



## LIVERMORE-PLEASANTON FIRE DEPARTMENT JOINT POWERS AUTHORITY BOARD OF DIRECTORS

Special Meeting Notice and Agenda  
Thursday, May 16, 2019 at 4 p.m.

Livermore-Pleasanton Fire Department Headquarters  
3560 Nevada Street, Pleasanton, CA 94566

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**NOTICE IS HERBY GIVEN**, pursuant to section 54956 of the California Government Code, a Special Meeting of the Board of Directors of the Livermore-Pleasanton Fire Department Joint Powers Authority is hereby called.

1. Call to Order
  - Pledge of Allegiance
2. Roll Call
3. Public Comment
4. Approve minutes of April 27, 2018
5. Adopt a resolution accepting the Financial Statements for Fiscal Year ending June 30, 2018
6. Adopt a resolution authorizing Executive Directors to execute a Memorandum of Understanding between the Cities of Livermore and Pleasanton related to administrative services provided by each partner city to the JPA; a resolution approving appointments of administrative assignments to the JPA; and a resolution accepting the updated JPA Administrative Services Cost Allocation report prepared by Matrix Consulting Group and applying the proposed methodology and costing
7. Adopt a resolution approving the proposed year-end adjustments to Fiscal Year 2018/19 and the two-year Operating Budget for Fiscal Years 2019/20 and 2020/21 and recommending adoption by the partner City Councils
8. Adopt a resolution authorizing the purchase of Motorola radio equipment in an amount not-to-exceed \$625,000
9. Adjourn

Dated: May 10, 2019

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### **Notice**

Under Government Code §54957.5, any writings/documents regarding an open session item on this agenda provided to a majority of the Board after distribution of the agenda packet will be available for public inspection at the City of Pleasanton City Clerk's Office, 123 Main Street, Pleasanton.

### **Accessible Public Meetings**

The LPFD JPA can provide special assistance for persons with disabilities to participate in public meetings. To make a request for a disability-related modification or accommodation (e.g., an assistive listening device), please contact the Livermore-Pleasanton Fire Department at 3560 Nevada Street, Pleasanton, CA 94566 or (925) 454-2361 at the earliest possible time. If you need sign language assistance, please provide at least two working days' notice prior to the meeting date.

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**Livermore-Pleasanton Fire Department  
Joint Powers Authority Board of Directors  
April 27, 2018  
Minutes**

**1. Call to Order**

Chair Thorne called the special meeting of the Board of Directors of the Livermore-Pleasanton Fire Department Joint Powers Authority to order at the hour of 3:30 p.m. and led the Pledge of Allegiance.

**2. Roll Call**

Present: Livermore: John Marchand  
Pleasanton: Kathy Narum, Jerry Thorne  
Absent: Livermore: Bob Woerner

**3. Public Comment:** None

**4. Approve meeting minutes of January 11 and February 23, 2018**

**Motion:** It was m/s by Marchand/Narum to approve the minutes as submitted. Motion carried unanimously.

**5. Review and recommend for approval Mid-Term Adjustment to the Operating Budget for Fiscal Year 2018/19**

Staff presented the proposed adjustment to services and supplies to cover the \$30,000 increase in costs for annual service and maintenance contracts for LIFEPAK, LUCAS devices and FRALS.

**Motion:** It was m/s by Narum/Marchand to approve the mid-term adjustment and forward a recommendation to the partner City Council to approve the adjustment to the LPFD Operation Budget for FY 2018/19. Motion carried unanimously with Woerner absent.

**6. Adopt a resolution approving the proposed insurance coverage for Fiscal Year 2018/19**

Staff presented the report and recommended that the Board adopt a resolution to allow the JPA Executive Directors to apply for membership in the CJPRMA insurance pool and, if accepted, enter into insurance coverage for the general liability portion of the JPA's overall insurance.

**Motion:** It was m/s by Marchand/Narum to waive full reading and adopt **Resolution No. LPFD 2018-01** to approve the application for membership to the California Joint Powers Risk Management Authority and to acquire insurance from the California Joint Powers Risk Management Authority for the Livermore-Pleasanton Fire Department Joint Powers Authority. Motion passed by the following vote:

**Ayes:** Members Marchand, Narum, Thorne

**Noes:** None

**Absent:** Member Woerner

## **7. Adjournment**

There being no further business, the meeting adjourned at 3:50 p.m.

Submitted by:

Karen Diaz  
Secretary



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**DATE:** May 16, 2019

**TO:** Honorable JPA Board Members

**FROM:** Joint Executive Directors  
Fire Chief

**SUBJECT: ADOPT A RESOLUTION RECEIVING THE LIVERMORE-PLEASANTON  
FIRE DEPARTMENT JOINT POWERS AUTHORITY FINANCIAL  
STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

### **SUMMARY**

Staff is presenting for the Board's consideration the Financial Statement for the Fiscal Year ended June 30, 2018 for the Livermore-Pleasanton Fire Department Joint Powers Authority ("LPFD JPA") (Attachment 1).

### **RECOMMENDATION**

Staff recommends the Board adopt a resolution receiving the attached LPFD JPA Financial Statements for the Fiscal Year ended June 30, 2018.

### **FISCAL STATEMENT**

As noted on Page 30 of the report, the LPFD JPA ended the fiscal year on budget with a year-end positive balance of \$1,283.

### **BACKGROUND**

Since its' inception in 1996, the LPFD JPA detailed financial statements have been part of the regularly financial reporting by each of the partner cities. The Amended and Restated Agreement between the City of Livermore and the City of Pleasanton, dated February 12, 2018, expanded the LPFD JPA's ability to enter into contracts, acquire insurance and hold other financial obligations. The LPFD JPA's Treasurer determined, in light of these new abilities, the LPFD JPA should report its' own financial statements. This is the first stand-alone report for the financial statements of the LPFD JPA.


## DISCUSSION

A financial statement is a reporting of the financial position of an organization detailing its' assets, liabilities and net position at a given point in time. The LPFD JPA Financial Statement was completed by Maze & Associates. Maze had full access to all required financial information in order to complete the report. In their opinion, the financial statements present a fair, in all material respects, financial position of the governmental activities and General Fund of the LPFD JPA as of June 30, 2018 in accordance with the generally accepted account principles accepted in the United States. The LPFD JPA ended the fiscal year on budget with a year-end positive balance of \$1,283.

## ATTACHMENTS


1. Livermore-Pleasanton Fire Department Joint Powers Authority Financial Statements for the Fiscal Year Ended June 30, 2018

Submitted by:



Ruben Torres  
Fire Chief  
Livermore-Pleasanton Fire Department

Approved by:



Marc Roberts  
City Manager, City of Livermore

Approved by:



Nelson Fialho  
City Manager, City of Pleasanton

**RESOLUTION NO. LPFD 2019-**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LIVERMORE-  
PLEASANTON FIRE DEPARTMENT JOINT POWERS AUTHORITY ACCEPTING THE  
FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**WHEREAS**, the cities of Livermore and Pleasanton formed a Joint Powers Authority to provide fire protection services; and

**WHEREAS**, the Livermore-Pleasanton Fire Department Joint Powers Authority Board approved the Amended and Restated Livermore-Pleasanton Fire Department Joint Powers Authority Agreement dated February 12, 2018; and

**WHEREAS**, Section 5.G of the Amended and Restated Livermore-Pleasanton Fire Department Joint Powers Authority Agreement requires the Treasurer to make an annual audit of the accounts and records of the Authority pursuant to Section 6505.1 of the California State Code.

