



# OCFA PROPOSAL REVIEW

JULY 10, 2018

# Fire Department OCFA/FSP

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## Analysis

### Background

Key Operational Issues Garden Grove Fire Department is Facing:

1. **Paramedic Response Times**
2. **Retention & Recruitment**
3. **Public Safety Infrastructure**

These issues were identified in the 2016 Fire Department Deployment Report.

# Fire Department OCFA/FSP Analysis

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Fire department staff reviewed the Fire Service Proposal from OCFA and determined the following:

1. Paramedic Response Times
  - ▶ Paramedic response times would improve with the proposed redeployment of staffing by providing 2 trained Paramedics at each fire station
  - ▶ The replacement of 1 engine company with a truck company would also improve truck services in the western part of town

# Fire Department OCFA/FSP Analysis

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## 2. Retention & Recruitment

- ▶ *The OCFA does not have the same issues recruiting new firefighters and paramedics due to their competitive position in the workforce*

## 3. Public Safety Infrastructure

- ▶ *The OCFA FSP lays out the start of a strategic road map to deal with the city's current aging infrastructure*

# Fire Department OCFA/FSP Analysis

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## Findings

- ▶ After reviewing the OCFA FSP, no negative operational impacts were found for the fire/paramedic service to the citizens of Garden Grove
- ▶ The FSP embraces many of the recommendations within the 2016 Fire Department Deployment Report
- ▶ Paramedic response times are improved with the redeployment of paramedics/firefighters, as recommended in the FSP
- ▶ Truck company service is improved on the west side of the city with the proposed FSP

# Side By Side Analysis Daily Equipment & Staffing

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## CURRENT (29/FF)

**7 Fire Stations**

**9 Pieces of Equipment**

- ▶ 7 Engines
- ▶ 1 Truck
- ▶ 1 Squad
- ▶ 1 Battalion Chief
- ▶ 8 Captains
- ▶ 8 Engineers
- ▶ 12 Firefighters
- ▶ **\*10 Certified Paramedics**

## OCFA/FSP (29/FF)

**7 Fire Stations**

**7 Pieces of Equipment**

- ▶ 5 Engines
- ▶ 2 Trucks
- ▶ 1 Battalion Chief
- ▶ 7 Captains
- ▶ 7 Engineers
- ▶ 14 Firefighters
- ▶ **\*14 Certified paramedics**

# Daily Paramedics Staffing

<u>STATION</u>	<u>CURRENT *10/PM</u>	<u>OCFA/FSP *14/PM</u>
1	1 BC (1.0) 1 Engine (3.0) 1 Truck (3.0) 1 Squad (2.0) *2PM	1 BC (1.0) 1 Truck (4.0)*2PM
2	1 Engine (4.0)*2PM	1 Engine (4.0)*2PM
3	1 Engine (3.0)*1PM	1 Engine (4.0)*2PM
4	1 Engine (3.0)*1PM	1 Engine (4.0)*2PM
5	1 Engine (4.0)*2PM	1 Truck (4.0)*2PM
6	1 Engine (3.0)*1PM	1 Engine (4.0)*2PM
7	1 Engine (3.0)*1PM	1 Engine (4.0)*2PM

# Questions



# Garden Grove Fire Department

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- ▶ FY 2018-19 Adopted Budget (June 2017)
  - ▶ \$25,122,000
    - ▶ All Salaries & Benefits
    - ▶ Contracts
    - ▶ Commodities
    - ▶ Equipment Pool, Telephones, Computers, etc.
  - ▶ Staffing
    - ▶ 84 Current Full-Time Sworn Employees, 4 Constant Manning Positions
      - ▶ 8 Vacant Positions
    - ▶ 5 Full-Time Non-Sworn Employees
      - ▶ Department Secretary, Fiscal Analyst, Sr. Fire Protection Specialist, Fire Prevention Tech
      - ▶ Public Works Fire Engine Mechanic
    - ▶ 4 Part-Time Employees
      - ▶ 2 Interns, Clerical Assistant, Fire Prevention Tech
- ▶ Equipment Maintenance
- ▶ 7 Fire Stations

