLAYS

<b>Total</b>	CAPITAL OUTLAYS	0	0	0
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800 OTHER FINANCING USES

<b>Total</b>	OTHER FINANCING USES	0	0	0
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<b>Total</b>	FIRE FIGHTING	329,883	279,812	418,770
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<b>Total</b>	FIRE	374,550	316,960	463,597
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<b>Total</b>	FIRE	374,550	316,960	463,597
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Fire Services by City

City of Twentynine Palms  
 Fire Services  
 As of August 17, 2015

City	Population	Funding	Dept. or Contract	Genral Fund Budget	Fire Budget Budget	Property Tax %	Sales Tax	Enterprise Funds
City of Brisbane	4,500	GF	Department	17,400,000	2,600,000	18%	3,000,000	Yes
City of St. Helena	5,900	GF	Department	9,989,527	581,983	15%	2,800,418	Yes
City of Gridley	6,000	GF	Contract	6,000,000	900,000	27%	750,000	Yes
City of Winters	7,000	GF/Special Tax	Department	4,343,094	789,931	18%	560,456	Yes
City of Needles	4,000	General Fund	Contract	5,030,175	625,951	17%	380,000	No
City of Sebastopol	7,800	GF	Department	7,790,941			1,700,000	
City of Rolling Hills Estates	8,200	Special Tax	Contract	7,000,000			2,000,000	
City of Morro Bay	10,000	GF/Special Tax	Department	11,516,787	2,474,276	12%	1,460,913	Yes
City of Canyon Lakes	10,911							
City of Auburn	13,600	GF	Department	9,780,234		17%	4,017,744	
City of Twentynine Palms	14,000	Special Tax	Special District	8,000,000	1,200,000	26%	1,100,000	No
City of Blythe	14,000	General Fund	Department	9,000,000	450,000	21%	1,200,000	Yes
City of El Segundo	16,800							
Town of Yucca Valley	21,000	Property Tax	Special District	9,000,000		17%	3,000,000	No
City of Calabassas	24,000							
City of Seal Beach	24,065	GF	Contract	37,388,593		15%	4,737,000	
City of Goleta	30,300							
Town of Apple Valley	70,924	Property Tax	Special District	103,249,908	8,100,000	5%		
City of Chino Hills	76,572	Property Tax	Special District			4%		
City of Chino	77,983	Property Tax	Special District			11%		

**Rick Daniels**

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**Subject:**

29 Palms Fire Department Annexation into County Fire District

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**From:** Frank Luckino [<mailto:fluckino@29palms.org>]

**Sent:** Friday, July 10, 2015 8:01 AM

**To:** Rick Daniels

**Subject:** Re: Fire Department

Rick,

We are in a similar process. We have a local fire department with a fixed revenue source — \$1.2M on a parcel tax. Inflation has eaten into the \$1.2M and now we continually cut services to balance the budget. We tried to go to the voters and they said no. Now, we are looking at getting annexed into County Fire for \$2.0M. As part of the annexation process, a fire protection fee would follow. Currently the \$1.2M parcel tax is at \$80/parcel — the County Fire Protection Fee is at \$130/parcel so it would generate the \$2.0M needed. It is a struggle right now with local control vs. providing the service.

Thanks

Frank J. Luckino

City Manager

City of Twentynine Palms

760-401-0520

City of Canyon Lake  
 Budget Detail - With New Truck  
 Fiscal Year 2015-2016

Public Safety - Fire		Fire & Medical - 420	
Function - Department		Division - Code	
Object Acct #	Description and Justification	Budget 2014-15	Proposed 2015-16
6010	<b>Salaries and Wages</b>	\$ -	
	Fire Chief (1)		38,400.00
	Battalion Chiefs (2)		65,280.00
	Part Time Fire Captains		245,952.00
	Part Time Fire Engineers		202,032.00
	Part Time Firefighters		166,896.00
	Administrative Support		75,000.00
6080	<b>Benefits/Employer Taxes</b>		
	Cell Phone/Mileage		12,500.00
	Employer Paid Benefits		15,677.73
	Employer Taxes		21,978.62
	Worker's Comp/Liability Ins		115,000.00
	<b>Personnel Total:</b>	\$ -	<b>958,716.35</b>
6210	<b>Office Expense and Supplies</b>		
	General office supplies		1,500.00
6220	<b>Departmental Expense</b>	\$ 2,000	
	Initial Purchase of Uniforms		11,200.00
	Initial Purchase Turn-Out Gear For Station (15 Full Sets)		19,950.00
	Day to Day Supplies (Cleaning Supplies/Coffee/Water/Landscape)		6,000.00
	General Station Building Maintenance		25,000.00
6310	<b>Communications</b>		
	Dispatch Services (estimated)		100,000.00
6320	<b>Utilities</b>	8,440	9,300.00
	Electric	\$ 4,800	
	Water	\$ 4,500	
6330	<b>Rentals &amp; Leases</b>		1.00
	Lease From POA		
6415	<b>Vehicle Maintenance</b>		24,000.00
6425	<b>Fuels and Lubricants</b>		12,000.00
6610	<b>Professional/Specialized Services</b>	1,453,150	
	Payroll Processing		5,000.00
	IT Support (Synoptek)		2,500.00
	Cal Fire Contract		0.00

	<b>O &amp; M Total:</b>	\$1,463,590	216,451:00
8017	<b>Fire &amp; Life Saving Equipment/Rescue Equipment</b>	\$ -	
	Purchase of Reserve Truck (New)		352,286:00
	Purchase of Chief Vehicles		70,000:00
	Self-Contained Breathing Apparatus (4)		18,000:00
	Dispatch Radios (Contingency)		60,000:00
8018	<b>Station Upgrades</b>	-	
	Purchase of Computer		1,000:00
	Purchase of Printer/Scanner/Fax		600:00
	<b>Capital Total:</b>	\$ -	\$ 501,886

Total Department Budget: \$ 1,677,053.35

**City of Canyon Lake**  
**Budget Detail - With Used Truck**  
**Fiscal Year 2015-2016**

<b>Public Safety - Fire</b>		<b>Fire &amp; Medical - 420</b>	
<b>Function - Department</b>		<b>Division - Code</b>	
<b>Object</b>		<b>Budget</b>	<b>Proposed</b>
<b>Acct #</b>	<b>Description and Justification</b>	<b>2014-15</b>	<b>2015-16</b>
6010	<b>Salaries and Wages</b>	\$-	
	Fire Chief (1)		38,400.00
	Battalion Chiefs (2)		65,280.00
	Part Time Fire Captains		245,952.00
	Part Time Fire Engineers		202,032.00
	Part Time Firefighters		166,896.00
	Administrative Support		75,000.00
6080	<b>Benefits/Employer Taxes</b>		
	Cell Phone/Mileage		12,500.00
	Employer Paid Benefits		15,677.73
	Employer Taxes		21,978.62
	Worker's Comp/Liability Ins		115,000.00
	<b>Personnel Total:</b>	\$-	958,716.35
6210	<b>Office Expense and Supplies</b>		
	General office supplies		1,500.00
6220	<b>Departmental Expense</b>	\$ 2,000	
	Initial Purchase of Uniforms		11,200.00
	Initial Purchase Turn-Out Gear For Station (15 Full Sets)		19,950.00
	Day to Day Supplies (Cleaning Supplies/Coffee/Water/Landscape)		6,000.00
	General Station Building Maintenance		25,000.00
6310	<b>Communications</b>		
	Dispatch Services (estimated)		100,000.00
6320	<b>Utilities</b>	8,440	9,300.00
	Electric       \$    4,800		
	Water         \$    4,500		
6330	<b>Rentals &amp; Leases</b>		1.00
	Lease From POA		
6415	<b>Vehicle Maintenance</b>		24,000.00
6425	<b>Fuels and Lubricants</b>		12,000.00
6610	<b>Professional/Specialized Services</b>	1,453,150	
	Payroll Processing		5,000.00

IT Support (Synoptek)		2,500.00
Cal Fire Contract		0.00

<b>O &amp; M Total:</b>	<b>\$ 1,463,590</b>	<b>216,451.00</b>
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8017	<b>Fire &amp; Life Saving Equipment/Rescue Equipment</b>	\$-
	Purchase of Reserve Truck (Used)	80,000.00
	Purchase of Chief Vehicles	70,000.00
	Self-Contained Breathing Apparatus (4)	18,000.00
	Dispatch Radios (Contingency)	60,000.00

8018	<b>Station Upgrades</b>	-
	Purchase of Computer	1,000.00
	Purchase of Printer/Scanner/Fax	600.00
	<b>Capital Total:</b>	<b>\$ 229,600</b>

<b>Total Department Budget:</b>	<b>\$1,404,767.35</b>
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**City of Canyon Lake**  
**Budget Detail - With Paramedics and New Truck**  
**Fiscal Year 2015-2016**

<u>Public Safety - Fire</u>		<u>Fire &amp; Medical - 420</u>	
<u>Function - Department</u>		<u>Division - Code</u>	
Object		Budget	Proposed
Acct #	Description and Justification	2014-15	2015-16
6010	<b>Salaries and Wages</b>	\$-	
	Fire Chief (1)		38,400.00
	Battalion Chiefs (2)		65,280.00
	Part Time Fire Captains		245,952.00
	Part Time Fire Engineers		202,032.00
	Part Time Firefighter/Paramedics		175,240.80
	Administrative Support		75,000.00
6080	<b>Benefits/Employer Taxes</b>		
	Cell Phone/Mileage		12,500.00
	Employer Paid Benefits		15,677.73
	Employer Taxes		22,099.62
	Worker's Comp/Liability Ins		115,000.00
	<b>Personnel Total:</b>	\$-	<b>967,182.15</b>
6210	<b>Office Expense and Supplies</b>		
	General office supplies		1,500.00
6220	<b>Departmental Expense</b>	\$ 2,000	
	Initial Purchase of Uniforms		11,200.00
	Initial Purchase Turn-Out Gear For Station (15 Full Sets)		19,950.00
	Day to Day Supplies (Cleaning Supplies/Coffee/Water/Landscape)		6,000.00
	General Station Building Maintenance		25,000.00
6310	<b>Communications</b>		
	Dispatch Services (estimated)		100,000.00
6320	<b>Utilities</b>	8,440	9,300.00
	Electric       \$    4,800		
	Water         \$    4,500		
6330	<b>Rentals &amp; Leases</b>		1.00
	Lease From POA		
6415	<b>Vehicle Maintenance</b>		24,000.00
6425	<b>Fuels and Lubricants</b>		12,000.00
6610	<b>Professional/Specialized Services</b>	1,453,150	
	Payroll Processing		5,000.00

