



Sacramento Metropolitan Fire District

10545 Armstrong Ave., Suite 200 • Mather, California 95655 • Phone (916) 859-4300 • Fax (916) 859-3700

KURT P. HENKE
Fire Chief

BOARD OF DIRECTORS – ACTION SUMMARY Thursday, July 26, 2012 – 6:00 p.m.

City of Rancho Cordova City Hall-Council Chambers
2729 Prospect Park Drive
Rancho Cordova, California

CALL TO ORDER

The meeting was called to order by President Jones. Board Members present: Clark, Goold, Jones, Kelly, Monk, Newcomer, Orzalli, Scheidegger. Director Pierson, absent. Staff: Fire Chief Henke, Board Clerk Tilson, General Counsel John Lavra.

PLEDGE TO FLAG

METRO CABLE 14 ANNOUNCEMENT

The open session meeting is videotaped for cablecast on Metro Cable 14. Replay on Saturday, July 28 at 1:00 PM and Monday, July 30 at 6:00 PM on Channel 14; Webcast at www.sacmetrofire.ca.gov.

The open session meetings are also available for viewing on the District website at www.metrofire.ca.gov

PUBLIC OPPORTUNITY TO DISCUSS MATTERS OF PUBLIC INTEREST WITHIN DISTRICT JURISDICTION INCLUDING ITEMS ON OR NOT ON THE AGENDA

CONSENT AGENDA:

1. Board Meeting Action Summary – July 12, 2012
2. Disclosure of Material Expenditure – Tyler Technologies – Incode Financial Application & Annual Service and Maintenance--\$130,218
3. Disclosure of Material Expenditure – California Fire & Rescue Training Authority--\$45,000

▪ **Board Action:**

Clark/Scheidegger—Approve the Consent Agenda. Roll Call: Directors Clark, Goold, Jones, Monk, Kelly, Newcomer, Orzalli, Scheidegger, AYE. Director Pierson, absent. Motion passed.

ACTION ITEM(S):**1. Fiscal Year 2012/2013 Final Budget—(CFO Rhonda McFarlane)**

- The Preliminary Budget for fiscal year 2012/13 was approved by the Board of Directors on June 28, 2012. Under State Law the District is required to make it available to the public before it is finalized. A Notice was published and the Preliminary Budget was made available to the public on the District website and in the lobby.
- The next step in the District's budget process is to adopt the Final Budget for fiscal year 2012/13. Staff is recommending adoption of the Final Budget with the adjustments identified below.
- The fiscal year 2012/13 total final budget for all funds is \$166.4 million of which \$148.4 million is the District's General Fund. Detail information is provided in the Budget Document.
- There are just a few proposed changes between the fiscal year 2012/13 Preliminary General Fund Budget and the Final Budget, as summarized below:

GENERAL FUND PRELIMINARY BUDGET REVENUE	\$146,502,276
Increase in Property Tax Revenue	271,656
Increase in Other Revenue	<u>94,759</u>
GENERAL FUND FINAL BUDGET REVENUE	\$146,868,691

GENERAL FUND PRELIMINARY BUDGET EXPENDITURES	\$147,910,478
Increase in Dispatch Services	276,956
Additional Pension Costs from FY2011/12	253,434
Increase in Other Expenditures	<u>5,688</u>
GENERAL FUND FINAL BUDGET EXPENDITURES	\$148,446,556

General Fund Increase in Revenue	\$ 366,415
General Fund Increase in Expenditures	<u>536,078</u>
INCREASED EXPENDITURES NOT OFFSET WITH ADDITIONAL REVENUE	\$ 169,663

- In addition, some reclassifications were made moving budget line items from Non-Divisional to the appropriate divisional budgets to enhance accountability.

- During fiscal year 2011/12, the Board of Directors approved the following two transfers which were reflected in that year. However, the transfer requests were not recorded by the County:

To General Fund from Capital Facilities Fund	\$	500,000
To Leased Properties Fund from Capital Facilities Fund	\$	497,837

The transfer of \$500,000 is still necessary to fully reimburse the General Fund monies borrowed for the purchase of the Armstrong Building, and has been included in the fiscal year 2012/13 Final Budget. The other transfer to the Leased Properties fund is no longer needed due to estimated lease revenue expected during the budget year.