**NOW, THEREFORE, BE IT RESOLVED THAT THE LIVERMORE-PLEASANTON FIRE DEPARTMENT JOINT POWERS AUTHORITY BOARD DOES DECLARE, DETERMINE, AND ORDER THE FOLLOWING:**

**Section 1:** The receiving of the LPFD JPA Financial Statements for the Fiscal Year ended June 30, 2018.

**PASSED, APPROVED AND ADOPTED** by the Board of Directors of the Livermore-Pleasanton Fire Department Joint Powers Authority at a meeting held on May 16, 2019.

I, Karen Diaz, Secretary of the Livermore-Pleasanton Fire Department Joint Powers Authority, certify that the foregoing resolution was adopted by the Board of Directors at a meeting held on the 16<sup>th</sup> day of May 2019, by the following vote:

Ayes:  
Noes:  
Absent:  
Abstain:

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Karen Diaz, Secretary

APPROVED AS TO FORM:

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Daniel G. Sodergren, Legal Counsel

# LIVERMORE PLEASANTON FIRE DEPARTMENT

JOINT POWER AUTHORITY, CALIFORNIA



## Financial Statements

FOR THE FISCAL YEAR ENDED JUNE 30, 2018



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LIVERMORE-PLEASANTON FIRE DEPARTMENT  
 JOINT POWER AUTHORITY, CALIFORNIA  
 FOR THE FISCAL YEAR ENDED  
 JUNE 30, 2018  
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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Livermore-Pleasanton Fire Department Joint Power Authority  
Pleasanton, California

### *Report on the Financial Statements*

We have audited the accompanying financial statements of the governmental activities and the General Fund of the Livermore-Pleasanton Fire Department Joint Power Authority, California (Authority) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the Table of Contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and General Fund of the Authority as of June 30, 2018, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

*Other Matters*

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and other Required Supplementary Information as listed in the Table of Contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Management has elected to omit Management's Discussion and Analysis for fiscal year 2018. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Maze & Associates*

Pleasant Hill, California  
February 8, 2019

## **STATEMENT OF NET POSITION AND STATEMENT OF ACTIVITIES**

The Statement of Net Position reports the difference between the Authority's total assets and deferred outflows of resources and the Authority's total liabilities and deferred inflows of resources. The Statement of Net Position presents information similar to the traditional balance sheet format, but presents it in a way that focuses the reader on the composition of the Authority's Net Position, by subtracting total liabilities from total assets.

The Statement of Activities reports increases and decreases in Authority's Net Position. It is also prepared on the full accrual basis, which means it includes all Authority's revenues and all its expenses, regardless of when cash changes hands. This differs from the "modified accrual" basis used in the Fund Financial Statements, which reflect only current assets, current liabilities, available revenues and measurable expenditures.

The Statement of Activities presents Authority's expenses first, listed by program. Program revenues - that is, revenues which are generated directly by the programs - are then deducted from program expenses to arrive at the net expense of each governmental program. The Authority's general revenues are then listed and the Change in Net Position is computed and reconciled with the Statement of Net Position.

These financial statements along with the Fund Financial Statement and footnotes are called Basic Financial Statements.

LIVERMORE-PLEASANTON FIRE DEPARTMENT  
 JOINT POWERS AUTHORITY  
 STATEMENT OF NET POSITION  
 JUNE 30, 2018

	Governmental Activities
Assets:	
Accounts receivable	\$ 633,714
Capital assets, net of depreciation (Note 3)	1,363,122
Total Assets	1,996,836
Deferred Outflow of Resources:	
Related to pensions (Note 4)	17,095,130
Related to OPEB (Note 5)	2,110,000
Total deferred outflows of resources	19,205,130
Liabilities:	
Accounts payable and Accrued liabilities	633,714
Net pension liability, due in more than one fiscal year (Note 4)	78,284,992
Net OPEB liability, due in more than one fiscal year (Note 5)	18,441,000
Total Liabilities	97,359,706
Deferred Inflow of Resources:	
Related to pensions (Note 4)	3,046,778
Related to OPEB (Note 5)	439,000
Total deferred inflows of resources	3,485,778
Net Positions:	
Net investment in capital assets	1,363,122
Unrestricted	(81,006,640)
Total Net Position	\$ (79,643,518)

See Notes to Financial Statements

LIVERMORE-PLEASANTON FIRE DEPARTMENT  
 JOINT POWERS AUTHORITY  
 STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED JUNE 30, 2018

Functions/Programs	Expenses	Program Revenues		Governmental Activities	Net (Expenses) Revenues and Changes In Net Position
		Charges for Services	Operating Grants and Contributions		
Governmental Activities:					
Public fire safety	\$ 37,659,778	\$ 2,150,361	\$ 34,568,726	\$ 1,423,470	\$ 482,779
Change in Net Position					482,779
Net Position, beginning of the year					(80,126,297)
Net Position, end of the Year					<u>\$ (79,643,518)</u>

See Notes to Financial Statements

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## FUND FINANCIAL STATEMENTS

The Fund Financial Statements are presented for the major fund. Major fund is defined generally as having significant activities or balances in the current year. The Authority's only fund, the General Fund, is the major fund.

LIVERMORE-PLEASANTON FIRE DEPARTMENT  
 JOINT POWERS AUTHORITY  
 GENERAL FUND  
 BALANCE SHEET  
 JUNE 30, 2018

Assets:	
Accounts receivable	\$ 633,714
Total Assets	<u>\$ 633,714</u>
Liabilities:	
Accounts payable and Accrued liabilities	\$ 633,714
Total Liabilities	<u>633,714</u>
Fund Balances:	
Restricted for public safety purpose	<u>-</u>
Total Fund Balances	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 633,714</u>

**Reconciliation of the General Fund Balance Sheet to the Statement of Net Position:**

Amounts reported for governmental activities in the statement of net position are different from those reported in the governmental General Fund because of the following:

Fund Balance:	\$ -
Capital Assets:	
Capital assets net of depreciation are not included as financial resources in governmental fund.	1,363,122
Long Term Liabilities:	
The assets and liabilities below are not due and payable in the current period and therefore are not reported in the Funds:	
Net pension liability	(78,284,992)
Deferred outflow of resources related to pension	17,095,130
Deferred inflow of resources related to pension	(3,046,778)
Net OPEB liabilities	(18,441,000)
Deferred outflow of resources related to OPEB	2,110,000
Deferred inflow of resources related to OPEB	<u>(439,000)</u>
Net Position of Governmental Activities	<u>\$ (79,643,518)</u>

See Notes to Financial Statements

LIVERMORE-PLEASANTON FIRE DEPARTMENT  
 JOINT POWERS AUTHORITY  
 GENERAL FUND  
 STATEMENT OF REVENUES,  
 EXPENDITURES AND CHANGES IN FUND BALANCE  
 FOR THE YEAR ENDED JUNE 30, 2018