IT Support (Synoptek)		2,500.00
Cal Fire Contract		0.00
ALS/BLS Training Requirements		6,000.00

<b>O &amp; M Total:</b>	<b>\$1,463,590</b>	<b>222,451.00</b>
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8017	<b>Fire &amp; Life Saving Equipment/Rescue Equipment</b>	<b>\$-</b>	
	Purchase of Reserve Truck (Used)		352,285.88
	Purchase of Chief Vehicles		70,000.00
	Self-Contained Breathing Apparatus (4)		18,000.00
	Dispatch Radios (Contingency)		60,000.00
	Paramedic ALS Kits Initial Purchase		81,049.78

8018	<b>Station Upgrades</b>	<b>-</b>	
	Purchase of Computer		1,000.00
	Purchase of Printer/Scanner/Fax		600.00

<b>Capital Total:</b>	<b>\$-</b>	<b>\$ 582,936</b>
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Total Department Budget:		<b>\$1,772,568.81</b>
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**City of Canyon Lake**  
**Budget Detail - With Paramedics and Used Truck**  
**Fiscal Year 2015-2016**

<b>Public Safety - Fire</b>		<b>Fire &amp; Medical - 420</b>	
<b>Function - Department</b>		<b>Division - Code</b>	
<b>Object</b>		<b>Budget</b>	<b>Proposed</b>
<b>Acct #</b>	<b>Description and Justification</b>	<b>2014-15</b>	<b>2015-16</b>
6010	<b>Salaries and Wages</b>	\$-	
	Fire Chief (1)		38,400.00
	Battallion Chiefs (2)		65,280.00
	Part Time Fire Captains		245,952.00
	Part Time Fire Engineers		202,032.00
	Part Time Firefighter/Paramedics		175,240.80
	Administrative Support		75,000.00
6080	<b>Benefits/Employer Taxes</b>		
	Cell Phone/Mileage		12,500.00
	Employer Paid Benefits		15,677.73
	Employer Taxes		22,099.62
	Worker's Comp/Liability Ins		115,000.00
	<b>Personnel Total:</b>	\$-	967,182.15
6210	<b>Office Expense and Supplies</b>		
	General office supplies		1,500.00
6220	<b>Departmental Expense</b>	\$ 2,000	
	Initial Purchase of Uniforms		11,200.00
	Initial Purchase Turn-Out Gear For Station (15 Full Sets)		19,950.00
	Day to Day Supplies (Cleaning Supplies/Coffee/Water/Landscape)		6,000.00
	General Station Building Maintenance		25,000.00
6310	<b>Communications</b>		
	Dispatch Services (estimated)		100,000.00
6320	<b>Utilities</b>	8,440	9,300.00
	Electric \$ 4,800		
	Water \$ 4,500		
6330	<b>Rentals &amp; Leases</b>		1.00
	Lease From POA		
6415	<b>Vehicle Maintenance</b>		24,000.00
6425	<b>Fuels and Lubricants</b>		12,000.00
6610	<b>Professional/Specialized Services</b>	1,453,150	
	Payroll Processing		5,000.00

IT Support (Synoptek)		2,500.00
Cal Fire Contract		0.00
ALS/BLS Training Requirements		6,000.00

<b>O &amp; M Total:</b>	<b>\$ 1,463,590</b>	<b>222,451.00</b>
-------------------------	---------------------	-------------------

8017	<b>Fire &amp; Life Saving Equipment/Rescue Equipment</b>	<b>\$-</b>	
	Purchase of Reserve Truck (Used)		80,000.00
	Purchase of Chief Vehicles		70,000.00
	Self-Contained Breathing Apparatus (4)		18,000.00
	Dispatch Radios (Contingency)		60,000.00
	Paramedic ALS Kits Initial Purchase		81,049.78

8018	<b>Station Upgrades</b>	<b>-</b>	
	Purchase of Computer		1,000.00
	Purchase of Printer/Scanner/Fax		600.00

<b>Capital Total:</b>	<b>\$-</b>	<b>\$ 310,650</b>
-----------------------	------------	-------------------

Total Department Budget:		<b>\$1,500,282.93</b>
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## Cheryl Sallis

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**From:** Rick Daniels [ndlscitymgr@citlink.net]  
**Sent:** Friday, August 14, 2015 9:31 AM  
**To:** Cheryl Sallis  
**Subject:** FW: San Bernardino fire outsourcing plan released

Rick Daniels, City Manager  
817 Third Street  
Needles, CA 92363  
760-326-6765 Fax  
760-326-2113, 313 Office  
760-408-4350 Mobile

---

**From:** Rick Daniels [mailto:rubiconmallard@gmail.com]  
**Sent:** Thursday, August 13, 2015 11:28 PM  
**To:** ndlscitymgr@citlink.net  
**Subject:** San Bernardino fire outsourcing plan released

# San Bernardino fire outsourcing plan released

By [Ryan Hagen](#), The Sun

Posted: 08/13/15, 12:31 AM PDT | Updated: 20 hrs ago

[0 Comments](#)

SAN BERNARDINO >> A 28-page report by fire consultant Citygate Associated was released Wednesday night, recommending that the city be annexed into the San Bernardino County Fire District.

The bottom line recommendation matches what City Manager Allen Parker [outlined](#) — and the city's Fire Management Association warned against — earlier this week.

The recommendation includes the option of a \$139-per-year parcel tax.

Citygate evaluated the ability of three bidders — county fire, city fire and Florida-based private firm Centerra — to meet certain staffing standards, ultimately recommending the county move forward with a county fire plan that would include keeping 10 city fire stations — closing Stations 223 and 230 — and adding the use of one additional county fire station.

“The best cost-to-services choice is County Fire’s Option C for 14 units and 41 firefighters (per shift) at \$26,307,731 which includes sharing the use of a nearby County Fire station and battalion chief that can assist with covering part of the western city,” Citygate wrote.

Suggesting outsourcing public safety — which is relatively common for other areas in San Bernardino County and beyond — was once controversial in San Bernardino, but it's proven less so after the city floated and now seems to reject the idea of having a private firm provide fire services.

Councilman Henry Nickel compared the relatively thin opposition to annexing to county fire — even if it means an additional tax for owners of the city's 56,000 parcels — to the outpouring of opposition when a local group sent a robocall asking citizens to oppose privatizing the Fire Department.

“My phone was literally on fire for two days,” Nickel said Wednesday, after hearing a summary of the report but before receiving it. “My voice mail filled up within about an hour of that robo call going out, and it took me two or three days to catch up. But since this article came out (outlining the report), I've received one phone call today regarding the county versus city debate.”

Nickel says he's still undecided and will keep listening to input, but he thinks most people have accepted the idea of County Fire taking over.

“I think it's very clear that Centerra is not something the public by and large supports, but — I hate to use the word resignation, but I think much of the public understands that the county medicine is probably the one we'll have to take,” said Nickel, who represents the fire-prone 5th Ward. “It's not something we want to do, but it's something we might have to do.”

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City spokeswoman Monica Lagos posted a summary of the report and the city's next steps here ([www.tinyurl.com/pbogaxr](http://www.tinyurl.com/pbogaxr)) and the report itself here ([www.tinyurl.com/oraatpk](http://www.tinyurl.com/oraatpk)).

A special meeting, including a presentation of the report and a chance for resident comment, is scheduled for Aug. 24.

### **About the Author**

Ryan Hagen covers the city of San Bernardino for The Sun. Reach the author at [Ryan.Hagen@langnews.com](mailto:Ryan.Hagen@langnews.com) or follow Ryan on Twitter: [@rmhagen](https://twitter.com/rmhagen).

- [Full bio and more articles by Ryan Hagen](#)
- [Back to top](#)

### **Related**

- [San Bernardino fire services outsourcing plan recommends county fire](#)

# San Bernardino fire services outsourcing plan recommends county fire

By Ryan Hagen, *The Sun*

POSTED: 08/11/15, 8:19 PM PDT | UPDATED: 2 DAYS AGO 8 COMMENTS

SAN BERNARDINO >> The City Council will get a report Wednesday supporting a plan to outsource fire services to the San Bernardino County Fire Department, City Manager Allen Parker said Tuesday.

The City Council is set to vote on the plan — one of three options presented to the city — at a special meeting on Aug. 24.

The proposal from county fire would save the city \$7 million while providing increased fire and emergency response, Parker said, and would add nearly another \$8 million to the city's general fund through a possible \$139-per-parcel fee on residents.

That fee is not vital, Parker said, but the plan would involve an annexation process, which the city must initiate with the Local Agency Formation Commission for San Bernardino County by the first week of September in order to complete by 2016.

"The county would annex us to a district, so we would have to give up control of our Fire Department," Parker said.

But, he said, it would be worth it, resulting in both cost savings that the city counts on to exit bankruptcy and faster emergency response times.

"We wouldn't be going down this road if we didn't think it would improve service," Parker said. "They would close one additional (fire) station, but they'd supplement that with one of theirs. The number, I think, would go from 38 to 41 (firefighters) on duty at a given time."

The report was developed by Citygate Associates, a consultant that has studied the city's Fire Department before, without input from the department's battalion chiefs.

That breaks a promise Parker made to the seven top-ranked Fire Department employees, who form a union called the Fire Management Association, that group's president said in an email to Parker.

"On multiple occasions, you assured the FMA of your commitment to

include us in this process,” Battalion Chief Michael Bilheimer wrote. “Yet as of (Monday), we have been excluded from every step. It gravely concerns me that you have independently elected to draft a Request for Proposal, retained a consultant to review those proposals, barred us from reviewing the proposals, and are preparing to take action without ever having consulted with the leadership of the Fire Department.”

Parker wrote in response that he would meet with fire management this week, once the City Council had gotten a final copy of the report.