- The FY2012/13 Final Budget for the general fund draws upon a total of \$1.6 million in reserves to fund a portion of the new Single Role Paramedic Program (SRPP). These funds will be returned to the reserves from future SRPP cost-recovery fees. All other areas of the General Fund budget are in balance. In the Capital Facilities Fund, about \$4,864,000 of restricted reserves is being used for District infrastructure. The budgets for the two grant funds reflect \$7.9 million in grant funding for new firefighters, equipment, and new fire simulation infrastructure for staff training.
- The increase in the Dispatch Center cost was due to a change in their budget establishing an 8% General Fund Reserve without prior notification to the District, increasing our share of the cost by approximately \$113,000; call volume increased by almost 2,000 runs; and the amount of staff positions to be determined by the number of positions actually filled versus budgeted could lower the District's cost.

Fire Chief Henke stated the District should have been advised of the 8% General Fund Reserve for the Dispatch Center before charging the District. This message has been conveyed and the overall numbers could be smaller with less impact.

- Fire Chief Henke noted that the District has a balanced budget this year even with the loss of over \$4 million in property tax revenue equating to about \$26 million on an annualized basis; six companies have been closed; labor has saved the District \$10 million on an annualized basis in concessions. The District has a 10.7% General Fund Reserve; Moody's recommends a 5% General Fund Reserve. This is due to the conservative approach the Board has directed while trying to maintain our service levels. The \$1.6 million borrowed from the General Fund Reserves for the start-up of the new Single Role Paramedic Program will be repaid from the cost-recovery funds and result in better service.
- Staff recommended the Board adopt the Fiscal Year 2012/2013 Final Budget Resolutions.

**A. Resolution No. 2012-83 – 2012/2013 Final Budget for
General Operating Fund 212-A– \$147,986,281**

- **Board Action:**
Newcomer/Goold—Adopt the Resolution. Roll Call: Directors Clark, Goold, Jones, Monk, Kelly, Newcomer, Orzalli, Scheidegger, AYE. Director Pierson, absent. Motion passed.

**B. Resolution No. 2012-84 – 2012/2013 Final Budget for
Capital Facilities Fund 212-D – \$8,019,696**

- **Board Action:**
Clark/Goold—Adopt the Resolution. Roll Call: Directors Clark, Goold, Jones, Monk, Kelly, Newcomer, Orzalli, Scheidegger, AYE. Director Pierson, absent. Motion passed.

**C. Resolution No. 2012-85 – 2012/2013 Final Budget for
Other Post Employment Benefits (OPEB) Fund 212-F – \$1,780,000**

- **Board Action:**
Kelly/Goold—Adopt the Resolution. Roll Call: Directors Clark, Goold, Jones, Monk, Kelly, Newcomer, Orzalli, Scheidegger, AYE. Director Pierson, absent. Motion passed.

**D. Resolution No. 2012-86 – 2012/2013 Final Budget for
Grants Fund 212-G – \$5,366,429**

- **Board Action:**
Kelly/Scheidegger—Adopt the Resolution. Roll Call: Directors Clark, Goold, Jones, Monk, Kelly, Newcomer, Orzalli, Scheidegger, AYE. Director Pierson, absent. Motion passed.

**E. Resolution No. 2012-87 – 2012-2013 Final Budget for
Leased Facilities Fund 212-L – \$980,000**

- **Board Action:**
Kelly/Clark—Adopt the Resolution. Roll Call: Directors Clark, Goold, Jones, Monk, Kelly, Newcomer, Orzalli, Scheidegger, AYE. Director Pierson, absent. Motion passed.

F. Resolution No. 2012-88 – 2012/2013 Final Budget for Simulator Grant Fund 212-S – \$4,000,100

▪ **Board Action:**

Kelly/Clark—Adopt the Resolution. Roll Call: Directors Clark, Goold, Jones, Monk, Kelly, Newcomer, Orzalli, Scheidegger, AYE. Director Pierson, absent. Motion passed.

G. Resolution No. 2012-89—Adopt 2012/2013 Appropriations Limit Schedule – \$262,767,208

▪ **Board Action:**

Kelly/Newcomer—Adopt the Resolution. Roll Call: Directors Clark, Goold, Jones, Monk, Kelly, Newcomer, Orzalli, Scheidegger, AYE. Director Pierson, absent. Motion passed.