Revenues:	
Member contribution - City of Pleasanton	\$ 17,762,103
Member contribution - City of Livermore	16,806,623
Grant revenue	5,904
Charges for services	2,137,595
Miscellaneous revenues	<u>6,862</u>
Total Revenues	<u>36,719,087</u>
Expenditures:	
Current:	
Salaries and benefits	33,987,162
Utilities, supplies and office expenditures	2,715,056
Miscellaneous	<u>16,869</u>
Total Expenditures	<u>36,719,087</u>
Net Change in Fund Balances	-
Fund Balance, Beginning of Year	<u>-</u>
Fund Balance, End of Year	<u><u>\$ -</u></u>

See Notes to Financial Statements

LIVERMORE-PLEASANTON FIRE DEPARTMENT  
 JOINT POWERS AUTHORITY  
 RECONCILIATION OF THE NET CHANGE IN FUND BALANCE –  
 GENERAL FUND  
 WITH THE STATEMENT OF ACTIVITIES  
 JUNE 30, 2018

Net change in fund balance - total governmental fund	\$ -
Amounts reported for governmental activities in the statement of activities are different because:	
Capital Asset Transactions:	
Governmental Funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	
Capital assets transferred from City of Livermore	1,423,470
Depreciation expense	(60,348)
Contributions to Pension and OPEB Plan:	
Changes in pension liabilities and related deferred outflow and inflow of resources	(3,424,343)
Changes in OPEB liabilities and related deferred outflow and inflow of resources	<u>2,544,000</u>
Change in net position of governmental activities	<u>\$ 482,779</u>

See Notes to Financial Statements

**LIVERMORE-PLEASANTON FIRE DEPARTMENT  
JOINT POWER AUTHORITY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2018**

**Note 1: Summary of Significant Accounting Policies**

**a. Reporting Entity**

The Livermore-Pleasanton Fire Department Joint Power Authority (Authority), California was formed as a separate governmental entity pursuant to the Joint Exercise of Powers Act, Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (commencing with section 6500, et seq.) (the "Act") to exercise powers common to the cities of Livermore (Livermore) and Pleasanton (Pleasanton) and powers granted under the Act.

The Authority was formed to merge Livermore's and Pleasanton's individual fire departments and consolidate them into a single fire department to deliver more cost-effective fire protection services by eliminating duplicative efforts. The management and governance structure for the Authority was established to preserve the ability for Livermore and Pleasanton to each establish the level of service it determines to be appropriate within its own jurisdiction.

The Board of Directors is the legislative body for the Authority and consist of four members. Two board members are council members from Livermore, and two board members are council members from Pleasanton. Each City has the discretion to determine which of its council members are appointed as board members to the Authority.

The Authority's operations are financed mainly by contributions from cities of Livermore and Pleasanton. In addition, grants and charges for services are also revenues from other sources. Fire protection services are provided by Pleasanton employees under the joint power agreement. The Authority prepares its budget including contributions required from each City to fund operating and capital needs for the year. In January 2013, Livermore began functioning as Treasurer for Authority. Both Cities shares approximately 50% of Authority's costs. Both Cities recorded and reflected their corresponding 50% of the equity/(deficit) interest in Authority in fiscal year 2018.

The Authority has no employees of its own. Public fire safety and administrative services are mainly provided by Pleasanton and Livermore and outside contractors. Pleasanton's Safety (Fire) employees provided the public fire safety services for the Authority. Pleasanton shares the Safety Fire Plan affiliated with the Authority with Livermore, as agreed to in the JPA, under which both Cities are liable for a share of approximately 50%. Both Cities use the equity method to report its Net Investment (Deficit) in the Authority.

Due to the circumstances that the Authority does not have employees of its own, but is the primary entity liable for both the pension and Other Post-employment Benefits (OPEB) related liabilities and deferred inflows/outflows, it meets the Special Funding Situation as defined under both Governmental Accounting Standards Board Statement (GASB) No. 68 for Pension and GASB No. 75 for Other Post-Employment Benefits (OPEB). See related disclosures in Note 4 (Pension) and Note 5 (OPEB).

**LIVERMORE-PLEASANTON FIRE DEPARTMENT  
JOINT POWER AUTHORITY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2018**

**Note 1: Summary of Significant Accounting Policies (Continued)**

**b. Basis of Presentation**

The Authority's Basic Financial Statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America.

These Statements require that the financial statements described below be presented.

Government-wide Statements: The Statement of Net Position and the Statement of Activities display overall financial information about the Authority. The Authority's activities generally are mainly financed by contributions from the cities of Livermore and Pleasanton. Other revenues also include grants, contributions received from other governments and charges for services.

The Statement of Activities presents a summary of expenses specifically associated with the function of the Authority's governmental activities. Program revenues include grants and contributions that are restricted to meeting the operational needs of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the Department's General Fund.

**c. General Fund / Major Fund**

Major funds are defined as funds that have either assets, deferred outflows, liabilities, deferred inflows, revenues or expenditures/expenses equal to ten percent of their fund-type total and five percent of the grand total. The General Fund is always a major fund.

The Department's only Fund, the General Fund, is a major fund.

**d. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when *earned* and expenses are recorded at the time liabilities are *incurred*, regardless of when the related cash flows take place.

**LIVERMORE-PLEASANTON FIRE DEPARTMENT  
JOINT POWER AUTHORITY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2018**

**Note 1: Summary of Significant Accounting Policies (Continued)**

Governmental funds are reported using the *current financial resources* measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Authority uses the modified accrual basis of accounting, under which revenues are recognized when they become available and measurable as net current assets. Amounts which could not be measured or were not available were not accrued as revenue in the current fiscal year. Those revenues susceptible to accrual are interest revenue and contributions from members. Expenditures are recognized when the related fund liability is incurred.

**e. Assets, Liabilities, Deferred Outflow/Inflow of Resources, and Net Position or Equity**

Cash and Investments

The fund's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Receivables and Payables

All receivables are shown net of an allowance for uncollectibles.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government only has one item that qualify for reporting in this category. Deferred outflows relating to the proportionate share of the net pension liability reported in the government-wide statement of net position. These outflows are the results of adjustments due to difference in proportions and the contributions made subsequent to the measurement period.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

**LIVERMORE-PLEASANTON FIRE DEPARTMENT  
JOINT POWER AUTHORITY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2018**

**Note 1: Summary of Significant Accounting Policies (Continued)**

Fund Balance

In the fund financial statements, the fund reports the following fund balance classifications:

*Nonspendable* - include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

*Restricted* - Includes amounts that have constraints on the use of resources by being externally imposed, imposed by law through constitution, or through enabling legislation.

*Committed* - include amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest Authority, the Authority's Board. The formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is Board resolution.

*Assigned* - include amounts that are constrained by Authority's intent to be used for specific purposes, but are neither restricted nor committed. The Authority's Executive Director authorizes assigned amounts for specific purposes pursuant to the policy-making powers granted through a resolution.

*Unassigned* - The residual classification which includes all spendable amounts not contained in other classifications.