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He said that Bilheimer’s perception that they were promised involvement but then shut out was “probably” accurate, but that fire leaders’ opposition has been clear from the beginning.

“They don’t like it because the county won’t accept anyone above the rank of captain, so they’d get demoted,” Parker said.

Sure, they have something to lose, Bilheimer said Tuesday — like everyone.

“We have a lot to lose, fire labor has a lot to lose, the community would have a lot to lose,” he said. “I don’t think this is the best option for anybody. I don’t think it’s self-serving on anybody’s part (to oppose the outsourcing).”

Fire management has remained mostly out of the political fray for the past several years, but Bilheimer ended that Monday night by emailing to various community members a one-page “fact sheet” opposing outsourcing.

The sheet points, among other things, to the extra \$139 that would be charged to the owners of each of the city’s 56,000 parcels.

“That’s a tax, even if they don’t call it a tax,” Bilheimer said, asking residents to call their City Council member to oppose the outsourcing move.

County fire was one of three groups to respond to the city’s request for proposals to provide fire services. One of those proposals came from the city’s own Fire Department, while another came from a private firm called Centerra.

Centerra’s proposal would have saved even more money, according to Parker, but it’s not recommended because neighboring agencies said they would not share resources with a private firm.

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**City Manager's Office**

**FOR IMMEDIATE RELEASE**

## **Evaluation of Fire Service Proposals From Citygate and Associates Now Available**

*City management to recommend San Bernardino County Fire District as the preferred service provider*

(San Bernardino, CA - Aug. 12, 2015) Today, city management provided Councilmembers Citygate Associates' evaluation of the three fire service proposals received in late July. Accompanying the report is a memo outlining the rationale behind recommending San Bernardino County Fire District as the preferred service provider. City management will meet with each Councilmember to discuss the recommendation and Citygate's analysis in detail.

In summary, the recommendation to pursue further negotiations with County Fire would include approval to annex into the San Bernardino County Fire District and the option to pursue a \$139 annual parcel tax. By annexing into the Fire District, we can expect an increased level of fire service, investment in equipment and stations, and long-term cost savings consistent with the plan of adjustment as submitted to the bankruptcy court in May.

Documents pertaining to this matter have been posted to the City's bankruptcy web page, [www.SBCity.org/bankruptcy](http://www.SBCity.org/bankruptcy) under the Council Agenda Items section. This includes Citygate's evaluation of fire proposals report, Citygate's June 2014 Fire Service Deployment Study and a regional fire station map. An in-depth staff report will be posted to the web page and included in the Mayor and Common Council agenda packet on Wednesday, Aug. 19.

On Aug. 24, a special Mayor and Common Council meeting will be held. The meeting will include a presentation from Citygate, city management and the opportunity for public comment.

[PDF version](#)

[Direct link to Citygate's evaluation report](#)

###

**Contact**

Monica Lagos

# CITYGATE ASSOCIATES, LLC

FOLSOM (SACRAMENTO), CA

MANAGEMENT CONSULTANTS ■

■ ■

## EVALUATION OF FIRE SERVICE PROPOSALS | CITY OF SAN BERNARDINO, CA

*August 10, 2015*

■ ■



■ 2250 East Bidwell St., Ste #100 ■ Folsom, CA 95630  
(916) 458-5100 ■ Fax: (916) 983-2090



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## SECTION 1—EXECUTIVE SUMMARY

Citygate Associates, LLC was retained by the City of San Bernardino to assist with the review of fire services proposals received after the City issued a Request for Proposal in April 2015, with responses due on May 20, 2015. Citygate reviewed the proposals and found the respondents each offered very different service levels and cost. Without comparable proposals, this made it difficult to assess which service level and cost would be best for the City. Citygate then suggested, and the City agreed, that the City issue a clarifying set of instructions to the three respondents, requiring two standard services packages with complete costs, and allowing a third option that would be the respondents' view of the best services-to-cost proposal they could offer. The second round of proposals was received on July 24<sup>th</sup> for evaluation by Citygate.

The purpose of the fire services RFP process was to determine if the City had choices for a fire services provider and, if so, evaluate whether the cost structure be significantly better than a City-provided department. The result of this process finds the City does have choices, and all three come with significant differences, both positive and negative. This report, and other companion consultant studies on the City's fire services, does not ask the Common Council to make the final provider decision.

The Common Council needs to choose a *preferred provider* at this point and direct staff to work with that provider to set final service level choices and costs for the Common Council to consider for implementation. In the case of the County Fire District, a LAFCO process also has to be undertaken. Any changes from City-provided services will take many months and several more incremental Common Council decisions before the final decision is made.

### 1.1 WHAT THIS REVIEW IS

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Three complete responses were received from the City of San Bernardino Fire Department (City), the County of San Bernardino Fire District (County Fire), and the Centerra Corporation (Centerra), based in Florida. This report summarizes the responses received from the perspectives of service levels and impacts on the affected employees.

In their revised proposals, the respondents were required to offer pricing on three service level options. The following is an excerpt from the pricing clarification letter and describes the three service level options:

**Option A:** *Cost to provide the City with the level of fire service it is now providing. This includes:*

1. *Only closing Station 230 and reducing Engine 223 to a 2-person squad consisting of a Captain and Firefighter.*

2. *Operating the administrative and fire prevention functions at their current staffing levels.*
3. *If you choose to provide dispatch services using the current City dispatch location and staffing, please also include this cost in your proposal. If you choose, instead, to contract with another agency (such as the County fire dispatch operation), ensure that the cost of that service is included in your cost proposal and indicate the cost of that contracted dispatch service based on the 2014 number of incidents in San Bernardino (32,243).*

*If there are any costs (except CalPERS expenses) that will be borne by the City, such as purchasing additional fire apparatus, be specific regarding what these costs are for, the expected year(s) in which the costs will be incurred, and the assumptions for arriving at the costs to be borne by the City.*

**Option B:** *The station closure recommendations from the prior Citygate study, consisting of:*

1. *Closing Stations 230, 231 and 223.*
2. *Operating the administrative and fire prevention functions at their current staffing levels.*
3. *Dispatch and fleet cost disclosures as well as any costs to be borne by the City, as requested in Option A.*

**Option C:** *A separate deployment cost option proposal that you feel best meets the City's needs to lower costs without reducing services to grossly insufficient levels.*

*The total operational deployment proposal may not reduce more than a total of two engines, one ladder truck and one of the two daily Battalion Chief assignments. Squads or Quints, as additional services, can be included in your service plan. Your option may include a different arrangement of providing fire prevention and dispatch services than is now being provided by the City.*

*This separate deployment option needs to be specific in terms of the staffing and level of service for operating the stations, apparatus at each station, dispatch, fire prevention, and administrative functions.*

---

*Dispatch and fleet cost disclosures as well as any costs to be borne by the City, as requested in Option A.*

In each service level option, the respondents were required to state which stations were to be operated, the station crews' work schedule, the quantity and rank of personnel on each type of apparatus, and how incident command will be provided.

The respondents were also given a list of items to be included in their cost proposal, such as fire apparatus, station repairs, small tool and equipment replacement, etc.

## **1.2 WHAT THIS REVIEW IS NOT**

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Citygate's review of the proposals to date is *not* a complete audit of the backup data for every item priced in each proposal. Each proposal contains elements that will require some degree of negotiation before a final price and refined service level can be finally selected by the City. This review is intended instead to provide the Common Council with a clear picture of the basic services and costs being proposed so that the Common Council has the clarity to choose a preferred provider. City staff can then negotiate final options, pricing, and an implementation schedule that can be returned to the Common Council for a final decision.

## **1.3 CITYGATE'S CAPSTONE OPINIONS**

---

The cost of firefighters greatly increased since the 1970s. Prior to the most recent recession, the cost of pensions and health care exploded. Cities and fire districts in the state were led to believe that these pension costs were sustainable. The national recession has now taught otherwise.

During the economic downturn, and then in bankruptcy, the City made reductions to staffing and support service costs for stations, apparatus, tools, equipment, and protective clothing. Regardless of the final fire department provider choice, these components must be funded back at the necessary levels to maintain effective, safe, sustainable operations.

The RFP process has illustrated for the Mayor and Common Council that, for similar levels of services, any of four basic cost choices is within the margin of current cost estimation error, pending final decisions. However, there is a significant difference in operational cost savings to the City among the four choices. The following table compares the basic cost choices and highlights the advantages or disadvantages of each option:

**Table 1—Basic Cost Choices**

	Option A Current Service Level	Option A Current Service Level	Option C County Fire Alternative Service Level	City FY 2015-16 Cost Current Service Level
Provider	County Fire	Centerra	County Fire	City
Net Cost	\$27,623,255	\$26,120,972	\$26,707,731	\$28,619,411
Firefighters On Duty	38	38	41	38

**Details:** See notes below. The costs above reflect cost minus revenues.

*County Fire – Option A: The proposed cost is \$996,156 less than City's cost for the current level of service. Additionally, the County Fire proposal properly funds facility and apparatus replacement, adequately funds other capital expenses, converts dispatch over to County Fire and transfers future pension and health costs to County Fire. Includes shared response use of County Fire Station 75. Actuarial estimates also reflect contracting with County Fire will save the City an additional \$2,700,000 per year in pension costs.*

*Centerra – Option A: The first-year cost is \$2,498,439 less than the City's cost and \$1,502,283 less than County Fire Option A cost. While Centerra costs decline in the third year, Centerra cannot ensure during the ten-year contract that the City will receive mutual aid. The cost retains the present dispatch, requires the City to fund any apparatus replacement and major rehabilitation as well as the replacement of fire stations, provides fewer employee positions than the City now budgets, and requires impact bargaining at conversion with no assurance that State legislation will continue to allow Charter Cities to contract for private fire services. At the conclusion of the contract, the City may need to pick up future pension and health costs if a contract is not renewed with Centerra.*

*County Fire – Option C: While the cost is \$586,759 higher than Centerra's first-year cost and \$1,851,498 higher than the Centerra third-year cost, the County Fire proposal not only provides three more firefighters on duty each day, and one additional fire apparatus, but also offers the City all of the benefits described under County Fire Option A. Centerra continues to have the shortcomings described in the Centerra Option A alternative. The County Fire proposal includes shared response use of County Fire Station 75.*

*City – Current: The City cost, while adjusting for City-received Fire Department revenue, is still higher than that of the County Fire proposal A, largely because the City FY 2015-16 budget does not adequately cover an estimated \$1,300,000 annual apparatus, equipment, and facility rehabilitation and replacement which has been added to the City costs in this report. The City proposal also continues dispatch under the present City system, continues exposure to long-term pension, health, and workers' compensation costs and has fewer fire personnel and apparatus on duty each day.*

---

Why is the private sector option not much less expensive? Several reasons drive this, including that the base pay was set near local market conditions; health benefits have similar costs to private-sector employers; and while the private-sector pension costs are less, there is some erosion of those savings given the private sector overhead costs and their earned performance bonus. Additionally, both Centerra and County Fire have funded, in the early years of the contract, restoration of maintenance and operating expense cuts that the recession forced on the Department.