2. Bid Award – Perimeter Fencing and Gate for the Metro Fire Training Center, 3801 Zinfandel Drive, Rancho Cordova, CA—(D/C Cockrum)

- In response to a Request for Formal Bids (RFFB) for an all inclusive material, labor, and installation of the perimeter fencing and gate at the new training facility, the following two bids were received:

Roebbelen Construction Inc. - \$287,395

White Knights Fence Co. - \$506,000

- This is a joint venture project with the Joint Powers Authority (JPA). The JPA will be reimbursing the District \$138,000 from the total cost and the District will be responsible for all costs exceeding this amount.

- Staff recommended the bid be awarded to Roebbelen Construction Inc., in the amount of \$287,395. This firm is one of six Construction Manager at Risk (CMAR) vendors approved by the Board of Directors on May 24, 2012.

▪ **Board Action:**

Goold/Clark—Approve the staff recommendation. Roll Call: Directors Clark, Goold, Jones, Monk, Kelly, Newcomer, Orzalli, Scheidegger, AYE. Director Pierson, absent. Motion passed.

PRESENTATION ITEM(S)**1. Citygate Associates Inc. – 5-Year Standards of Coverage Update--
(Stewart Gary)**

- A 30-page study update dated May 30, 2012 was submitted by Citygate Associates.
- Stewart Gary of Citygate gave a detailed PowerPoint presentation on the Deployment Update study, to include:

Policy Choices Framework

- No mandatory federal or state minimum service levels
- If fire services are provided, they have to be delivered safely, following standards
- Communities have the level of fire services that they need and can afford
- The *challenge* is matching need with fiscal capacity
- The District is to be commended for keeping its analysis fresh and understanding the issues

Key Findings

- The District came into the recession short fire stations. Consequently, the travel time performance to serious incidents has decayed.
- The District is significantly deficient in meeting its adopted policy goals
- The District's adopted goal for the first-due unit is to have a unit reach 90 percent of the serious incidents within 4 minutes travel (driving) time. The compliance measures to this 90 percent goal have in reality been as follows over the last five years:

2007	64%
2008	63%
2009	63%
2010	60%
2011	59%

- Over the five years in this study, no fire station area has met the 90 percent at 4-minute travel time goal to serious emergencies.
- In 2011, the District-wide travel time to 90 percent of the serious incidents was 6:15 minutes/seconds.

Deficiencies Causes

- This is due to the following reasons:
 - Not enough fire stations to cover the geography, further compounded by the closure of three stations;
 - An increase in total volume of calls and ongoing high rate of simultaneous calls;
 - Given a District-wide median simultaneous incident rate of 4 calls at one time, fire units have trouble covering calls in adjoining station areas that, in some cases, are already too large.

Performance Decay over Time

- In year 2011, incident response data showed that the first-due unit travel time at the District standard is deficient to 19,056 serious incidents, which amounts to 41.4 percent of all incidents inside the District. This deficient performance occurred an average of 52 times per day or 2 times per hour.

1st Alarm Performance

- District standard for all units is 8 minutes travel time
- Actual performance is deficient:
 - In 2011, District-wide the performance was 10:40 minutes/seconds at 90 percent.
 - By minute 8, only 75 percent of the structure fires receive the effective response force.

Geographic Coverage Measures

- The geographic mapping model shown predicts that the current station system provides:
 - First-due fire apparatus 4-minute travel time coverage to 69.3 percent of the 1,414.6 road miles with greater than 1,000 people per square mile;
 - Thus, 624 miles or 30 percent of the more developed roads in the District are beyond the adopted goal of 4 minutes driving time from a neighborhood fire station;
 - This coverage figure is correlated by the actual response statistics finding travel times to 90 percent of the incidents being 2 minutes past the 4-minute District goal point.

Station 68 Closure Impacts

- Closure of Station 68 affected less than 3 percent of the incidents in the immediate "Impact Area" around it that includes Engines 68, 66, and 58.
- The closure added about 90 seconds to 90 percent travel time compliance showing most dramatically in first apparatus arrival performance.
- Second apparatus arrivals were relatively unaffected, while third and fourth arrivals appear to be more dramatically affected because they are coming from even farther away.