# OCFA CONTRACT PROPOSAL

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- ▶ Contract Proposal Cost - \$22,191,928
  - ▶ Capped at 4.5% Annually
  - ▶ Recapture Clause
  - ▶ Average increase 2.92%
- ▶ Option to Withdraw Every 10 Years (Year 2030)
- ▶ Personnel
- ▶ Equipment Maintenance & Replacement
- ▶ Routine Station Maintenance
- ▶ Plan Check Services
- ▶ Administration
- ▶ 1 Member on the OCFA Board of Directors

# PERSONNEL

- ▶ All 84 Sworn Employees Will Be Offered Positions
  - ▶ Pre-employment Check
    - ▶ Medical/Physical Examination
    - ▶ Livescan
    - ▶ CA DMV Check
    - ▶ City Responsible for Employees Who Do Not Pass Pre-Employment
  - ▶ 7 Potential Demotions (may have some flexibility with OCFA)
- ▶ 5 Non-Sworn Employees
  - ▶ Requires Application through OCFA if Positions Available (may have some flexibility with OCFA)
- ▶ 4 Part-Time Employees
  - ▶ Requires Application through OCFA if Positions Available

# Sworn Positions

Position	OCFA Proposal	Current Filled GG Positions	Vacancies
Fire Chief	0	1	0
Fire Division Chief	0	2	0
Battalion Chief	3	3	0
Fire Captains	20	24	2
Fire Apparatus Engineers	18	22	2
Firefighter/Paramedics	36	32	4
<b>Total</b>	<b>77</b>	<b>84</b>	<b>8</b>

# Non-Sworn Positions

Position	OCFA Proposal	Current GG Positions
Department Secretary	0	1
Senior Fire Protection Specialist	0	1
Fire Prevention Tech	0	1
Fire Apparatus Mechanic (PW)	0	1
Fiscal Analyst	0	1
<b>Total Full-Time</b>	<b>0</b>	<b>5</b>
Part-Time Fire Prevention	0	1
Part-Time Clerical Assistant	0	1
Intern	0	2
<b>Total Part-Time</b>	<b>0</b>	<b>4</b>

# Facilities

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- ▶ OCFA Leasing of Facilities
  - ▶ 7 Stations
  - ▶ \$1.00 Per Year for Each Facility
  - ▶ Normal Daily Maintenance Operations
  - ▶ Utilities
- ▶ City Remains Responsible For:
  - ▶ Revolving Facility Account \$15,000 Per Station (\$105,000)
    - ▶ Repairs Over \$1,000
    - ▶ To Be Replenished Annually
  - ▶ Capital Improvements
    - ▶ Repairs Over \$15,000
  - ▶ Hazard Issues (i.e. fuel tanks)
  - ▶ Property Insurance

# Equipment

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- ▶ Equipment Will Be Leased to OCFA At No Cost
  - ▶ 6 Type 1 Engines
  - ▶ 1 Battalion Chief Vehicle
  - ▶ 1 Battalion Utility
  - ▶ 1 Truck Company
  - ▶ 1 Air Light Unit
- ▶ OCFA Will Provide Maintenance of Vehicles
- ▶ Contract Cost Includes Vehicle Replacement
- ▶ Remaining City Equipment May Be Sold (Est. Value \$190,000)

# Additional Costs

- ▶ Start-Up Costs \$1,136,225
- ▶ Payment Over 5 Years

Description	Start-Up Cost
Service Center (Equipment/Uniforms)	\$309,661
Personnel Costs	\$152,650
Fleet Services	\$20,800
Communications/IT	\$293,146
Facilities	\$156,500
EMS	\$203,468
<b>Total</b>	<b>\$1,136,225</b>
<b>Amorized Over 5 Years</b>	<b>\$227,245</b>



# Additional Costs

- ▶ One-Time
- ▶ Capital Improvement Requirements
  - ▶ \$357,000
- ▶ Asbestos Certification
  - ▶ \$20,740

# Ongoing City Costs

- ▶ Pension Obligation (Pre-OCFA Unfunded Liability )
- ▶ Retiree Medical Premium Contribution
- ▶ Workers' Compensation Claims
- ▶ Records Management
- ▶ Weed Abatement
- ▶ Potential Need for 1 Additional Full-Time Staff:
  - ▶ Emergency Operations Coordination
  - ▶ Training/Compliance
  - ▶ Management of Ambulance Contract
  - ▶ Records Requests Before Transition