While in year three and later years Centerra's costs do decrease some, they still do not include the fire apparatus, station replacement, and repair expenses that County Fire has included in its cost model starting at year one. In addition, with Centerra there is some uncertainty regarding the availability of mutual aid, and the results of employee conversion impacts. There could be legal challenges implementing the Centerra choice; these costs, and whether these legal challenges will succeed or fail, cannot be estimated at this point because there is no precedent in the state.

While the cost differences between County Fire-provided and Centerra-provided fire services are modest, County Fire is a stronger, more assured path to further explore. This assessment is based on the uncertainties described with a Centerra contract; and because County Fire can transfer the City's employees into a similar public employee retirement system, offer large department career development opportunities, absorb fire apparatus and station costs at present value and condition, and is already in the mutual aid system:

*The best cost-to-services choice is County Fire's Option C for 14 units and 41 firefighters at \$26,307,731 which includes sharing the use of a nearby County Fire station and Battalion Chief that can assist with covering part of the western City. Interestingly, this provides a higher level of service at a lower cost than County Fire Option A because it shares Battalion Chief services with the adjoining County areas and replaces a Fire Captain on the Squad with a Firefighter.*

If, to restore fire services to sustainable levels, the City must raise additional revenues, then the annexation process to the County Fire District serves two purposes: (1) it provides economy of scale with County Fire operations, and (2) it provides an assessment process that permits the community to decide if an added modest fire service assessment would help reduce the overall County Fire service cost to the City General Fund.

The annexation process with County Fire also provides the City the opportunity to further negotiate the details of the level of service and ultimate cost with County Fire. In selecting a preferred fire service provider, the City has the requirement to negotiate the finer details of the service arrangement reflective of both providing adequate fire protection and meeting the cost needs of the City.

Based on our ongoing understanding of the risks to be protected and emergency incident workloads, Citygate does not recommend closing more than two fire stations—if that. While Option B required the costs of a 3-station closure, and Centerra Option C replaces the dedicated

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ladder trucks with Quints (combination engines/ladders with one crew), Citygate is of the opinion that a 3-station and/or 2-ladder crew closure would be significantly deficient for the City's current situation. As such, services reduction of more than two engine companies, in two stations, should be considered only in the most extreme circumstances.

#### **1.4 NEXT STEPS**

---

1. Choose a preferred fire services provider and direct staff to work with that provider to set final service levels and costs;
2. If the choice is the County Fire District, pursue annexation into the County Fire District at the best pace possible and:
  - a. Keep operating the City Fire Department and fund needed equipment and safety repairs;
  - b. Contract with County Fire for a full-time, temporary Fire Chief to run the existing fire headquarters team;
  - c. If annexation is ultimately not approved, there are still two choices: a City-provided fire service, or revisiting the conversion to a private-sector fire service provider.

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## SECTION 2—BACKGROUND

### 2.1 CITYGATE'S DOCUMENT REVIEW AND PROJECT METHODS

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Citygate's review process consisted of obtaining the City's Fire Services RFP, the Fire Department's current operational plan, staffing and cost information, and current incident workload information from which to review the potential impacts of service reductions. We requested additional information from the respondents and conducted clarifying phone calls as needed. Citygate also used our June 2014 Fire Services Study for the City as a services baseline.

### 2.2 REGULATORY AND POLICY CHOICES FRAMEWORK

---

As the Mayor and Common Council understand, there are no mandatory federal or state regulations directing the level of fire service response times and outcomes. The body of regulations on the fire service provides that *if fire services are provided at all, they must be done so with the safety of the firefighters and citizens in mind.*

While historically the City has made significant investments in its fire services, the recession-induced fiscal crisis has already lowered the Fire Department's daily staffing. In addition, several factors have dramatically increased the emergency medical services incident demand on the Department. Citygate continues to find that the challenge of providing fire services in San Bernardino is similar to that found in many urban communities: providing an adequate level of fire services within the context of limited fiscal resources, competing needs, changing and aging populations, plus uncertainty surrounding the exact timing of fiscal recovery following the recession.

Providing fire services in any urban area, and in particular wildfire-prone California, is further complicated by the need to be part of the mutual aid system in which fire departments assist each other in a coordinated, seamless manner. If one city were to reduce fire services to only a rural level, rather than a more typical urban level, neighboring agencies might find a point where they no longer consider responding into a city a mutual or reciprocal benefit. Instead, they may require a subsidy payment to offset their increased level of mutual aid, or the City may have to accept only a limited mutual aid response from neighboring fire departments. Clearly, reducing service levels to balance a budget deficit becomes more and more difficult, and challenges the City with difficult choices regarding its fire service level, cost, and the opportunities for mutual aid from neighboring fire departments.

There are also economic impacts of reduced service levels as retailers, manufacturers, and distributors relocate where they can feel protected and obtain fire insurance. When a community cannot protect its residents and employees at a level comparable to that of neighboring cities, it could impact whether a company moves or remains there.

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## SECTION 3—PROPOSAL COMPARISON

### 3.1 CITY OF SAN BERNARDINO FIRE DEPARTMENT

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In late April, when the Fire Services RFP was issued, the City's Fire Department was operating at the *Option A* level with Station 230 closed and Engine 223 reduced to a 2-person squad consisting of a Captain and firefighter. This plan provides 13 Total Response Units consisting of 10 Engines, 2 Ladder Trucks, and 1 Squad. This results in a total of 38 firefighters on duty each day.

At this level of service, the FY 2014-15 budget was **\$30,271,469**. Because of a shrinking workforce due to resignations and retirements, along with curtailing supply and repair expenses, the actual FY 2014-15 year-end expense on July 14, 2015 was **\$27,740,587**.

The Fire Department has provided its FY 2015-16 budget of \$30,425,255 as a cost to provide the current Option A fire service level for FY 2015-16. However, that adopted budget *underfunds* necessary capital and equipment expenses, which would add an estimated \$1,300,000 to the City budget. With this addition, the City would be providing Option A services after adjusting for various revenue sources the City receives through the Fire Department, at an estimated *net* General Fund cost of **\$28,619,411**.

As an alternative in Option B, the Fire Department could be directed by the Common Council to close a total of three fire stations, thus operating with only nine, at a *net* annual cost of **\$26,237,856**. That option would provide 11 Response Units consisting of 9 Engines and 2 Ladder Trucks. This results in a total of 33 firefighters on duty each day.

In all City alternative service levels, there is also no budget to consider transferring fire dispatch services, under a contract to the County Fire Dispatch JPA, which was previously suggested in a study by Citygate.

### 3.2 COUNTY OF SAN BERNARDINO FIRE DEPARTMENT—ANNEXATION

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The San Bernardino County Fire Protection District (County Fire) is a dependent special fire district, and the Board of Supervisors sits as the Fire District Directors. County Fire is one of the largest departments in California and provides a full range of services, from firefighting to specialty teams, fire prevention, fire investigation, First Responder EMS, and ambulance response in some communities. Overall, County Fire serves 800,000 residents in 50 cities, towns, and unincorporated communities.

County Fire responded to over 78,000 emergency incidents throughout its fire protection area during FY 2013-14. County Fire is staffed with 865 employees including safety personnel, paid call firefighters, and non-safety staff.

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Fire districts can contract to provide fire services to neighboring communities or, alternatively, they can allow cities and other fire districts to actually annex into the County Fire District. County Fire is now in the process of phasing out short-term fire service contracts because moving personnel in and out of its workforce as fire contracts are not renewed or modified by a city becomes problematic for County Fire.

County Fire has proposed a direct annexation of the City into County Fire so that it then becomes the long-term fire service provider responsible for all aspect of the fire service, including not just station staffing, but also fire prevention, dispatching, apparatus replacement, and maintenance of all fire stations.

Many larger cities in California do receive their fire services from a much larger provider, such as County Fire. Examples are found among many cities who receive fire services from a larger agency, particularly in Riverside, Orange, and Los Angeles Counties.

Annexation into County Fire by the City can occur by using a standard LAFCO annexation process. The City would submit an application to LAFCO requesting annexation to County Fire. Through appropriate hearings, the LAFCO Board would determine if annexation is appropriate. If approved, the annexation would normally be accompanied by various conditions. These may include agreements regarding how employees are to be transferred to County Fire, ownership of fire stations and apparatus, and any revenue considerations. LAFCO must ensure that County Fire can financially provide the required level of fire service to the City, and will review the provisions regarding the City providing such revenue to County Fire. These provisions may include an assessment hearing over any proposed inclusion of a broader Fire District parcel tax on property within the City, and the amount of City property tax to be allocated annually to County Fire.

The LAFCO process, timing, and potential LAFCO provisions will be discussed more fully in a separate report from the City Manager and other consultants.

### **3.2.1 County Fire Proposed Cost and Services Summary**

This section briefly lists the core County Fire proposals and costs. **Section 4** of this report will more fully detail the County Fire proposal and contrast it to the other proposals. County Fire did provide a cost and service level description for all three of the required service and cost options in the most recent City RFP clarification request letter.

*Option A: Cost – \$27,623,255* after adjusting for the Community Facilities District (CFD) revenue the City can use in providing fire services. This alternative provides the current level of fire service of 11 fire stations, with Station 230 remaining closed. The one adjustment provided by County Fire is that the Squad is moved from Station 223 to downtown for peak hour-of-the-day use. County Fire Station 75, just to the west of the City, will cover Station 223's area. Thus, there are 13 Response Units consisting of 10 Engines, 2 Ladder Trucks, and 1 Squad. This results in a total of 38 firefighters on duty each day.