Engine 106 Closure Impacts

- First-due apparatus travel time performance to 90 percent of the incidents dropped slightly from 357 seconds before closure to 351 after closure, a net improvement of 6 seconds. This metric shows how stations spaced more closely together can absorb the impact of a temporary station closure.
- Second-due apparatus travel time performance decreased 12 seconds. Third-due apparatus decreased by 82 seconds and fourth-due apparatus arrivals increased by 17 seconds.
- The closure of E106 had little measurable impact on demand or performance.

Overall Closure Impacts

- The closure of a single resource at Station 68 had a comparatively dramatic effect on a small number of incidents.
- The closure of E106 at Station 106 had little effect over a greater number of incidents.
- Geographic distribution of fire station facilities continues to be the single most important aspect affecting the critical travel time measurement.

Improvements Necessary

- In order to meet its goals, the District needs:
 - A minimum addition of five single-engine fire stations
 - A minimum addition of two ladder trucks in addition to the two just added in February 2012.
 - A minimum addition of two battalion chiefs.
 - Near-term growth will bring two more areas to greater than 1,000 people per square mile. When this occurs, two additional fire stations and one additional ladder truck are necessary to meet District standards.
- Thus, for current needs and probable growth the next five years, the District needs a total of 7 additional fire stations, three additional ladder trucks and two battalion chief field supervisors.

- Fire Chief Henke thanked Mr. Gary of Citygate for his work. He stated each fire station costs about \$2.3 million a year to run excluding the cost of construction and the capital purchase of engine companies. Over the last several years the District has lost \$26 million on an annualized basis of property tax revenue. A solution on the revenue is needed. We are trying to maximize every dollar to provide the best level of service. This five-year data provides guidance to move forward in the future.
- Director Goold stated the industry standards as a whole do not apply to Sacramento and were developed at a national level for different kinds of geography. At least it provides a trend to look at how our community compares.

Another issue to address and find creative solutions to is mutual aid which drives down our responses when we have apparatus outside of our District boundaries.

He suggested the Executive Summary down the road identify the concessions of our labor group which stepped up to keep us in the position we are in today.

- Director Orzalli stated he was very interested in this data and, in particular, having a way to present to the public the effects of the declining revenue. Even though the District has done an exemplary job of maintaining standards, there is an effect and the public should be made aware of it.
- Board President Jones thanked Mr. Gary and stated we are able to do future planning with this analysis and the numbers to determine our direction and priorities for decision making.

PRESIDENT'S REPORT—(Gay Jones)

- Appreciated the work that Metro Fire contributed to our community during Eppie's Great Race last Saturday. The District's Community Emergency Response Team (CERT) was on standby throughout the event along with the boat operations swift water rescue crews assisting kayakers out on the river in the rapids. Extended her personal thanks to Fire Chief Henke and all the individuals from the Metro family who contributed to a safe and successful Eppie's Great Race for 2012.

FIRE CHIEF'S REPORT—(Fire Chief Henke)

- July 10 – 13, 2012 -- Fire Camp - 80 kids attended. Brenda Briggs and Jason Wenner deserve a lot of credit.
- July 12 – 29, 2012 – California State Fair.
 - Saturday, July 28 – Firefighter Cook-Off with finals on Sunday, July 29
- July 28, 2012 @ 1:00 p.m. – 3:30 p.m. – Reception at old Station 111 with The Horseless Carriage Club of America visiting; Supervisor Roberta MacGlashan and former Congressman Doug Osi to attend. Everyone is invited.
- August 14, 2012 @ 6:00 p.m. – Promotion Ceremony at Rancho Cordova City Hall.
- September 9, 2012 – 9/11 Memorial Run Event
September 11, 2012 – Stair climb – 9:11 a.m.

Retirements

July 16, 2012

Deputy Chief Duane Arend – 27 years of service
Wished him the best and welcomed Deputy Chief Scott Cockrum aboard.

Recruitment

Firefighter/Paramedic –

- Over 600 applicants invited to Written Exam
- 424 Took Written Exam
- 236 Invited to oral interviews
- 135 passed orals and were put on the eligibility list
- 52 invited to Background Orientation on July 26

Year Book

- Brenda Briggs and Captain Randy Wootton will be working on the next year book for publication in mid-2013.