# Other Savings

- ▶ Daily Facility Maintenance
  - ▶ Utilities
- ▶ Insurance Premiums
  - ▶ General Liability - \$30,000
  - ▶ Workers' Compensation - \$70,000

# OCFA Proposal Projected Savings

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OCFA Estimated Savings	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Annual Contract	22,592,221	23,608,870	24,671,258	25,781,464
City Budget	25,122,000	25,912,000	26,816,000	27,339,000
<b>OCFA Proposed Savings</b>	<b>2,529,779</b>	<b>2,303,129</b>	<b>2,144,730</b>	<b>1,557,523</b>

# Cost Analysis (Est. 2.92% Per Year)

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	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Annual Contract (2.92%)	22,191,928	22,839,932	23,506,858	24,193,259
Annual Facility Revolving Fund (\$15,000 x 7)	105,000	105,000	105,000	105,000
Equipment Replacement (3% Per OCFA)	295,293	304,152	313,276	322,675
Start - Up (0%, 5 Years, \$1,136,225)	227,245	227,245	227,245	227,245
Capital Improvements Required	357,000	0	0	0
Asbestos Certification	20,740	0	0	0
<b>Total OCFA Estimated Contract Costs</b>	<b>23,197,206</b>	<b>23,476,329</b>	<b>24,152,380</b>	<b>24,848,178</b>
City Continuation of Services Not Included In OCFA				
Add Position for EOC Management	175,000	178,500	182,070	185,711
Hazard Clean Up (Ocean Blue)	57,000	57,000	57,000	57,000
Records Management	38,718	13,718	13,718	13,718
<b>Total Additional Services</b>	<b>270,718</b>	<b>249,218</b>	<b>252,788</b>	<b>256,429</b>
<b>Pension Obligation (Pre-OCFA Unfunded Liability)</b>	<b>3,545,268</b>	<b>4,189,251</b>	<b>4,672,032</b>	<b>5,284,172</b>
<b>Retired Medical Premium Contribution</b>	<b>83,928</b>	<b>86,026</b>	<b>88,177</b>	<b>90,381</b>
<b>Total Cost for Fire Services with OCFA</b>	<b>27,097,120</b>	<b>28,000,824</b>	<b>29,165,377</b>	<b>30,479,161</b>
City Budget (2.92% Increase)	25,122,000	25,855,562	26,610,545	27,387,573
Fire Dept Revenue	150,000	153,000	156,060	159,181
<b>Net Cost of Fire Dept with City</b>	<b>24,972,000</b>	<b>25,702,562</b>	<b>26,454,485</b>	<b>27,228,392</b>
<b>Estimated Savings / (Additional Costs)</b>	<b>(2,125,120)</b>	<b>(2,298,262)</b>	<b>(2,710,892)</b>	<b>(3,250,769)</b>
Additional Savings: Insurance Premiums	100,000	110,000	121,000	133,100
Annual Facility Maintenance Savings	105,000	105,000	105,000	105,000
Utilities	88,012	90,652	93,372	96,173
One time Sell Off of Fire Equipment	190,000	0	0	0
<b>Total Projected Savings / (Additional Costs)</b>	<b>(1,642,108)</b>	<b>(1,992,609)</b>	<b>(2,391,520)</b>	<b>(2,916,496)</b>