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**Option B: Cost – \$24,404,283.** This was priced as requested, but County Fire stated that it did not support, and would not implement, an alternative that closes 3 fire stations and serves the City with only 9 fire stations. It felt this left so large a hole in the southern City that even mutual aid response would not provide an adequate response time to emergencies. The County Fire plan for Option B provides a total of 11 Response units consisting of 9 Engines and 2 Ladder Trucks. This results in a total of 33 firefighters on duty each day.

**Option C: Cost – \$26,707,731.** This would close, as requested, Stations 223 and 230. The Squad unit now at Station 223 would be placed at Station 226, the busiest in the City, for peak hour coverage. County Station 75 would cover Station 223's area. This option thus provides 10 City fire stations and an 11<sup>th</sup> from County Fire, at its cost. This plan, including coverage from County Fire Station 75, provides 14 Response Units consisting of 11 Engines, 2 Ladder Trucks, and 1 Squad. This results in a total of 41 firefighters on duty each day.

**Generic to all Options:** Each of County Fire's options include the shared use of County Fire Station 75 just to the west of the City. All three County Fire options include administration staffing with a Division Chief as the City Fire Chief, supported with a Staff Analyst and an Office Assistant at the City's Fire Headquarters. These positions are in turn supported by County Fire Administration also located in the City of San Bernardino.

County Fire would operate the City's fire prevention services out of its current Fire Prevention Bureau on E Street in the City. Dedicated City staffing would vary depending on workload, however all services are delivered in a timely manner with an emphasis on customer service. In the annexation process, County Fire's fee system would replace the City's fees for all fire prevention and related fire fee services. The collected fees would offset the cost of fire prevention activities including wild land/urban interface inspections and enforcement, state and local mandated fire and life safety inspections, plan checking, new construction inspection, builder consultation, inspection management and coordination, public education, and fire cause and origin determination.

All fees collected by County Fire would be kept to partially offset the cost of City prevention services. County Fire's costs for fire prevention services are fully funded by fees and therefore all three County Fire options show no staff costs for fire prevention, nor do they show the offsetting revenue. The proposed fire prevention staffing for the City is detailed below.

**Table 2—Proposed City Fire Prevention Staffing**

Position	Number
Deputy Fire Marshal	1
Fire Prevention Supervisor	1
Fire Prevention Specialist	2
Fire Prevention Officer/Arson	1
Fire Prevention Officer	3
Office Assistant III	1

Fire dispatch and information technology (IT) functions would be moved to the successful Confire Communications JPA that serves most of the County's fire departments. The full cost of dispatch and IT is included in each of County Fire's priced options. In comparison, both the City proposal and the Centerra proposal costs reflect continuing to use the current City-operated Computer Aided Dispatch and City or Centerra staff. County Fire headquarters services included in each cost option are daily operations and logistical support such as:

- ◆ Maintenance and fuel for all vehicles
- ◆ Radio maintenance and replacement
- ◆ Fleet facilities and equipment
- ◆ Maintenance and repairs of all facilities
- ◆ Breathing and air compressors system repair and replacement
- ◆ Dispatch hardware and software
- ◆ IS/IT services
- ◆ Human resources
- ◆ Emergency Medical Continuous Quality Improvement (CQI)
- ◆ All mandated training
- ◆ EMS continuing education (EMT and paramedic)
- ◆ Cost accounting / budgeting
- ◆ All insurances
- ◆ Wild land / urban interface inspections and enforcement

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- ◆ State- and local-mandated fire and life safety inspections
  - ◆ Plan checking
  - ◆ New construction inspection
  - ◆ Builder consultation
  - ◆ Inspection management and coordination of inspections by station personnel
  - ◆ Development and provision of public education services to targeted audiences; public education activity coordination
  - ◆ Fire cause and origin determination and investigation of fires within the City; coordination of activities with the local police agency
  - ◆ Community CERT training provision and coordination
  - ◆ Service as part of the command staff within the City's Emergency Operations Center
  - ◆ Inspection, clearance, and issuance of fire permits.

After reviewing the City's current fire apparatus fleet, County Fire stated it would downsize it significantly because the depth of the County Fire District's fleet would not necessitate as many reserve units or staff vehicles that the City is presently maintaining. Once the annexation process is complete, if chosen, all City units would become part of County Fire and would be placed into County Fire's vehicle replacement plan. The cost of vehicle replacement is also included in the County Fire proposals.

The County Fire District anticipates owning the City fire stations if annexation to County Fire occurs. County Fire would then be responsible for station maintenance costs and, as proposed in all options, County Fire would allocate \$70,000 per year per station to be placed into a station replacement fund and increased with inflation each year. This was based on a base amount of \$3.5 million for a community fire station with a 50-year life span. Both station maintenance and replacement costs are included in the County Fire proposal.

County Fire physically inspected all fire stations and fire apparatus, and the review revealed no significant start-up costs.

### **3.3 CENTERRA CORPORATION**

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The following introduction to Centerra was taken from its proposal:

Founded in 1960, Centerra is one of the world's largest providers of technical support services with more than five decades of experience in Fire Protection, Fire Prevention, Fire Protection Engineering, Emergency Medical Response, ALS Transport, Technical Rescue and Training,

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Structural Fire Fighting, and Aircraft Rescue and Firefighting (ARFF), to include NASA's Shuttle Rescue Team. Centerra also provides Dispatch and 911 Call Center Operations, Safety and Equipment Inspections, Testing, Spill Response, Hazardous Materials Technician Response, Training, and Certifications. Centerra provides regulatory compliant Fire and EMS to multiple Federal and commercial facilities, spanning all levels of response and complexity in the protection of some of the nation's most sensitive and critical assets, facilities, and infrastructure. Centerra has successfully transitioned multiple sites from government-to-private, public-to-private and corporate to contracted Fire and EMS. Collectively, Centerra:

- ◆ Employs more than 500 Fire and EMS personnel enterprise-wide.
- ◆ Operates 13 different Fire and EMS Departments, the largest of which is located at the DOE Hanford Site in Richland, Washington. The Hanford Fire Department (HFD) is comprised of 125 personnel who provide emergency response support to the 560-square-mile facility, including a substantial wildland interface area.
- ◆ Operates 19 fire stations containing 110 diverse types of fire response apparatus
- ◆ Is responsible for fire and EMS response coverage for over 900 square miles (roughly the size of Rhode Island).

Through the operation of its 19 fire stations and more than 500 Fire and EMS personnel, Centerra has developed the industry standard for private sector Fire and EMS management. Centerra maintains company-wide fire service Standard Operating Procedures (SOPs), Standard Operating Guidelines (SOGs) and a Performance-Based Fire Service Training and Certification Program. The result is standardization of training, interoperability of personnel and the resultant issuance of National Fire Protection Association (NFPA) National Professional Qualification System (NPQS) Fire Service Certifications.

Centerra will pursue the accreditation of the fire department by the Commission on Fire Accreditation International to ensure the City of San Bernardino that the community / Centerra Fire and EMS team remain in compliance with accepted NFPA regulations and standards and are kept informed of any changes that could potentially affect public safety and community interests. It additionally provides a basis for strategic planning and budgeting by having an established baseline to measure against other programs, conduct trend analysis of local, state, and national fire and public safety incidents and share lessons learned in proactive planning, not just reactive response.

Centerra responded to all three required service and cost options. Summarized, its three service levels are:

**Option A: Cost – \$26,120,972.** This alternative provides the current level of City fire service of 11 fire stations, with Station 230 remaining closed. Station 223 is reduced to a 2-person Squad.

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Thus, there are 13 Response Units consisting of 10 Engines, 2 Ladder Trucks, and 1 Squad. This results in a total of 38 firefighters on duty each day.

**Option B: Cost – \$23,550,111.** This was priced as requested to operate 9 stations. Stations 223, 230, and 231 are closed. Thus, there are 11 Response Units totaling 9 Engines and 2 Ladder Trucks. This results in a total of 33 firefighters on duty each day.

**Option C: Cost – \$24,595,734.** This was priced to operate 9 stations. Stations 223, 230, and 231 are closed. Two-person Rescue Squads replace engines at Stations 221, 224, and 226. Centerra also replaces 2 Ladder Trucks with Quints at Stations 221 and 224. Thus, there are 12 Response units totaling 7 Engines, 2 Quints, and 3 Squads. The Trucks can remain at their current stations for use as needed, but are not directly staffed. This results in a total of 33 firefighters on duty each day.

**Generic to all Options:** Centerra included in each cost option the daily operations and logistical support such as:

1. Dispatch to be the City's existing center. Dispatchers to be Centerra personnel.
2. Centerra to maintain and rehab as needed City fire apparatus. Replacement costs are not included. Replacement costs for fire apparatus will be the City's responsibility, except for the Centerra proposal to replace 14 small utility service vehicles through a lease arrangement after 5 years.
3. Radio repair and replacement.
4. Repair and replacement of fleet maintenance equipment, and maintenance of fleet facilities.
5. Repair/refurbishment of any current fire station facilities (\$2 million dollars within the first 24 months).
6. Breathing air compressor system repair and replacement.
7. Dispatch hardware (CAD) maintenance and upgrades, software licenses, maintenance, and technical support.
8. Approximately \$800,000 in year one in replacement of firefighter's protective equipment to include: structural and wildland turnouts, self-contained breathing apparatus, breathing air compressors, and safety equipment.
9. One Mobile Mechanics service truck in year one.
10. 72-hour work week for fire station crews.
11. Salaries and wages are positioned competitively with the City, County, and surrounding locales based on salary surveys of the same or similar jobs.

## SECTION 4—COST COMPARISONS

### 4.1 CURRENT SERVICE LEVEL – OPTION A

The following table compares the Option A service-to-cost levels for all three bidders. In the first year, the cost difference between the proposals is a modest \$1,502,283.

However, as will be discussed in *Section 5—Proposal Pros and Cons*, a direct cost comparison is still not exactly possible because the County Fire proposal includes long-term replacement and maintenance costs (transferred from the City) for apparatus and fire stations. In the City and Centerra proposals, the City continues to carry these costs. Additionally, County Fire’s cost includes moving fire dispatch to the Countywide Fire Communications JPA and sharing the use of County Fire Station 75 to the west of the City, while the City and Centerra proposals continue to use the present City dispatch system.