OPERATIONS REPORT – Deputy Chief Chris Holbrook**EMS –**

Statistics since the last Board meeting:

- Metro – 1,752 dispatches – transported 74% of the time.
- AMR – 553 dispatches – transported 73% of the time.

Fire Incidents –

- 14 structure fires since the last meeting.

Operational/Public Information Officer –

- Strike teams/Overhead deployed to the Robbers Fire; Mill Fire; 14 lightning caused fires.
- Wildland Grass fires – 2 acres - Rio Linda Boulevard at Sorento Road; Sloughhouse – 4 outbuildings burned.
- July 21 – American River drowning
- July 23 – showed a KCRA news clip of the rodeo bull rescued from a well demonstrating that Metro Fire is an all hazard agency.

GENERAL COUNSEL’S REPORT – John Lavra

None

LOCAL 522 REPORT – Captain Jeff Hickman

- Local 522 and the Metro Firefighters Association are helping to sponsor the 9-11 event. The 5K and 10K run is on September 9; the memorial stair climb is on September 11 with 343 firefighters participating and carrying the names of the deceased firefighters from 9-11-2001.
- Thanked Chief Holbrook and the administration for including Local 522 in the discussions on the Standards of Cover.
- Thanked the Local members who volunteered their time to participate in the success of Fire Camp.
- The Final Budget has been an ongoing thing also for the firefighters. Thanked the Fire Chief and Board for recognizing the sacrifices their members and all of the employees of the District have made to make sure the budget is balanced on a year-to-year basis. Keeping the District viable and strong is important to all.
- Administration has asked the Local to meet and have some discussion regarding their contract which is good through the end of 2013. Discussions will start in August or September to see what needs to be done to help move things forward in the future.
- Administration’s cost recovery and additional revenue sources have benefitted the Local in its efforts to help the District.
- Congratulated those recently promoted.

COMMITTEE AND DELEGATE REPORTS:**Executive Committee—(President Jones)**

- Next Meeting: TBD

Communications Center—(DC Cockrum)

- Reported on the last meeting
- Next Meeting: August 28, 2012 – 9:00 AM
Location: 2101 Hurley Way, Sacramento CA

California Fire & Rescue Training Authority—(Kelly)

- Next Meeting: September 12, 2012 – 10:00 AM
Location: California Emergency Management Agency, Media Room
3650 Schriever Avenue, Mather CA 95655

Finance Committee—(Monk)

- Next Meeting: August 9, 2012 – 5:00 PM

Policy Committee—(Orzalli)

- At today's meeting, it was determined that due to the workload that has been done the Committee will meet on an as needed basis with the date to be announced through the Board Clerk.
- Next Meeting: TBA

BOARD MEMBER QUESTIONS AND COMMENTS:**Board Members:**

- Thanked Chief Financial Officer McFarlane and the Finance Department staff for an excellent job on the final budget.
- Congratulated those recently promoted.
- Congratulated the retirees and noted that decades of institutional knowledge are going out the door.

Clark:

- Thanked the volunteers for Fire Camp. He went out there on the last day and the kids were having a great time. It is a wonderful thing that Metro does every year.
- In general, thanked all the men and women of this organization who do such a wonderful job protecting the public day in and day out.

Scheidegger:

- He attended a recent community event and three families came up to him and talked about what a wonderful event Fire Camp was for the kids involved. It is great to be out in the community and see that response and a long-term benefit.

- Regarding the Rafting Gone Wild Event, Firefighters back to back with law enforcement officers is another example of the true heroes and heroines we have in our Department out there protecting lives. This community needs to understand and appreciate the valor that was demonstrated by our people in that event.

Newcomer:

- He invited Director Scheidegger to join him the other day when some turnouts that the Fire District made available to the Rotary Club of Citrus Heights were donated for shipment to Columbia. It went well.
- Thanked the labor groups and administration for their continued cooperation in a joint effort to get us through day to day with more possible revenue reductions in the future.

Monk:

- Thanked Fire Chief Henke and Chief Financial Officer McFarlane for their work on the budget. It is excellent information that helps the Board in planning for the future and making decisions. With the cooperation of Local 522 and the concessions, we are in a better position in maintaining where we are without having to make severe cuts. It takes the cooperative effort of all people involved and it is appreciated.
- This Saturday in Rio Linda at 1:00 p.m., old Fire Station 111, all the directors are invited to come out to The Horseless Carriage Club's meeting. County Supervisor Roberta MacGlashan and former Congressman Doug Osi will be attending. It demonstrates the support of the Fire District, Park District, County, and the community groups all working together for common goals.