Fund Balance Flow Policy

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Net Position

Net position is the excess of Authority's assets and deferred outflows of resources over all its liabilities and deferred inflows of resources, regardless of fund. Net position is divided into two captions. These captions apply only to net position, which is determined only at the government-wide level, and are described below:

*Restricted* describes the portion of net position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the government cannot unilaterally alter.

*Unrestricted* describes the portion of net position which is not restricted to use.

**LIVERMORE-PLEASANTON FIRE DEPARTMENT  
JOINT POWER AUTHORITY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2018**

**Note 1: Summary of Significant Accounting Policies (Continued)**

Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, deferred inflows, revenues and expenses. Actual results could differ from those estimates.

Pensions

For purposes of measuring the liability, deferred outflows of resources and deferred inflows of resources, and expense associated with the Authority’s requirement to contribute to the California Public Employees’ Retirement System (CalPERS), information about CalPERS’s fiduciary net position and additions to/deductions from CalPERS’s fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the liability, deferred outflows of resources and deferred inflows of resources, and expense associated with the Authority’s requirement to contribute to the CalPERS, information about CalPERS’s fiduciary net position and additions to/deductions from CalPERS’s fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, CalPERS recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

New Pronouncements

In 2018, the Authority adopted new accounting and reporting standards in order to conform to the following Governmental Accounting Standards Board (GASB) Statements:

**LIVERMORE-PLEASANTON FIRE DEPARTMENT  
JOINT POWER AUTHORITY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2018**

**Note 1: Summary of Significant Accounting Policies (Continued)**

*Effect of New Governmental Accounting Standards Board (GASB) Pronouncements*

GASB Statement No. 75 - In June 2015, GASB issued Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. Statement 75 establishes new accounting and financial reporting requirements for governments whose employees are provided with OPEB, as well as for certain nonemployer governments that have a legal obligation to provide financial support for OPEB provided to the employees of other entities. The provisions in statement 75 are effective for fiscal years beginning after June 15, 2017. See detail disclosure in Note 5 for OPEB.

GASB Statement No. 81 – In March 2016, the GASB issued Statement No. 81, Irrevocable Split-Interest Agreements. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2016 and should be applied retroactively. This Statement had no impact on the Authority's financial statements.

GASB Statement No. 85 – In March 2017, the GASB issued Statement No. 85, Omnibus 2017. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. This statement had no impact on the Authority's financial statements.

GASB Statement No. 86 – In May 2017, the GASB issued Statement No. 86, Certain Debt Extinguishment Issues. The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to the financial statements for debt that is defeased in substance. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. This statement had no impact on the Authority's financial statements.

**LIVERMORE-PLEASANTON FIRE DEPARTMENT  
JOINT POWER AUTHORITY  
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**Note 1: Summary of Significant Accounting Policies (Continued)**

*Future Governmental Accounting Standards Board (GASB) Pronouncements*

GASB Statement No. 83 – In November 2017, the GASB issued Statement No. 83, Certain Asset Retirement Obligations. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. The Authority has not determined its effect on the financial statements.

GASB Statement No. 84 – In January 2017, the GASB issued Statement No. 84, Fiduciary Activities. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. The Authority has not determined its effect on the financial statements.

GASB Statement No. 87 – In June 2017, the GASB issued Statement No. 87, Leases. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. The Authority has not determined its effect on the financial statements.

**Note 2: Cash and Investments**

The Authority's cash is included in a cash and investments pool maintained by Livermore, the details of which are presented in the City's Comprehensive Annual Financial Report.

As of June 30, 2018, the Authority's cash balance was \$0.

**Note 3: Capital Assets**

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Under Governmental Accounting Standards Board Statement Number 72 (GASB 72), contributed capital assets are valued at their estimated acquisition value on the date contributed. Some capital assets may be acquired using federal and State grant funds, or they may be contributed by other governments. These contributions are required to be accounted for as revenues at the time the capital assets are contributed.

**LIVERMORE-PLEASANTON FIRE DEPARTMENT  
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**Note 3: Capital Assets (Continued)**

Capital assets with limited useful lives are required to be depreciated over their estimated useful lives. The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets.

Depreciation is provided using the straight line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The Authority has assigned the useful live for equipment between 5-25 years.

Changes in capital assets were as follows in fiscal 2018:

	<u>Balance June 30, 2017</u>	<u>Additions/ Transfers</u>	<u>Balance June 30, 2018</u>
Capital assets being depreciated:			
Buildings	-	\$ 1,838,405	\$ 1,838,405
Licensed Vehicles and Equipment	-	164,520	164,520
Other Equipment	-	28,949	28,949
Total capital assets depreciated	<u>-</u>	<u>2,031,874</u>	<u>2,031,874</u>
Less accumulated depreciation for:			
Buildings	-	(547,334)	(547,334)
Licensed Vehicles and Equipment	-	(112,251)	(112,251)
Other Equipment	-	(9,167)	(9,167)
Total accumulated depreciation	<u>-</u>	<u>(668,752)</u>	<u>(668,752)</u>
Capital assets, net of depreciation	<u>-</u>	<u>\$ 1,363,122</u>	<u>\$ 1,363,122</u>

**LIVERMORE-PLEASANTON FIRE DEPARTMENT  
JOINT POWER AUTHORITY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2018**

**Note 4: Pension Plan**

**General information about the Pension Plan**

Plan Descriptions

As discussed in Note 1, the Authority has no employees. Public fire safety and administrative services are mainly provided by Pleasanton and Livermore and outside contracts. Pleasanton's Safety (Fire) employees provided the public fire safety services for the Authority. Pleasanton shares the Safety Fire Plan affiliated with the Authority with Livermore, as agreed to in the JPA, under which both Cities liable for a share of 50% of the equity / (deficit) of the Authority.

Pleasanton's Safety (Fire) employees participates in the Cost-Sharing Multiple-Employer Defined Benefit Pension Plan administered by the California Public Employees Retirement System (CalPERS). A cost-sharing multiple-employer defined benefit pension plan is a plan in which the pension obligations to the employees of more than one employer are pooled and pension plan assets can be used to pay benefits of the employees of any employer that provides pensions through the plan.

Due to the circumstances that the Authority does not have employees of its own, but is the primary entity statutorily liable for the pension related liabilities and deferred inflows/outflows, it meets the Special Funding Situations as defined under GASB 68 paragraph .

The Authority reports a liability, deferred outflows of resources and deferred inflows of resources, and expense as a result of its statutory requirement to contribute to the CalPERS.