**Table 3—Current Service Level – Option A**

<b>Fire Stations</b>	Operate 11 stations. Station 230 Closed. Station 223 reduced to a two-person squad.
<b>Fire Units</b>	10 Engines, 2 Ladder Trucks, and 1 Squad. 13 Total Response Units.
<b>On Duty FF</b>	38 firefighters on duty each day.

Element	Respondent			
	County Fire	Centerra (First Year Cost)	Centerra (Third Year Base Line Cost After Initial Startup Expenses)	City
<b>Year One Gross Cost</b>	\$28,223,255	\$28,571,972	\$27,307,233	\$30,425,255
<b>Addition of City Underfunded Capital and Equipment Expenses</b>				\$1,300,000
<b>Less City Fire Department Retained Revenue</b>	\$0—County Fire Did Not Include Revenue in its Cost Proposal	\$1,851,000	\$1,851,000	\$2,505,844
<b>Less Community Facility District Revenue to City to Support Fire Services</b>	\$600,000	\$600,000	\$600,000	\$600,000
<b>Net Annual Estimated Cost</b>	<b>\$27,623,255</b>	<b>\$26,120,972</b>	<b>\$24,856,233</b>	<b>\$28,619,411</b>

## 4.2 OPTION B

The following table compares the Option B service-to-cost levels for all three bidders. In the first year, the cost difference between proposals is \$1,951,558. The cost difference between the two lower cost proposals of County Fire and Centerra is \$854,172. The County Fire service plan shares the use of County Fire Station 75 to the west of the City.

**Table 4—Option B**

**Fire Stations** Operate 9 stations. Stations 223, 230, and 231 closed.  
**Fire Units** 9 Engines and 2 Ladder Trucks. 11 Total Response Units.  
**On Duty FF** 33 firefighters on duty each day.

Element	Respondent			
	County Fire	Centerra (First Year Cost)	Centerra (Third Year Base Line Cost After Initial Startup Expenses)	City
<b>Year One Gross Cost</b>	\$25,004,283 Not Willing to Support This Service Level	\$26,001,111	\$24,695,956	\$28,043,700
<b>Addition of City Underfunded Capital and Equipment Expenses</b>				\$1,300,000
<b>Less City Fire Department Retained Revenue</b>	\$0—County Fire Did Not Include Revenue in its Cost Proposal	\$1,851,000	\$1,851,000	\$2,505,844
<b>Less Community Facility District Revenue to City to Support Fire Services</b>	\$600,000	\$600,000	\$600,000	\$600,000
<b>Net Annual Estimated Cost</b>	<b>\$24,404,283</b>	<b>\$23,550,111</b>	<b>\$22,244,956</b>	<b>\$26,237,856</b>

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### 4.3 OPTION C

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The following tables compare the Option C service-to-cost levels as uniquely designed by the County Fire and Centerra respondents. The County Fire service plan shares the use of County Fire Station 75 to the west of the City.

**Table 5—Option C – County Fire**

**Fire Stations** Operate 10.5 stations. Station 223 and 230 closed. A two-person squad is located at Station 226 to supplement capacity. County Fire Station 75 covers City Station area 223.

**Fire Units** 11 Engines, 2 Ladder Trucks, and 1 Squad. 14 Total Response Units.

**On Duty FF** 41 firefighters on duty each day.

Element	Respondent
	County Fire
<b>Year One Gross Cost</b>	\$27,307,731
<b>Less City Fire Department Retained Revenue</b>	\$0—County Fire Did Not Include Revenue in its Cost Proposal
<b>Less Community Facility District Revenue to City to Support Fire Services</b>	\$600,000
<b>Net Annual Estimated Cost</b>	<b>\$26,707,731</b>

**Table 6—Option C – Centerra**

**Fire Stations** Operate 9 stations. Stations 223, 230, and 231 closed. Two-person Squads at Stations 221, 224, and 226. Replace two Ladder Trucks with Quints at Stations 221 and 224.

**Fire Units** 7 Engines, 2 Quints, and 3 Squads. 12 Total Response Units.

**On Duty FF** 33 firefighters on duty each day.

Element	Respondent	
	Centerra (First Year Cost)	Centerra (Third Year Base Line Cost After Initial Startup Expenses)
<b>Year One Gross Cost</b>	\$27,046,734	\$22,878,931
<b>Less City Fire Department Retained Revenue</b>	\$1,851,000	\$1,851,000
<b>Less Community Facility District Revenue to City to Support Fire Services</b>	\$600,000	\$600,000
<b>Net Annual Estimated Cost</b>	<b>\$24,595,734</b>	<b>\$20,427,931</b>

It may be easier to compare the Option C proposals by the two agencies in a side-by-side comparison shown in the following table.

**Table 7—Option C – County Fire vs. Centerra**

	<u>County Fire</u>	<u>Centerra</u>
<b>Fire Stations</b>	Operate 10.5 stations. Station 223 and 230 closed. A two-person Squad is located at Station 226 to supplement capacity. County Fire Station 75 covers City Station area 223.	Operate 9 stations. Stations 223, 230, and 231 closed. Two-person Squads are at Stations 22, 224, and 226. Replace two Ladder Trucks with Quints at Stations 221 and 224.
<b>Fire Units</b>	11 Engines, 2 Ladder Trucks, and 1 Squad. 14 Total Response Units.	7 Engines, 2 Quints, and 3 Squads. 12 Total Response Units.
<b>On Duty FF</b>	41 firefighters on duty each day.	33 firefighters on duty each day.

Element	County Fire	Centerra (First Year Cost)	Centerra (Third Year Base Line Cost After Initial Startup Expenses)
<b>Year One Gross Cost</b>	\$27,307,731	\$27,046,734	\$22,878,931
<b>Less City Fire Department Retained Revenue</b>	\$0—County Fire Did Not Include Revenue in its Cost Proposal	\$1,851,000	\$1,851,000
<b>Less Community Facility District Revenue to City to Support Fire Services</b>	\$600,000	\$600,000	\$600,000
<b>Net Annual Estimated Cost</b>	<b>\$26,707,731</b>	<b>\$24,595,734</b>	<b>\$20,427,931</b>

In the first year, the cost difference is \$2,111,997. The County Fire proposal is very different from Centerra's because it includes replacement and dispatch obligations, and an increased number of fire personnel available each day.

It must be pointed out that unless the City's fiscal situation is absolutely so bad as to force a lowering of fire services to a light suburban level of effort, Citygate cannot support the level of station closures in the Centerra Option C proposal. Citygate suspects that no other municipal fire department would support that level of closures either. That level of service will also significantly increase the mutual aid that the City needs from its neighboring agencies.

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## SECTION 5—PROPOSAL PROS AND CONS

### 5.1 CITY FIRE SERVICES ASSESSMENT

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The City Fire Department pricing in this analysis does include added funding to the City proposed budget to meet the under-met capital and equipment needs of the Department. Additionally, the long-term repair and replacement of fire stations has not been expensed and saved for annually, and as such those costs are not included. County Fire and Centerra conducted on-site inspections and made macro assumptions regarding the restoration of capital and equipment replacement funds.

The City's cost does include the expense of maintaining the City-based police/fire dispatch center, as does Centerra's. However, County Fire's cost includes moving fire dispatch to the regional fire service communications Joint Powers Authority (JPA) center, where the staffing and technology costs are shared across a much larger number of subscribers.

#### 5.1.1 Pros to City Fire Services

- ◆ The City will maintain full direct budgetary control over all costs and service levels.
- ◆ Employees will be focused solely on the City's needs.
- ◆ There will not be issues with participation in the mutual aid system because the City is already an active member of the local mutual aid arrangements.

#### 5.1.2 Cons to City Fire Services

- ◆ The City is now critically short of firefighters due to turnover and job uncertainty. Hiring, training, and promoting personnel will take time, fire management leadership, and money. While the training costs may not be extensive, the operational problems now being experienced by the City Fire Department will continue if the City decides to continue operating its own Fire Department in the long term, and determines to fully staff the Department. Due to staff shortages, the Fire Department has already temporarily closed other stations because low staffing levels makes that necessary.
- ◆ The City will continue to be responsible for pension, health, and workers' compensation costs. Public safety pension costs are currently projected to reach 50 percent per employee in the next few years. Either annexing to County Fire or contracting with Centerra will allow the City to cap its obligation for fire and health costs at the present unfunded liability and cap workers' compensation costs to current cases, while shifting future pension, health, and workers' compensation costs to County Fire or Centerra.

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- ◆ The City will need to include an estimated \$1,300,000 per year in additional funding to meet the underfunded capital and equipment needs of the Department.

## **5.2 COUNTY FIRE SERVICES ASSESSMENT**

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Annexation of City fire service responsibility into the County Fire District presents a unique approach to providing fire services in public agency setting. Under annexation, County Fire becomes solely responsible for funding and operating all fire services for the City.

### **5.2.1 Pros to County Fire Services**

- ◆ All fire service costs are transferred to County Fire at present value.
- ◆ All City firefighters, if cleared medically, are eligible for transfer to County Fire at the rank of Captain or below.
- ◆ As a large regional provider, County Fire can offer expanded career development opportunities. County Fire is also less sensitive to employee turnover. As vacancies exist, County Fire can transfer employees throughout the system.
- ◆ Annexing to County Fire for fire services will save the City an additional estimated \$2,700,000 per year in pension costs, based on a recent actuarial analysis provided by a separate consultant to the City.
- ◆ If the City needs to increase revenues to fully support sustainable fire services, then a choice under annexation is to approve a Fire District Assessment adding revenues at the time of annexation.
- ◆ The City no longer handles fire department labor relations.
- ◆ The City does not have to pre-fund future fire apparatus and station repairs/replacements. There is a complete transfer of all obligations at current cost and condition to County Fire.
- ◆ There is no increased cost exposure to pension, health, and workers' compensation cost escalation.
- ◆ The City exits the fire business and County Fire cannot ask the City for more City General Fund revenues in the future. The County Fire District must live within its means, or discuss changes with its voters in the Fire District, which would include the City. In fact, under annexation given the City's population, its voters could have the largest say if County Fire needed a revenue adjustment someday in the distant future.
- ◆ Shared service areas exist with County fire stations and chief officers.