Goold:

- Thanked Citygate and Mr. Gary for coming out and presenting some very valuable information. It is the essence and the core of what we do in trying to figure out how to provide our resources to the community in the most efficient and cost-effective way.
- Pointed out the transparency of the budget process at Metro Fire. This organization spent a lot of time getting to that point and now we are able to concentrate our efforts and vision on things like the Single Role Paramedic Program. Chief Financial Officer McFarlane has done a wonderful job in making that happen.

Kelly:

- The Citygate presentation tonight was a reminder of why he was so impressed with the information given to us the first time when they appeared before the Board. With the station closures that have taken place in this District it is very valuable to see the effects and how the District utilizes this information to make decisions on other delivery of service changes.
- Not enough can be said for the wonderful program Brenda Briggs put together. It is an example of the shining stars in our organization such as Captain Law and Rhonda McFarlane. Being part of Fire Camp is another reminder why you can take so much pride in being a part of this organization.

Orzalli:

- Visited Fire Camp and Brenda Briggs is doing a fantastic job.
- The Citygate presentation was very informative and useful for the District.

Jones:

- A combination of the Citygate report and PowerPoint presentation by Deputy Chief Holbrook together is a good example and encapsulation of what the fire service emergency response business does. It is the cooperation and professional efforts of every member of the Metro organization that contribute to the success of these responses to emergency calls.

CLOSED SESSION 8:00 PM**RECONVENE TO OPEN SESSION 8:36 PM**

Report by Board President Jones:

1. PERSONNEL MATTER --

Pursuant to California Government Code Section 54957

Title: Fire Chief's Evaluation

No action.

Report by General Counsel Lavra:

2. CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION

Significant Exposure to Litigation pursuant to California Government Code Section 54956.9 (b) – Seven (7) Cases:

- A. Claim Against Public Entity Pursuant to Government Code Section 910
Richard F. McCudden/Emerson Place Apartments

The Board voted 8 – 0, with Director Pierson absent, to approve the claim for \$225.00 in property damage.

- B. Claim Against Public Entity Pursuant to Government Code Section 910
Ruben Cantu/ Attorney Deborah Hadwen of Berg Injury Lawyers

The Board voted 8 – 0, with Director Pierson absent, to reject the claim and refer it to the District's insurance carrier for further handling.

- C. Claim Against Public Entity Pursuant to Government Code Section 910
Victoria O'Loughlin/ Attorney Deborah Hadwen of Berg Injury Lawyers

The Board voted 8 – 0, with Director Pierson absent, to reject the claim and refer it to the District's insurance carrier for further handling.

- D. Claim Against Public Entity Pursuant to Government Code Section 910
Ciriaco Cornejo-Arzate/ Attorneys Daniel E. Wilcoxon, Esq. and Michelle C. Jenni, Esq.

The Board voted 8 – 0, with Director Pierson absent, to reject the claim and refer it to the District’s insurance carrier for further handling.

- E. Claim Against Public Entity Pursuant to Government Code Section 910
Maria Del Carmen Torres/ Attorneys Daniel E. Wilcoxon, Esq. and Michelle C. Jenni, Esq.

The Board voted 8 – 0, with Director Pierson absent, to reject the claim and refer it to the District’s insurance carrier for further handling.

- F. Claim Against Public Entity Pursuant to Government Code Section 910
Erica Cornejo/ Attorneys Daniel E. Wilcoxon, Esq. and Michelle C. Jenni, Esq.

The Board voted 8 – 0, with Director Pierson absent, to reject the claim and refer it to the District’s insurance carrier for further handling.

- G. Claim Against Public Entity Pursuant to Government Code Section 910
Miguel Cornejo/ Attorneys Daniel E. Wilcoxon, Esq. and Michelle C. Jenni, Esq.

The Board voted 8 – 0, with Director Pierson absent, to reject the claim and refer it to the District’s insurance carrier for further handling.

ADJOURNMENT –The meeting was adjourned at 8:42 p.m.

Gay Jones, President

Randy Orzalli, Secretary

Charlotte Tilson, Clerk of the Board