

DISPATCH SERVICE COMPARISON

SAN MIGUEL FIRE PROTECTION DISTRICT



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I. BACKGROUND

In December 2011, faced with declining revenues due to the Nationwide economic downturn and increased costs generated, in part, by an alleged “budget deficit”, a prior Board believed it had no option other than to contract out its suppression services with CalFire.

CalFire welcomed the opportunity to secure a Cooperative Agreement with the District given the known financial benefits to CalFire. CalFire would not, and perhaps legally could not, enter into a Cooperative Agreement with an entity that was fiscally unstable. In The Sun article posted January 21, 2015 by Ryan Hagen titled, *San Bernardino Pursuing Lawsuit Against CalFire to Force Bid*¹, it is noted that CalFire Director Ken Pimlott “declined” consideration of a contract with the City of San Bernardino given its fiscal instability. Director Pimlott is quoted as saying, “...given the current fiscal instability faced by the City of San Bernardino, it does not meet the criteria to be considered for a cooperative agreement.”

In their December 5, 2016, Independent Financial Report, San Diego Local Agency Formation Commission’s (LAFCO) Executive Officer and Local Governmental Analyst weighed in on the historical financial health of our District. They opined, “San Miguel Consolidated FPD has consistently ended their fiscal year since 2008 with a surplus...The excess funds have contributed to a healthy reserve fund balance throughout the years.”² District reserve funds continue to grow as the economy rebounds, revenue increases, and the Board reigns in District spending.

Given the District was, in fact, proven by LAFCO to be “healthy” fiscally in the years leading up to the Cooperative Agreement with CalFire, one could reasonably conclude the Cooperative Agreement was not fiscally necessary.

The District’s Board of Director Policy Manual, Revised December 14, 2016, states, “Good fiscal management requires the Board of Directors to think about the future using proactive careful planning with prudent forecasting.” It further states, “The District is accountable to its primary customers, the taxpayers. The question, ‘Are the taxpayers receiving the best product for the funds expended by the District?’ must be part of every financial allocation authorized by the Board of Directors.”

At its meeting on December 14, 2016, after extensive discussion, healthy debate, and careful consideration of the information provided by CalFire Chief Darrin Howell, the Board voted 5-2 *not* to send a Request for Proposal (“RFP”) to CalFire for its dispatching services. (Rickards, Vacio, Ek, McKenna and Raddatz against an RFP; Nelson and Kiel in favor.)

¹ <http://www.sbsun.com/government-and-politics/20150121/san-bernardino-pursuing-lawsuit-against-cal-fire-to-force-bid>

² http://sdlafo.org/Webpages/meeting_schedule_2016.htm; See San Diego LAFCO East County Fire Protection Committee Meetings, Dec. 5, 2016 Agenda, Item 7, Page 9 of 11.

Board Policy 1.3, Code of Ethics and General Conduct, Section “g”, states, “Once the Board of Directors takes action, directors should commit to supporting such action and not create barriers to the implementation of the action.”

Pursuant to Robert’s Rules of Order³, a motion to reconsider may be made only by a member who voted on the prevailing side in the original vote (such as someone who voted "yes" if the motion had passed or voted "no" if the motion was defeated).

On January 11, 2017, the Board made an exception to Robert’s Rules in the interest of ensuring the Board’s due diligence on the issue of dispatching services, and voted to reconsider the motion to pursue an RFP. After a comprehensive presentation by CalFire Chief Tony Mecham⁴, and additional, lengthy discussion and careful consideration by the Board, the Board again voted not to pursue an RFP.

Prior to the Cooperative Agreement, the District’s dispatching services were provided by Heartland Communications Facility Authority (“HCFA”) under a Joint Powers Agreement (“JPA”). During that time, HCFA provided the District with exceptional state-of-the art dispatching services. Were it not for the decision to outsource fire suppression services under the Cooperative Agreement, the District would have continued its long-term relationship with HCFA since it not only met, but exceeded, the needs of the District.

This comparison helps demonstrate that the Board’s decision to forego an RFP and submit a Letter of Intent to HCFA, was a sound decision and ensures the taxpayers are receiving the best product for the funds expended by the District.

II. ARE THE TAXPAYERS RECEIVING THE BEST PRODUCT FOR THE FUNDS EXPENDED?

After lengthy discussions by the full Board during its December 14, 2016 and January 11, 2017 regular Board meetings, the Board voted to forego the cost and exercise of an RFP and return to HCFA for its dispatching services. While acknowledging CalFire provides a full-service Command Center with dispatching capabilities, the Board determined the dedicated dispatch service provided by HCFA was a more appropriate fit for the District’s needs. Although the cost is slightly higher, the Board found the totality of the services provided by HCFA, as well as the ability for the District to have a vote as a member of the JPA, (which allows for control of future costs), outweighed the additional cost. Worth noting, services provided by HCFA, but not offered by CalFire, include its Mobile Data Computer (“MDC”) map updates and fire pre-plans, as well as the Omega Advanced Reporting Module (“ARM”) which provides third-party surveillance over the emergency response database. With the Omega Program, the District can obtain individual reports directly from the database without having to go through a dispatch or command center.

³ Robert, Henry M.; et al. (2011). *Robert’s Rules of Order Newly Revised (11th ed.)*. Philadelphia, PA: Da Capo Press. p. 315.