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- ◆ Full fire prevention is provided at County Fire's costs if the City permit revenues are insufficient.
  - ◆ Fire dispatch costs are merged into the effective regional JPA.
  - ◆ No issues exist with participation in the mutual aid system.
  - ◆ County Fire can re-staff, as needed, the City's firefighting force and leadership team.
  - ◆ Since County Fire already provides ambulance transport in some areas, the possibility exists to pursue regional ambulance service re-structuring as a partnership between the fire department and transport provider, which can yield increased Medicare/Med-Cal revenues.

### **5.2.2 Cons to County Fire Services**

- ◆ There will be no Common Council direct control over the provision and costs of fire services. Policy direction for the County Fire District comes from the Board of Supervisors.

## **5.3 CENTERRA FIRE SERVICES ASSESSMENT**

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As an alternative to operating the City's own Fire Department or annexing to the County Fire District, the City can choose to contract with Centerra to provide for services. The proposal received from this private firm is to provide services to the City over a ten-year period at prices fixed in a contract.

Centerra is a firm with long and extensive experience in providing fire protection services. Its proposal to the City is well thought out and provides a comprehensive level of service, reflecting Centerra's experience in fire protection.

As with proposals from the City and County Fire, a final decision by the City should reflect not just a consideration of cost, but other factors. In assessing the proposal by Centerra, the following additional elements can be considered by the Common Council.

### **5.3.1 Pros to Centerra Fire Services**

- ◆ Centerra is a capable provider.
- ◆ Centerra took responsibility to fund, up front, station and maintenance and operations (M&O) repairs that will offset some of the funding shortfalls in current City fire operation.
- ◆ The City no longer handles fire department labor relations during the ten-year life of the contract. All fire employees will be employees of Centerra and negotiate labor issues with Centerra.

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- ◆ There is no increased cost exposure to pension, health, and workers' compensation cost escalation, because all personnel will be employees of Centerra and not employees of the City.
  - ◆ Centerra provides a full fire prevention effort with all related revenue available to the City to help offset the cost of the Centerra contract. This revenue offset is shown in earlier tables in this report.

### **5.3.2 Cons to Centerra Fire Services**

- ◆ Serious issues exist with gaining access to the mutual aid system. There is no proven, assured method to have other agencies agree to provide mutual aid. If it is not available, an alternative might be for the City to pay for mutual aid on a per-call basis to the providing neighboring fire department.
- ◆ Centerra Option C is an inadequate level of fire protection and will most likely require a much greater degree of mutual aid assistance, since it will be operating with only 9 fire stations, no dedicated truck companies, and only 33 people on duty each work day.
- ◆ The City will need to conduct impact bargaining with the current fire union prior to agreeing to a contract with Centerra to provide fire services.
- ◆ No funding has been provided to replace the current dispatch hardware, which will be 15 years old at the conclusion of the Centerra contract.
- ◆ While Centerra will rehabilitate existing City-owned fire apparatus, this will not necessarily be effective for all apparatus. The ten-year Centerra contract will have most of the fire apparatus beyond the standard ten-year life cycle.
- ◆ The City will have to pay to replace fire apparatus that cannot or should not be rehabilitated.
- ◆ While Centerra will maintain and perform some rehabilitation to City fire stations, this does not represent a Centerra commitment to pay for major rehabilitation or replacement of fire stations. While an ongoing City Fire Department also will retain these cost responsibilities, annexation to County Fire will shift all of these cost burdens to County Fire.
- ◆ Centerra will be providing a 72-hour work week and thus will require fewer employees than the number currently budgeted by the City's 56-hour work week schedule.
- ◆ Centerra is not providing a CalPERS retirement system, which could make it less likely that Centerra can attract and retain fire personnel from other agencies who have a CalPERS retirement program benefit.

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- ◆ General Law Cities cannot contract with a private provider for fire services. The State Legislature has not yet addressed the possibility of blocking the privatization of fire services in Charter Cities.

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## **SECTION 6—CONCLUDING OPINION AND RECOMMENDED NEXT STEPS**

The City of San Bernardino has long understood the need for effective fire services. The Fire Department has served the City since 1878 and the first career firefighters were hired in 1889. So for 126 years the City has seen the need for an effective, professional fire department. As Citygate observed in our May 2014 fire services deployment study, given the City's diverse size, geography, and commerce, it has suffered catastrophic fires over its history, as summarized below:

- ◆ In November of 1980, the Panorama Fire swept down upon the City, destroying 286 homes and taking four lives. At the time, this was the most devastating fire to strike the City of San Bernardino, and it went on for over three days. At the same time, the Sycamore Fire was burning at the northeast end of the City.
- ◆ On May 12, 1989, a runaway Southern Pacific freight train with 69 hopper cars carrying a product called "Trona" derailed in the Muscoy area. Seven homes were destroyed and four others extensively damaged. Of the five crewmembers aboard the train, two were killed and the other three injured. Two residents were killed and one was seriously injured.
- ◆ On May 25, 1989, a California/Nevada gasoline pipeline, located directly beneath the point of impact of the previously derailed train, exploded with a fire column spurting over 1,000 feet in the air. Subsequently, two residents were killed, three received serious injuries, and 16 received minor injuries. Eleven homes were destroyed and six received moderate fire and smoke damage.
- ◆ On Sunday, October 25, 2003, a vegetation fire was reported in the area of Old Waterman Canyon Road, north of the City. The Old Fire, as it is called, began to rapidly spread since it was being fanned by north winds gusting to 30 mph, 90-degree temperatures and, 6 percent humidity. The fire burned approximately 91,000 acres of wildland and in the City of San Bernardino itself, 330 homes were destroyed, and property damage was over 126 million dollars.

The cost of firefighters greatly increased since the 1970s. Prior to the most recent recession, the cost of pensions and health care exploded. Cities and fire districts in the state were led to believe that these pension costs were sustainable. The national recession has now taught otherwise.

During the economic downturn, and then in bankruptcy, the City made reductions to staffing and support service costs for stations, apparatus, tools, equipment, and protective clothing. Regardless of the final fire department provider choice, these components must be funded back at the necessary levels to maintain effective, safe, and sustainable operations.

Based on our ongoing understanding of the risks to be protected and emergency incident workloads, Citygate does not recommend closing more than two fire stations—if that. While Option B required the costs of a three-station closure, and Centerra Option C replaces the dedicated ladder trucks with Quints (combination engines/ladders with one crew), Citygate is of the opinion that a 3-station and/or 2-ladder crew closure would be significantly deficient for the City’s current situation. As such, services reduction of more than two engine companies, in two stations, should be considered only in the most extreme circumstances.

**6.1 CITYGATE’S INTEGRATED OPINION**

The RFP process has illustrated for the Mayor and Common Council that, for similar levels of services, any of four basic cost choices is within the margin of current cost estimation error, pending final decisions. However, there is a significant difference in operational cost savings to the City among the four choices. The following table compares the basic cost choices and highlights the advantages or disadvantages of each option:

**Table 8—Basic Cost Choices**

	Option A Current Service Level	Option A Current Service Level	Option C County Fire Alternative Service Level	City FY 2015-16 Cost Current Service Level
Provider	County Fire	Centerra	County Fire	City
Net Cost	\$27,623,255	\$26,120,972	\$26,707,731	\$28,619,411
Firefighters On Duty	38	38	41	38
Details	See notes below. The costs above reflect cost minus revenues.			
<p><i>County Fire – Option A: The proposed cost is \$996,156 less than City’s cost for the current level of service. Additionally, the County Fire proposal properly funds facility and apparatus replacement, adequately funds other capital expenses, converts dispatch over to County Fire and transfers future pension and health costs to County Fire. Includes shared response use of County Fire Station 75. Actuarial estimates also reflect contracting with County Fire will save the City an additional \$2,700,000 per year in pension costs.</i></p> <p><i>Centerra – Option A: The first-year cost is \$2,498,439 less than the City’s cost and \$1,502,283 less than County Fire Option A cost. While Centerra costs decline in the third year, Centerra cannot ensure during the ten-year contract that the City will receive mutual aid. The cost retains the present dispatch, requires the City to fund any apparatus replacement and major rehabilitation as well as the replacement of fire stations, provides fewer employee positions than the City now budgets, and requires impact bargaining at conversion with no assurance that State legislation will continue to allow Charter Cities to contract for private fire services. At the</i></p>				

*conclusion of the contract, the City may need to pick up future pension and health costs if a contract is not renewed with Centerra.*

*County Fire – Option C: While the cost is \$586,759 higher than Centerra’s first-year cost and \$1,851,498 higher than the Centerra third-year cost, the County Fire proposal not only provides three more firefighters on duty each day, and one additional fire apparatus, but also offers the City all of the benefits described under County Fire Option A. Centerra continues to have the shortcomings described in the Centerra Option A alternative. The County Fire proposal includes shared response use of County Fire Station 75.*

*City – Current: The City cost, while adjusting for City-received Fire Department revenue, is still higher than that of the County Fire proposal A, largely because the City FY 2015-16 budget does not adequately cover an estimated \$1,300,000 annual apparatus, equipment, and facility rehabilitation and replacement which has been added to the City costs in this report. The City proposal also continues dispatch under the present City system, continues exposure to long-term pension, health, and workers’ compensation costs and has fewer fire personnel and apparatus on duty each day.*

Why is the private sector option not much less expensive? Several reasons drive this, including that the base pay was set near local market conditions; health benefits have similar costs to private-sector employers; and while the private-sector pension costs are less, there is some erosion of those savings given the private sector overhead costs and their earned performance bonus. Additionally, both Centerra and County Fire have funded, in the early years of the contract, restoration of maintenance and operating expense cuts that the recession forced on the Department.

While in year three and later years Centerra’s costs do decrease some, they still do not include the fire apparatus, station replacement, and repair expenses that County Fire has included in its cost model starting at year one. In addition, with Centerra there is some uncertainty regarding the availability of mutual aid, and the results of employee conversion impacts. There could be legal challenges implementing the Centerra choice; these costs, and whether these legal challenges will succeed or fail, cannot be estimated at this point because there is no precedent in the state.