# Cost Analysis (cont.)

	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Annual Contract (2.92%)	24,899,702	25,626,773	26,375,075	27,145,227	27,937,868	28,753,653
Annual Facility Revolving Fund (\$15,000 x 7)	105,000	105,000	105,000	105,000	105,000	105,000
Equipment Replacement (3% Per OCFA)	332,355	342,326	352,595	363,173	374,068	385,290
Start-Up (0%, 5 Years, \$1,136,225)	227,245	0	0	0	0	0
Capital Improvements Required	0	0	0	0	0	0
Asbestos Certification	0	0	0	0	0	0
<b>Total OCFA Estimated Contract Costs</b>	<b>25,564,302</b>	<b>26,074,099</b>	<b>26,832,670</b>	<b>27,613,400</b>	<b>28,416,936</b>	<b>29,243,944</b>
City Continuation of Services Not Included In OCFA						
Add Position for EOC Management	189,426	193,214	197,078	201,020	205,040	209,141
Hazmat Clean Up (Ocean Blue)	57,000	57,000	57,000	57,000	57,000	57,000
Records Management	13,718	13,718	-	-	-	-
<b>Total Additional Services</b>	<b>260,144</b>	<b>263,932</b>	<b>254,078</b>	<b>258,020</b>	<b>262,040</b>	<b>266,141</b>
<b>Pension Obligation (Pre-OCFA Unfunded Liability)</b>	<b>5,816,364</b>	<b>6,195,177</b>	<b>6,520,806</b>	<b>6,029,900</b>	<b>6,210,798</b>	<b>6,397,122</b>
<b>Retired Medical Premium Contribution</b>	<b>92,641</b>	<b>94,957</b>	<b>97,331</b>	<b>99,764</b>	<b>102,258</b>	<b>104,815</b>
<b>Total Cost for Fire Services with OCFA</b>	<b>31,733,450</b>	<b>32,628,165</b>	<b>33,704,885</b>	<b>34,001,084</b>	<b>34,992,033</b>	<b>36,012,021</b>
City Budget (2.92% Increase)	28,187,290	29,010,359	29,857,461	30,729,299	31,626,595	32,550,091
Fire Dept Revenue	162,365	165,612	168,924	172,308	175,749	179,264
<b>Net Cost of Fire Dept with City</b>	<b>28,024,925</b>	<b>28,844,747</b>	<b>29,688,537</b>	<b>30,556,996</b>	<b>31,450,846</b>	<b>32,370,827</b>
<b>Estimated Savings / (Additional Costs)</b>	<b>(3,708,525)</b>	<b>(3,783,418)</b>	<b>(4,016,348)</b>	<b>(3,444,088)</b>	<b>(3,541,187)</b>	<b>(3,641,194)</b>
Additional Savings: Insurance Premiums	146,410	161,051	177,156	194,872	214,359	235,795
Annual Facility Maintenance Savings	105,000	105,000	105,000	105,000	105,000	105,000
Utilities	99,058	102,080	105,091	108,244	111,491	114,836
One time Sell Off of Fire Equipment	0	0	0	0	0	0
<b>Total Projected Savings / (Additional Costs)</b>	<b>(3,358,057)</b>	<b>(3,415,337)</b>	<b>(3,629,101)</b>	<b>(3,035,973)</b>	<b>(3,110,337)</b>	<b>(3,185,564)</b>

# Cost Analysis (Est. 4.5% Per Year)

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	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Annual Contract (4.5%)	22,191,928	23,190,565	24,234,140	25,324,676
Annual Facility Revolving Fund (\$15,000 x 7)	105,000	105,000	105,000	105,000
Equipment Replacement (3% Per OCFA)	295,293	304,152	313,276	322,675
Start - Up (0%, 5 Years, \$1,136,225)	227,245	227,245	227,245	227,245
Capital Improvements Required	357,000	0	0	0
Asbestos Certification	20,740	0	0	0
<b>Total OCFA Estimated Contract Costs</b>	<b>23,197,206</b>	<b>23,826,962</b>	<b>24,879,662</b>	<b>25,979,596</b>
City Continuation of Services Not Included In OCFA				
Add Position for EOC Management	175,000	178,500	182,070	185,711
Hazmat Clean Up (Ocean Blue)	57,000	57,000	57,000	57,000
Records Management	38,718	13,718	13,718	13,718
<b>Total Additional Services</b>	<b>270,718</b>	<b>249,218</b>	<b>252,788</b>	<b>256,429</b>
Pension Obligation (Pre-OCFA Unfunded Liability)	3,545,268	4,189,251	4,672,032	5,284,172
Retired Medical Premium Contribution	83,928	86,026	88,177	90,381
<b>Total Cost for Fire Services with OCFA</b>	<b>27,097,120</b>	<b>28,351,457</b>	<b>29,892,658</b>	<b>31,610,579</b>
City Budget (4.5% Increase)	25,122,000	26,252,490	27,433,852	28,668,375
Fire Dept Revenue (3 Year Average)	150,000	153,000	156,060	159,181
<b>Net Cost of Fire Dept with City</b>	<b>24,972,000</b>	<b>26,099,490</b>	<b>27,277,792</b>	<b>28,509,194</b>
<b>Estimated Savings / (Additional Costs)</b>	<b>(2,125,120)</b>	<b>(2,251,967)</b>	<b>(2,614,866)</b>	<b>(3,101,385)</b>
Additional Savings: Insurance Premiums	100,000	110,000	121,000	133,100
Annual Facility Maintenance Savings	105,000	105,000	105,000	105,000
Utilities	88,012	90,652	93,372	96,173
One time Sell Off of Fire Equipment	190,000	0	0	0
<b>Total Projected Savings / (Additional Costs)</b>	<b>(1,642,108)</b>	<b>(1,946,314)</b>	<b>(2,295,494)</b>	<b>(2,767,111)</b>