⁴ CalFire initially declined to submit a proposal for dispatch services without a formal RFP from the District. It was only after HCFA disclosed their updated estimate (due to a substantially revised call volume count provided by CalFire), did CalFire submit an “preliminary estimate” without an RFP.

Further, as Chief Mecham stated at the January 11, 2017, meeting, even though CalFire is capable of dispatching across Zones, there are “operational advantages to the District being in the Central Zone” and being dispatched by HCFA. To ensure our taxpayers are receiving the best product for the funds expended by the District, the following charts depict the relevant comparisons noted.

Key: “+” means more favorable to the District || “-“ means less favorable to the District

SERVICE DELIVERY COMPARISONS		
HCFA Dispatch Center versus CALFIRE Command Center		
Consideration	HCFA	CalFire
CAD Controlled by Sacramento		-
CAD is Stand-alone and Controlled Locally	+	
District Decides Response Criteria/Level of Service	+	+
CalFire would be Dispatching SMG Across Zones (Multiple CADs/RCIP/Auto Status lost; Safety)		-
Same-Zone Dispatching	+	
2 Servers/duplicate redundancy	+	+
Ability to track response time to radio EMERG button	+	
Auto-Aid built into CAD for move-up/cover	+	
Closest Resource Concept	+	+
Utilizes Tri-Tech; Standard in San Diego County	+	
District would have a Vote in JPA (all-inclusive operations, finances, direction of JPA, etc.)	+	
District would have a 23.4% weighted vote as to CalPERS	+	
State Negotiates Salaries (cost passed on to District)		-
Dedicated Dispatch Center (greater focus for District)	+	
Command Center (Broad State-wide focus)		-
Dispatchers are EMD Certified	+	+
Same CAD/Phone System as NCDJPA & SND CCC	+	-
Cost-per-call formula established by vote of JPA members	+	
Essential Services Facility	+	+
OMEGA Advanced Reporting Module	+	
Full-time IT Staff on duty to assist with IT needs	+	?
Detailed Annual Report provided each year to each agency	+	

COST COMPARISONS		
HCFA Dispatch Center versus CALFIRE Command Center		
Consideration	HCFA Dispatch Estimated Costs	CALFIRE Preliminary Estimate
GST server connectivity	0.00	\$5,527
Verizon Broadband Service	\$11,250	\$12,162
Pagers (30 units)	\$150	\$1,080
3.5 ECC Com Operator positions	Inc. in Cost-per-call	\$451,849
0.5 Associate Information System Analysis	Inc. in Cost-per-call	\$74,863
12,500 ⁵ calls @ \$55.90 cost per call	\$698,750	Inc. in salaries
12,500 calls @ \$5.00 per call (CIP CPC)	\$62,500	Inc. in salaries
Firehouse Cost – (\$1,186.25 x 8 stations)	\$9,490	0.00
Firehouse Cost – VPN annual fee	\$300	0.00
OMEGA Advanced Reporting Module	<u>\$5,000</u>	<u>Not offered</u>
<i>SUBTOTAL</i>	\$787,440	\$545,481
CalFire Admin Fee @ 12.79%	<u>0.00</u>	<u>\$69,767</u>
TOTAL	\$787,440	\$615,248
One-time Costs/Set-up Fees:		
Firehouse Cost - One-time VPN set-up fee	\$500	0.00
Firehouse Cost – One-time project set-up fee	\$1,500	0.00
Buy-in Cost – One-time fee (to be negotiated)	<u>\$74,684</u>	<u>0.00</u>
TOTAL	\$76,684	0.00
Relevant Historical Information:		
Buy-out Cost to HCFA JPA when going to CalFire	n/a	\$135,000
Buy-out Cost Unfunded Liability going to CalFire	n/a	\$1,300,000
Early Retirement Pay-out when going to CalFire	n/a	\$7,500
Severance Pay Agreements when going to CalFire	n/a	<u>\$966,417</u>
TOTAL	n/a	\$3,408,917

⁵ CalFire's Preliminary Estimate is based on call volume of 12,500. HCFA call volume has been adjusted from 12,558 to 12,500 for a more accurate comparison.

III. CONCLUSION

On two separate occasions, the pros and cons of utilizing an out-of-zone Command Center versus an in-zone Dedicated Dispatch Center for the District's needs were thoroughly considered by the Board. While the CalFire Command Center option certainly has the capability to provide dispatch services to the District, unresolvable cross-zone, multi-CAD issues raised safety concerns.

Both options include an expected rise in personnel costs to the District for salaries, benefits, and CalPERS which, at this time, are difficult to project. The advantage of joining a JPA is that 7 other members of the JPA would share in the cost of any increase, whereas the District would bear the entire cost increase when entering a contract with CalFire.

The OMEGA ARM offered by HCFA would be an invaluable tool for the District's administration and operations in that it provides emergency response data in-house from the CAD Vendor (Tri Tech) and is accessible via Internet at any time. This feature would give the District the ability to conduct advanced data analysis for apparatus response times, hazard/risk analysis, apparatus utilization, distribution/concentration studies, and obtain other statistical analysis. CalFire does not offer the OMEGA Program.

Question: Are the taxpayers receiving the best product for the funds expended by the District by re-joining the HCFA JPA?

Answer: Yes