Benefits Provided

The Plan's provisions and benefits in effect at June 30, 2018, are summarized as follows:

	Safety (Fire)		
	Tier 1	Tier 2	PEPRA
Benefit formula	3.0% @ 50	3.0% @ 55 <sup>(1)</sup>	2.7% @ 57 <sup>(1)</sup>
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50	55	57
Required employee contribution rates	9.0%	9.0%	10.5%
Required employer contribution rates	17.786%	17.786%	17.786%
Employee paid Employer Share <sup>(2)</sup>	3.0%	3.0%	-
Employer payment of unfunded liability	\$3,839,333		

<sup>(1)</sup> Newly hired Safety (Fire) Employees will be enrolled in the 3% at 55 or 2.7% @ 57 formula, dependent on the individual's eligibility, as per AB340

<sup>(2)</sup> Per bargaining group MOU

**LIVERMORE-PLEASANTON FIRE DEPARTMENT  
JOINT POWER AUTHORITY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2018**

**Note 4: Pension Plan (Continued)**

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Cities with employees participated in CalPERS are required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

The Authority is to contribute 100 percent of Pleasanton's Fire Employees contractually required contributions, which are actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by Pleasanton's Fire Employees during the year, with an additional amount to finance any unfunded accrued liability. Employees are required to contribute 9% of their annual pay for under the CalPERS Safety(Fire) Plan Tier 1 and 2, and 10.5% under PEPR. The Pleasanton's contractually required contribution rate for the year ended June 30, 2018, was 17.786 % of annual payroll for all tiers. For the 100% pension related liabilities covered by the Authority, 50% of was contributed from Pleasanton and 50% from Livermore. The Authority contributed \$6,111,014 for the year ended June 30, 2018.

**Pension Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2018, the Authority reported a net pension liability of \$78,284,992 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plan relative to the total projected contributions of the Authority, actuarially determined. At June 30, 2017, the Authority's proportion was 100 percent.

As a result of the requirement to contribute, the Authority recognized expense of \$9,524,136 for the year ended June 30, 2018. At June 30, 2018, the Authority reported deferred outflows of resources and deferred inflows of resources from the following:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Contributions subsequent to the measurement date	\$ 6,111,014	\$ -
Changes of assumptions	9,092,144	(1,006,750)
Differences between expected and actual experience	-	(2,040,028)
Net difference between projected and actual earnings on pension plan investments	1,891,972	
Total	<u>\$ 17,095,130</u>	<u>\$ (3,046,778)</u>

**LIVERMORE-PLEASANTON FIRE DEPARTMENT  
 JOINT POWER AUTHORITY  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2018**

**Note 4: Pension Plan (Continued)**

\$6,111,014 reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources as a result of the requirement to contribute will be recognized in expense as follows:

Year ended June 30:	
2019	\$ 802,424
2020	3,729,478
2021	2,803,902
2022	601,534
Total	<u>\$ 7,937,338</u>

Actuarial Assumptions

The total pension liabilities in the June 30, 2017 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>Safety (Fire)</u>
Valuation Date	June 30, 2016
Measurement Date	June 30, 2017
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.75%
Projected Salary Increase	Varies by Entry Age and Service
Mortality	Derived using CalPERS Membership Data for all Funds (1)
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power applies, 2.75% thereafter

- (1) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the CalPERS 2014 experience study report available on the CalPERS website under Forms and Publications.

Changes of Assumptions

GASB 68, paragraph 68, states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.15% (reduced from 7.65% in 2016) used for the June 30, 2017 measurement date is without reduction of pension plan administrative expense.

**LIVERMORE-PLEASANTON FIRE DEPARTMENT  
JOINT POWER AUTHORITY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2018**

**Note 4: Pension Plan (Continued)**

Discount Rate

The discount rate used to measure the total pension liability was 7.15%. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing of the plans, the tests revealed the assets would not run out. Therefore, the current 7.15% discount rate is appropriate and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.15% is applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained from the CalPERS' website under GASB 68 section.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimated ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. The target allocation shown was adopted by the Board effective July 1, 2014.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 <sup>(a)</sup>	Real Return Years 11+ <sup>(b)</sup>
Global Equity	47.0%	4.90%	5.38%
Global Fixed Income	19.0%	0.80%	2.27%
Inflation Sensitive	6.0%	0.60%	1.39%
Private Equity	12.0%	6.60%	6.63%
Real Estate	11.0%	2.80%	5.21%
Infrastructure and Forestland	3.0%	3.90%	5.36%
Liquidity	2.0%	-0.40%	-0.90%
Total	100%		

(a) An expected inflation of 2.5% used for this period.

(b) An expected inflation of 3.0% used for this period.

**LIVERMORE-PLEASANTON FIRE DEPARTMENT  
JOINT POWER AUTHORITY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2018**

**Note 4: Pension Plan (Continued)**

Expected Changes in Discount and Contribution Rates

In December 2016, CalPERS' Board of Directors voted to lower the discount rate used in its actuarial valuations from 7.5% to 7.0% over three fiscal years, beginning in fiscal year 2018. The change in discount rate will affect the contribution rates for employers beginning in fiscal year 2019, and result in increases to employers' normal costs and unfunded actuarial liabilities.

Sensitivity of the State's proportionate share of the net pension liability to changes in the discount rate

The following presents the net pension liability of the Authority's Safety (Fire) Plan, calculated using the discount rate for the Plans, as well as what the Authority's net pension liability would be if it were calculated using a discount rate that is 1- percentage point lower or 1- percentage point higher than the current rate:

	<u>1% Decrease (6.15%)</u>	<u>Current Discount Rate (7.15%)</u>	<u>1% Increase (8.15%)</u>
State's proportionate share of the net pension liability	\$ 105,785,060	\$ 78,284,992	\$ 55,395,688

Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

**Note 5: Other-Post-Employment Healthcare Plan (OPEB)**

**General Information about the OPEB Plan**

Plan Descriptions

Through its Agency Multiple-Employer Other Post-Employment Health Care Plan, Pleasanton provides post retirement health care benefits, in accordance with certain employee agreements, to all employees who retire directly from the City. The effective date and benefit varies based upon the employee's classification and related memorandum of understanding (MOU). Pleasanton's Safety (Fire) employees post retirement health care benefits are governed under IAFF (International Association of Firefighters) MOU.

As discussed in Note 1, the Authority has no employees. Public fire safety and administrative services are mainly provided by Pleasanton and Livermore and outside contracts. Pleasanton's Safety (Fire) employees provided the public fire safety services for the Authority. Pleasanton shares the Safety Fire Plan affiliated with the Authority with Livermore, as agreed to in the JPA, under which both Cities are liable for a share of 50% of the equity / (deficit) of the Authority.

Due to the circumstances that the Authority does not have employees of its own, but is the primary entity statutorily liable for the OPEB related liabilities and deferred inflows/outflows of Pleasanton Fire employees, it meets the Special Funding Situation as defined under GASB No. 75.

**LIVERMORE-PLEASANTON FIRE DEPARTMENT  
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 JUNE 30, 2018**

**Note 5: Other-Post-Employment Healthcare Plan (OPEB) (Continued)**

The Authority reports a liability, deferred outflows of resources and deferred inflows of resources, and expense as a result of its statutory requirement to contribute to the OPEB plan.

Benefits Provided and Contributions

Below are the benefits provided and contributions requirements according to Pleasanton’s IAFF MOU. The contributions are made by the Authority for those Safety employees based on the JPA agreement:

- For IAFF employees who retired prior to 1/1/2008, the Authority shall pay for each year of service, 4% of the monthly premium for employee and one dependent of Pleasanton’s current Kaiser Health Plan coverage.
- For IAFF employees who were hired before 7/1/2012 and retire after 1/1/2008, the Authority shall pay 4% for each year of service of the Authority’s contribution toward the monthly premium for employee and one dependent. The Authority’s contribution for retiree medical is established as the same dollar contribution paid for active employees at the employee plus one rate of the lowest cost HMO early retiree plan.
- If hired on or after 7/1/2012, the Authority shall pay for each year of service equivalent to 4% of the Authority’s contribution toward the monthly premium for single coverage. The Authority’s contribution for retiree medical is established as the same dollar contribution paid for active employees at the single rate of the lowest cost HMO early retiree plan. Retiree health benefits will cease once the employee becomes Medicare eligible.