# Cost Analysis (cont.)

	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Annual Contract (4.5%)	26,464,287	27,655,180	28,899,663	30,200,148	31,559,154	32,979,316
Annual Facility Revolving Fund (\$15,000 x 7)	105,000	105,000	105,000	105,000	105,000	105,000
Equipment Replacement (3% Per OCFA)	332,355	342,326	352,595	363,173	374,068	385,290
Start - Up (0%, 5 Years, \$1,136,225)	227,245	0	0	0	0	0
Capital Improvements Required	0	0	-	-	-	-
Asbestos Certification	0	0	-	-	-	-
<b>Total OCFA Estimated Contract Costs</b>	<b>27,128,987</b>	<b>28,102,505</b>	<b>29,357,258</b>	<b>30,668,321</b>	<b>32,038,223</b>	<b>33,469,607</b>
City Continuation of Services Not Included In OCFA						
Add Position for EOC Management	189,426	193,214	197,078	201,020	205,040	209,141
Hazmat Clean Up (Ocean Blue)	57,000	57,000	57,000	57,000	57,000	57,000
Records Management	13,718	13,718	-	-	-	-
<b>Total Additional Services</b>	<b>260,144</b>	<b>263,932</b>	<b>254,078</b>	<b>258,020</b>	<b>262,040</b>	<b>266,141</b>
Pension Obligation (Pre-OCFA Unfunded Liability)	5,816,364	6,195,177	6,520,806	6,029,900	6,210,798	6,397,122
Retired Medical Premium Contribution	92,641	94,957	97,331	99,764	102,258	104,815
<b>Total Cost for Fire Services with OCFA</b>	<b>33,298,035</b>	<b>34,656,571</b>	<b>36,229,473</b>	<b>37,056,005</b>	<b>38,613,320</b>	<b>40,237,684</b>
City Budget (4.5% Increase)	29,958,452	31,306,583	32,715,379	34,187,571	35,726,012	37,333,682
Fire Dept Revenue (3 Year Average)	162,365	165,612	168,924	172,303	175,749	179,264
<b>Net Cost of Fire Dept with City</b>	<b>29,796,087</b>	<b>31,140,971</b>	<b>32,546,454</b>	<b>34,015,268</b>	<b>35,550,263</b>	<b>37,154,418</b>
<b>Estimated Savings / (Additional Costs)</b>	<b>(3,501,948)</b>	<b>(3,515,601)</b>	<b>(3,683,019)</b>	<b>(3,040,737)</b>	<b>(3,063,057)</b>	<b>(3,083,266)</b>
Additional Savings: Insurance Premiums	146,410	161,051	177,156	194,872	214,359	235,795
Annual Facility Maintenance Savings	105,000	105,000	105,000	105,000	105,000	105,000
Utilities	99,058	102,030	105,091	108,244	111,491	114,836
One time Sell Off of Fire Equipment	0	0	0	0	0	0
<b>Total Projected Savings / (Additional Costs)</b>	<b>(3,151,479)</b>	<b>(3,147,520)</b>	<b>(3,295,772)</b>	<b>(2,632,622)</b>	<b>(2,632,207)</b>	<b>(2,627,636)</b>



# Impact on City Services

- ▶ Building/Plan Check
- ▶ Increase in Fees for Plan Check and Permits
- ▶ Emergency Coordination
- ▶ Tactical Emergency Medical Support (TEMS)
- ▶ Citizen Emergency Response Team Program (CERT)
- ▶ Community Services
  - ▶ Special Events
  - ▶ Non Profit Event Sponsorships

# QUESTIONS?