While the cost differences between County Fire-provided and Centerra-provided fire services are modest, County Fire is a stronger, more assured path to further explore. This assessment is based on the uncertainties described with a Centerra contract; and because County Fire can transfer the City’s employees into a similar public employee retirement system, offer large department career development opportunities, absorb fire apparatus and station costs at present value and condition, and is already in the mutual aid system:

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*The best cost-to-services choice is County Fire's Option C for 14 units and 41 firefighters at \$26,307,731 which includes sharing the use of a nearby County Fire station and Battalion Chief that can assist with covering part of the western City. Interestingly, this provides a higher level of service at a lower cost than County Fire Option A because it shares Battalion Chief services with the adjoining County areas and replaces a Fire Captain on the Squad with a Firefighter.*

If, to restore fire services to sustainable levels, the City must raise additional revenues, then the annexation process to the County Fire District serves two purposes: (1) it provides economy of scale with County Fire operations, and (2) it provides an assessment process that permits the community to decide if an added modest fire service assessment would help reduce the overall County Fire service cost to the City General Fund.

The annexation process with County Fire also provides the City the opportunity to further negotiate the details of the level of service and ultimate cost with County Fire. In selecting a preferred fire service provider, the City has the requirement to negotiate the finer details of the service arrangement reflective of both providing adequate fire protection and meeting the cost needs of the City.

## **6.2 NEXT STEPS**

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1. Choose a preferred fire services provider and direct staff to work with that provider to set final service levels and costs;
2. If the choice is the County Fire District, pursue annexation into the County Fire District at the best pace possible and:
  - a. Keep operating the City Fire Department and fund needed equipment and safety repairs;
  - b. Contract with County Fire for a full-time, temporary Fire Chief to run the existing fire headquarters team;
  - c. If annexation is ultimately not approved, there are still two choices: a City-provided fire service, or revisiting the conversion to a private-sector fire service provider.

# City and County Try to Hornswoggle San Bernardino Taxpayers?

By IE Business Daily on August 29, 2015

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On Monday, the City of San Bernardino approved a plan to contract out city fire services to the County of San Bernardino Fire Department along with a parcel tax of \$143 on every property in the city.



According to the city's consultant, Andrew Belknap of Management Partners, the proposal would save San Bernardino \$11 million and raise an additional \$8 million in revenue per year.

The controversial measure passed narrowly on a 4-3 vote and will be incorporated into the city's bankruptcy proposal.

The annexation process of the city into the County Fire District was presented by Local Agency Formation Commission (LAFCO) Executive Officer Kathleen Rollings-McDonald. She informed the public that the annexation could take place without a formal public vote and that current law only allows for a formal protest process. The protest process would require written protest of 25-50 percent of voters or 25 percent of property owners (by valuation) in the city to require an actual election.

No discussion of a public vote on the parcel tax occurred.

This is the rub. Approval of any special tax requires an election and 2/3rd's vote of support from the public under the California Constitution. It's the law.

Now there is a caveat when property is annexed into a special district, such as the San Bernardino County Fire District. Under a recent court decision (*Citizens Assn. of Sunset Beach v. Orange Co. LAFCO* (2012) 209 Cal.App.4th 1182.) a parcel tax that is

already assessed in a special district can be automatically assessed in any area that annexes into that district. The protest process is assumed to take the place of a valid election in some contorted, extraneous reading of the state constitution.

In other words, if the County Fire District already collects the tax, then the only vote city residents will get is a simple majority vote on the question of annexation if enough of them protest to place the matter on the ballot.

But, the San Bernardino County Fire District does NOT have a uniform \$143 parcel tax in place in the rest of the fire district. In Fontana and Muscoy no such tax exists. Some residents in Fontana do pay into an assessment district for fire services, but this is NOT a uniform parcel tax.

Clearly the before mentioned legal precedent cannot apply to the proposed \$143 parcel tax as it does not exist in the rest of the fire district. But, of course, the city, the county and LAFCO didn't bother to even discuss the issue. San Bernardino residents, the media and even the elected Council Members were left with the impression, by the City Manager, the County Chief Executive Officer, and the LAFCO Executive Officer that the tax would just go along with annexation.

Perhaps there is some devious idea that since the proposal will now be included in the city's bankruptcy proposal, that the approval of the bankruptcy judge will somehow magically make a tax legal?

LAFCO tried something like this a few years ago when they attempted to force the City of San Bernardino to annex all the county pockets in and around the city as a condition of annexing the Arrowhead Springs Hotel. LAFCO reversed itself when a resident hired legal counsel at her own expense and sued the agency. When the City Attorney refused to defend LAFCO per the indemnification agreement because he thought the process violated the law, LAFCO reversed its decision.

It will be interesting to see who challenges this latest fiasco as some city and county leaders try to hornswoggle taxpayers.

## Information regarding Mt Baldy Fire Department

At the request of several Council Members, I have researched and prepared the following information regarding the only current "Volunteer" department within San Bernardino County.

Mt Baldy is located in the mountains just above the communities of San Antonio Heights and Upland, CA. The community is a well-traveled area involving year round outdoor activities including a ski lift and many areas for hiking. In addition, the community is host to a trout pond and the annual AMGEN bicycle race from the lower valley floor to the top of Mt Baldy Road. Seasonal use of the trailheads by visitors is a common occurrence.

Mt Baldy also houses a single K-8 grade school with approximately 100 children attending.

The population base for Mt Baldy is 3,920 according to records of July 2014. The median income for the community is \$119,851 per family, with the average housing unit being valued at \$497,321.

### About Mt Baldy Fire Department:

The department has approximately 20 members of varying ages and skill levels. The members vary in employment status from working full-time to retired.

The Mt Baldy Fire Department works in conjunction with the San Bernardino County Fire Department, United States Forest Service (Angelus National Forest) and the Los Angeles County Fire Department.

The Mt Baldy Fire Department operates out of a single fire station in the heart of the community and relies on members of its volunteer company to act as a relay between field units and "Comm Center" because of the vast geographic features and poor radio coverage. In addition, cellular coverage is remote at best throughout the community.

The entire component of the Fire based tax is passed through to the San Bernardino County Fire District. In return, the San Bernardino County Fire District supports the Mt Baldy Fire Department Fire Department with an ALS resource from the community of San Antonio Heights, Safety Gear and Vehicle Maintenance.

Every Mt Baldy employee undergoes a San Bernardino County physical prior to employment (the same as our PCF's or Full-time personnel).

Trainings are held twice a month and although there are varying levels of training, the levels desired are for EMT 1 and BCLS American Heart Association. A minimum level of EMR (Emergency Medical Responder) is required by the end of the first year with the organization. In addition, the Mt Baldy Fire Department strives for California State Fire Marshall Firefighter 1 certification.

American Medical Response is the ALS transport provider for the area, with San Bernardino County Fire District being the ALS first responder.

Significant Events:

The Mt Baldy Fire Department hosts an annual Steak Fry, which usually raises approximately \$50,000 for payroll expenses of a minimal per call basis.

The community has one main road in and out and is subject to adverse weather conditions, including the recent thunderstorms of 2014 which resulted in a fatality and damage to the community which brought things to a standstill for several days.

Around New Years Day of this year, Mt Baldy Fire Department working with the San Bernardino County Fire District responded to a major winter storm event that left approximately 100 people stranded due to icy road conditions. Victims were asked to remain in their vehicles and eventually transported to shelters set up in the local church for the evening.

They provided water tender support to the Los Angeles County Fire Department, United States Forest Service and San Bernardino County Fire District on a 30 acre fire south of the community for a day and a half.

A few quotes from Fire Chief Graham Hendrickson:

“The Mt Baldy Fire Department runs on average less than 200 calls per year” and “ I cannot remember the last time we ran an actual Structure Fire... several years, at least.”

Although there are similarities in several aspects, the Mt Baldy Fire Department chooses to pass through its property tax funding directly and in whole, to the San Bernardino County Fire District in exchange for overhead, administrative and response support.

Thank you for your time and consideration.

Respectfully,

John R. Chamberlin

Division Chief

San Bernardino County Fire District

## Cheryl Sallis

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**Subject:** FW: Equipment Costs if Annexed into Special District

Some background for you on the existing Type 1 engine in Needles:

The unit was purchased in part through a CDBG monies that the city had. Since there was not enough capital to work with, the City agreed to a lease/purchase agreement with annual installments. However, the County changed its practices and got out of the lease/purchase business and paid the unit off, thus releasing the City of their obligation.

Should the Council choose to pursue the annexation route, the admin costs will disappear. This would result in the annual apportionment dropping to \$582,024 on an ongoing basis. Now although this is higher than the 2004 amount, it is inflation protected via a percentage assignment through LAFCO. In addition, I confirmed that with annexation, the City of Needles is out of the Capital Improvement/Purchase/Replacement game. So the rolling stock dollars we have previously worked together on will be gone allowing you to focus on your own operations.

Both the Type 1 Fire Engine 2004 (10 years front line and 5 reserve) and Type 4/6 engine 2003 both are in need of replacement soon, if not already. This would amount to around \$900,000 collectively spread out however the agreement would be made.

By annexing, you are basically placing the burden on the County and shuffling \$900,000 to the County in equipment and receiving a 3 person ALS Paramedic engine company for the cost of 3 firefighters, at today's pricing, forever.

There isn't much more room in this package. The County is already absorbing most of the cost, risk and liability.

Part of the package would need to be deeding over the existing rolling stock. I don't think we want the building other than a lease until the County completes the new station.

As far as a PCF force... I would look at \$262,800 if you could get them to work for \$10/hr. Social Security is an additional \$16,294. Medicare needs to be added and probably Obamacare insurance since they will need these things. In addition, don't forget the Sick Leave we talked about. Workers Comp and Liability insurance, physicals and training hours.

This gets you potentially 3 people a day for 24 hours. But you also need to include the "Fire Chief" (\$50,000 on a contract?). In addition, your rolling stock is going to start to need replacement and additional repairs.

Let me know any thoughts.

I hope this breakdown helps somewhat in building numbers for you.

I will tell you that my plan is to bring the station back up to 4 people per day ASAP, but I am subject to financing issues the same as the next guy.

Respectfully,

John