**OPEB Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources**

At June 30, 2018, the Authority reported a liability of \$18,441,000 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. At June 30, 2017, the Authority’s proportion was 100 percent, based on its statutory contribution requirement.

As a result of its requirement to contribute to the OPEB plan, for the year ended June 30, 2018, the Authority recognized OPEB expense of \$1,945,000. At June 30, 2018, the Authority reported deferred outflows and inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Employer contributions made subsequent to the measurement date	\$ 2,110,000	\$ -
earnings on plan investments	-	439,000
Total	<u>\$ 2,110,000</u>	<u>\$ 439,000</u>

**LIVERMORE-PLEASANTON FIRE DEPARTMENT  
 JOINT POWER AUTHORITY  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2018**

**Note 5: Other-Post-Employment Healthcare Plan (OPEB) (Continued)**

\$2,110,000 reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources as a result of the requirement to contribute will be recognized in expense as follows:

Measurement Period Ended June 30	Annual Amortization
2019	(\$110,000)
2020	(110,000)
2021	(110,000)
2022	(109,000)
Total	<u>(\$439,000)</u>

Additional information regarding the OPEB can be found in the Required Supplementary Information section.

Actuarial Assumptions

The net OPEB liability was measured as of June 30, 2017 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2017 that was rolled forward using standard update procedures to determine the June 30, 2018 total OPEB liability as of June 30, 2017, based on the following actuarial methods and assumptions:

	<u>Actuarial Assumption</u>
Actuarial Valuation Date	June 30, 2017
Discount Rate	*6.75% at June 30, 2016 *6.75% at June 30, 2017
General Inflation	2.75% per annum
Aggregate Payroll Increase	3.00% per annum
Mortality, Retirement, Disability, Termination	CalPERS 1997-2015 experience study Post-retirement mortality projected
Mortality Improvement	fully generational with Sclae MP-207
Medical Trend	Non-Medicare - 7.5% for 2019, decreasing to an ultimate rate of 4.0% in 2076 and later years Medicare - 6.5% for 2019, decreasing to an ultimate rate of 4.0% in 2076 and later years

**LIVERMORE-PLEASANTON FIRE DEPARTMENT  
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**Note 5: Other-Post-Employment Healthcare Plan (OPEB) (Continued)**

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	57%	4.82%
Fixed Income	27%	1.47%
TIPS	5%	1.29%
Commodities	3%	0.84%
REITs	8%	3.76%
Total	100%	
Assumed Long-Term Rate of Inflation		2.75%
Assumed Long-Term Net Rate of Return, Rounded		6.75%

Discount Rate

The discount rate used to measure the total OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that Authority contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the Authority's proportionate share of the net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current discount rate:

<b>Plan's Net OPEB Liability/(Asset)</b>		
<b>Discount Rate -1%</b>	<b>Current Discount</b>	<b>Discount Rate +1%</b>
<b>(5.75%)</b>	<b>Rate (6.75%)</b>	<b>(7.75%)</b>
\$23,598,000	\$18,441,000	\$14,234,000

**LIVERMORE-PLEASANTON FIRE DEPARTMENT  
JOINT POWER AUTHORITY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2018**

**Note 5: Other-Post-Employment Healthcare Plan (OPEB) (Continued)**

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

Plan's Net OPEB Liability/(Asset)		
Decrease 1%	Current Healthcare Cost Trend Rates	Increase 1%
\$13,896,000	\$18,441,000	\$24,049,000

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB Plan's fiduciary net position is available in the separately issued OPEB financial reports which can be obtained from the California Employer's Retiree Benefit Trust Program (CERBT).

**Note 6: Risk Management**

The Authority provides coverage against the following types of loss risks under the terms of a joint-powers agreement with WCCTAC and several other governmental agencies as follows:

Type of Coverage (Deductible)	Coverage Limits
Liability (None, except \$500 on property damage, per occurrence and \$1,000 on auto damage, per occurrence)	\$2,500,000 per occurrence
Employer's Liability (no deductible)	\$5,000,000
Worker's Compensation (no deductible)	Statutory Limit
Property (\$1,000 per occurrence)	1,000,000,000
Boiler & Machinery (\$1,000 per occurrence)	100,000,000
Employee Dishonesty (no deductible)	\$1,000,000 per loss
Public Officials Personal Liability (\$500 per claim)	\$500,000 per occurrence, with annual aggregate of \$500,000 per elected/appointed official

No claims have been filed against WCCTAC to date.

**Note 7: Commitments and Contingent Liabilities**

The Authority is subject to litigation arising in the normal course of business. In the opinion of legal counsel there is no pending litigation, which is likely to have a material adverse effect on the financial position of the Authority.

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**REQUIRED SUPPLEMENTARY INFORMATION**

Year	Revenue	Expenses	Net Income
2010	100	80	20
2011	120	90	30
2012	150	110	40
2013	180	130	50
2014	200	150	50
2015	220	170	50
2016	250	190	60
2017	280	210	70
2018	300	230	70
2019	320	250	70
2020	350	270	80
2021	380	290	90
2022	400	310	90
2023	420	330	90
2024	450	350	100
2025	480	370	110
2026	500	390	110
2027	520	410	110
2028	550	430	120
2029	580	450	130
2030	600	470	130

LIVERMORE-PLEASANTON FIRE DEPARTMENT  
JOINT POWER AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2018

LIVERMORE-PLEASANTON FIRE DEPARTMENT  
JOINT POWERS AUTHORITY  
GENERAL FUND  
BUDGETARY COMPARISON STATEMENT BY DEPARTMENT  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2018

	Budgeted Amounts	Actual Amounts	Variance With Budget Positive (Negative)
Revenues:			
Member contribution - City of Pleasanton	\$ 17,946,742	\$ 17,762,103	\$ (184,639)
Member contribution - City of Livermore	16,979,308	16,806,623	(172,685)
Intergovernmental revenues	25,000	5,904	(19,096)
Charges for services	1,773,070	2,137,595	364,525
Miscellaneous revenues	3,500	6,862	3,362
	<u>36,727,620</u>	<u>36,719,087</u>	<u>(8,533)</u>
Total Revenues			
Expenditures:			
Current:			
Salaries and benefits	34,722,255	33,987,162	735,093
Utilities, supplies and office expenditures	1,996,115	2,715,056	(718,941)
Miscellaneous	2,000	16,869	(14,869)
	<u>36,720,370</u>	<u>36,719,087</u>	<u>1,283</u>
Total Expenditures			
Net Change in Fund Balance	7,250	-	7,250
Beginning Fund Balance		<u>-</u>	
Ending Fund Balance		<u>\$ -</u>	

LIVERMORE-PLEASANTON FIRE DEPARTMENT  
JOINT POWER AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2018

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**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – AUTHORITY BUDGETARY INFORMATION**

Authority's Governing Board adopts an annual operating budget on or before June 30 for the ensuing fiscal year. The Authority follows a budgeting process in which the Authority plans and objectives are outlined and budgeted. From the effective date of the budget, the amounts stated therein as proposed expenditures become appropriations to the various funds.

The Authority's Governing Board may amend the budget by resolution during the fiscal year. Budgets are adopted on a basis consistent with generally accepted accounting principles.

LIVERMORE-PLEASANTON FIRE DEPARTMENT  
JOINT POWER AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2018

**SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**Safety (Fire) Plan, Cost-Sharing Multiple-Employer Defined Pension Plan**  
Last 10 Fiscal Years

<b>Measurement Date</b>	<b>6/30/2014</b>	<b>6/30/2015</b>	<b>6/30/2016</b>	<b>6/30/2017</b>
Authority's proportion of the net pension liability	100%	100%	100%	100%
Authority's proportionate share of the net pension liability	\$ 57,180,615	\$ 60,637,390	\$ 71,023,031	\$ 78,284,992
Plan fiduciary net position as a percentage of the total pension liability	69.57%	68.17%	64.14%	63.81%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

LIVERMORE-PLEASANTON FIRE DEPARTMENT  
JOINT POWER AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2018

**SCHEDULE OF AUTHORITY CONTRIBUTIONS**  
**Safety (Fire) Plan, Cost-Sharing Multiple-Employer Defined Pension Plan**  
Last 10 Fiscal Years

<b>Fiscal Year Ended June 30,</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Statutorily required contribution	\$ 4,880,354	\$ 5,390,058	\$ 6,313,962	\$ 6,111,014
Contributions in relation to the statutorily required contribution	4,880,354	5,390,058	6,313,962	6,111,014
Annual contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

LIVERMORE-PLEASANTON FIRE DEPARTMENT  
JOINT POWER AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2018

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**LIVERMORE-PLEASANTON FIRE DEPARTMENT RETIREE HEALTHCARE PLAN**  
**SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY**  
**For the Year Ended June 30, 2018**  
Last 10 fiscal years\*

<b>Measurement Date</b>	<b><u>6/30/2017</u></b>
Authority's proportion of the net OPEB liability	100%
Authority's proportionate share of the net OPEB liability	\$ 18,441,000
Plan fiduciary net position as a percentage of the total OPEB liability	48.05%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

LIVERMORE-PLEASANTON FIRE DEPARTMENT  
JOINT POWER AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2018

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**LIVERMORE-PLEASANTON FIRE DEPARTMENT RETIREE HEALTHCARE PLAN**

**SCHEDULE OF CONTRIBUTIONS**

Last 10 fiscal years\*

<b>Fiscal Year Ended June 30,</b>	<b>2018</b>
Statutorily required contribution	\$ 2,143,000
Contributions in relation to the contractually required contribution	<u>2,110,000</u>
Contribution deficiency (excess)	<u><u>\$ 33,000</u></u>

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

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**DATE:** May 16, 2019

**TO:** Honorable JPA Board Members

**FROM:** Joint Executive Directors  
Fire Chief

**SUBJECT: ADOPT THREE RESOLUTIONS: A RESOLUTION TO AUTHORIZE THE LIVERMORE-PLEASANTON FIRE DEPARTMENT JOINT POWERS AUTHORITY EXECUTIVE DIRECTORS TO SIGN THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF LIVERMORE AND THE CITY OF PLEASANTON RELATED TO THE ADMINISTRATIVE SERVICES PROVIDED BY EACH CITY TO THE LIVERMORE-PLEASANTON FIRE DEPARTMENT JOINT POWERS AUTHORITY; A RESOLUTION APPROVING THE APPOINTMENTS OF THE ADMINISTRATIVE ASSIGNMENTS PER THE MOU; A RESOLUTION TO RECEIVE THE UPDATED LPFD JPA ADMINISTRATIVE SERVICES COST ALLOCATION REPORT FROM MATRIX CONSULTING GROUP AND APPLY THE PROPOSED METHODOLOGY AND COSTING WHERE APPROPRIATE**

**SUMMARY**

The City of Livermore and the City of Pleasanton entered into an Amended and Restated Agreement related to the Livermore-Pleasanton Fire Department Joint Powers Authority ("LPFD JPA"). Section 6.E of the LPFD JPA provides that "The Joint Executive Directors may designate staff from either Livermore or Pleasanton to provide Administrative Services for the Authority. The Joint Executive Directors shall create an itemized list of all Administrative Services contributed by Livermore and Pleasanton to the Authority, which list shall be included in the Cost Allocation Plan and distributed to the Board of Directors and the City Councils for Livermore and Pleasanton."

Additionally, Attachment C to the LPFD JPA Amended and Restated Agreement provides the specifics of the Administrative Services provided to the LPFD JPA by each partner city.

Attachment 1 is the Memorandum of Understanding (“MOU”) memorializing the Administrative Services provided by the cities of Livermore and Pleasanton to the LPFD JPA.

Attachment 2 is the LPFD JPA Administrative Services Cost Allocation report from Matrix Consulting Group providing an updated methodology and cost allocation to the administrative services provided by both cities to the LPFD JPA.

### **RECOMMENDATION**

Staff recommends the Board adopt a resolution to authorize the Executive Directors to sign the attached MOU between the City of Livermore and the City of Pleasanton related to the Administrative Services provided by the cities to the Livermore-Pleasanton Fire Department Joint Powers Authority. Staff also recommends the Board adopt a resolution to approve the appointments of the administrative assignments per the MOU. Lastly, staff recommends the Board adopt a resolution to receive the updated LPFD JPA Administrative Services Cost Allocation report from Matrix Consulting Group and apply the proposed methodology and costing where appropriate.

### **FINANCIAL STATEMENT**

The updated Administrative Services Cost Allocation methodology increases the total joint administrative cost approximately \$235,000 to a total of \$967,948. Each cities share of these costs are summarized on Page 2 of the report.

### **BACKGROUND**

The LPFD was established in 1996 to create a separate governmental entity for the cities of Livermore and Pleasanton to share a combined fire department to increase collective effectiveness and operating efficiencies. The 1996 Joint Powers Agreement was amended in 2000 to define the duties and responsibilities of the Fire Chief, add the role of primary legal counsel, provide the LPFD with the ability to receive, accept, and disburse funds and to utilize administrative services contributed by the cities. Additionally, the 2000 amendment also defined administrative services, capital expenditures, operation costs, and the liability of the cities with respect to the LPFD. The City of Livermore and the City of Pleasanton entered into an Amended and Restated Agreement with the intention to more clearly define the LPFD’s duties, responsibilities, and powers, and the LPFD’s relationship to the cities, including pension obligations and employment retirement benefits for personnel assigned to the Livermore-Pleasanton Fire Department Joint Powers Authority.

Staff recommends the Board adopt a resolution to authorize the Executive Directors to sign the MOU between the City of Livermore and the City of Pleasanton memorializing the Administrative Services provided by the cities to the LPFD JPA and adopt a resolution to approve the appointments of the administrative assignments per the MOU. Additionally, staff recommends the Board adopt a resolution to receive the updated LPFD JPA Administrative Services Cost Allocation report from Matrix Consulting Group and apply the proposed methodology and costing where appropriate.

## **DISCUSSION**

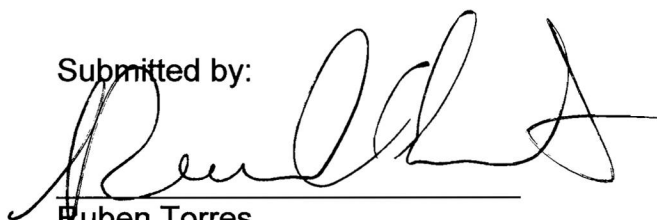
Attachment 1 is the MOU detailing the Administrative Services support provided by the cities of Livermore and Pleasanton to the LPFD JPA. The MOU may be amended from time to time as changes to the Administrative Services provided to the LPFD JPA change.

Attachment 2 is the LPFD JPA Administrative Services Cost Allocation report from Matrix Consulting Group providing an updated methodology and cost allocation to the administrative services provided by both cities to the LPFD JPA.

## **ATTACHMENTS**

1. Memorandum of Understanding between the City of Livermore and the City of Pleasanton related to Administrative Services provided by the cities of Livermore and Pleasanton to the Livermore-Pleasanton Fire Department Joint Powers Authority
2. Livermore-Pleasanton Fire Department Joint Powers Authority Administrative Services Cost Allocation report

Submitted by:



Ruben Torres  
Fire Chief

Livermore-Pleasanton Fire Department Joint Powers Authority

Approved by:



Marc Roberts  
Executive Director, LPFD JPA

Approved by:



Nelson Fialho  
Executive Director, LPFD JPA

**MEMORANDUM OF UNDERSTANDING BETWEEN  
THE CITY OF LIVERMORE AND  
THE CITY OF PLEASANTON  
RELATED TO ADMINISTRATIVE SUPPORT SERVICES PROVIDED TO THE  
LIVERMORE-PLEASANTON FIRE DEPARTMENT  
JOINT POWERS AUTHORITY**

**THIS MEMORANDUM OF UNDERSTANDING (“MOU”)** is entered into this \_\_\_ day of \_\_\_\_\_ 2019, between the CITY OF LIVERMORE, a municipal corporation (“Livermore”) and the CITY OF PLEASANTON, a municipal corporation (“Pleasanton”).

**RECITALS**

- A. Livermore and Pleasanton entered into an Amended and Restated Agreement dated February 12, 2018 related to the Livermore-Pleasanton Fire Department Joint Powers Authority (“LPFD JPA”); and
- B. Section 6.E of the LPFD JPA provides that “The Joint Executive Directors may designate staff from either Livermore or Pleasanton to provide Administrative Services for the Authority. The Joint Executive Directors shall create an itemized list of all Administrative Services contributed by Livermore and Pleasanton to the Authority, which list shall be included in the Cost Allocation Plan and distributed to the Board of Directors and the City Councils for Livermore and Pleasanton.”
- C. Attachment C to the LPFD JPA Amended and Restated Agreement provides the specifics of the Administrative Services provided to the LPFD JPA by each partner city.
- D. The city providing the identified Administrative Service to the LPFD JPA shall follow their own guidelines and procedures.
- E. The parties intend to review and/or amend this MOU every three (3) years based on the dates memorialized on Exhibit A or as changes to the Administrative Services provided to the LPFD JPA may dictate.

**NOW, THEREFORE,** the parties agree as follows:

- 1. Administration Services provided by Livermore and Pleasanton to the LPFD JPA shall be in accordance with the allocation set forth in Exhibit A.

**THIS MOU** is executed the date and year first above written.

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

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

CITY OF LIVERMORE

CITY OF PLEASANTON

By: \_\_\_\_\_  
Marc Roberts  
City Manager

By: \_\_\_\_\_  
Nelson Fialho  
City Manager

Attest:

Attest:

By: \_\_\_\_\_  
Sarah Bunting  
City Clerk

By: \_\_\_\_\_  
Karen Diaz  
City Clerk

Approved as to form:

Approved as to form:

By: \_\_\_\_\_  
Jason R. Alcala  
City Attorney

By: \_\_\_\_\_  
Daniel G. Sodergren  
City Attorney

JPA Attachment C	
Administrative Services for JPA	MOU signed by each City Manager
Finance / Budget	Livermore
Purchasing <sup>1, 2, 3, 4</sup>	Livermore
Legal	Pleasanton
Human Resources / Labor Relations	Pleasanton
Risk Management	Pleasanton
Workers Compensation	Pleasanton
City Clerk	Pleasanton
Information Technology	Pleasanton

<sup>1</sup> For joint LPFD purchases of goods or services only.

Each city retains it's own purchasing procedures for goods and services purchased for the LPFD specifically to support that city.

<sup>2</sup> For general goods and services, the Fire Chief has a \$10,000 approval level.

<sup>3</sup> For consultant services, the Fire Chief has a \$7,500 approval level.

<sup>4</sup> The insurance requirements for LPFD JPA Purchases is attached as Exhibit B.

Each city retains it's own insurance requirements for goods and services purchased for the LPFD specifically to support that city (Exhibit C).

**MOU Review Schedule:**

- This MOU was reviewed and authorized by the LPFD JPA Executive Directors on April 23, 2019.
- In accordance with Recital E of the MOU, the LPFD JPA Executive Directors shall schedule a review of the MOU and the Administrative Services provided to the LPFD JPA on or about April 23, 2022.

## EXHIBIT B

### INSURANCE REQUIREMENTS

#### **Minimum Scope and Limits of Insurance**

Consultant/Contractor shall maintain limits of:

1. Commercial General Liability, including operations, products and completed operations, as applicable:  
**\$1,000,000/\$2,000,000** aggregate per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability or other form of insurance with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability:  
**\$1,000,000** per accident for bodily injury and property damage.
3. Workers' Compensation and Employer's Liability:  
Statutory limits as required by the State of California including **\$1,000,000** Employers' Liability per accident, per employee for bodily injury or disease. A waiver of subrogation is required for Workers' Compensation insurance. If Consultant/Contractor is a sole proprietor, then they must sign "Contractor Release of Liability".

#### **Deductibles and Self-Insured Retention**

All self-insured retentions (SIR) must be disclosed to the Livermore-Pleasanton Fire Department Joint Powers Authority (LPFD JPA) for approval and shall not reduce the limits of liability. Policies containing any self-insured retention (SIR) provision shall provide, or be endorsed to provide, that the SIR may be satisfied by either the named insured or the LPFD JPA, the City of Livermore and the City of Pleasanton (collectively, "the Agencies"). The Agencies reserve the right to obtain a full certified copy of any insurance policy and endorsements. Failure to exercise this right shall not constitute a waiver of right to exercise later.

#### **Acceptability of Insurers**

Insurance is to be placed with insurers with a current A.M. Best rating of no less than A:VII and accepted to do business in the State of California, unless otherwise acceptable to the City of Livermore.

#### **Other Insurance Provisions**

The general liability and automobile liability policies are to contain or be endorsed to contain, the following provisions:

1. The LPFD JPA, the City of Livermore, and the City of Pleasanton, their officers, officials, employees, and designated volunteers are to be covered as

- additional insureds for liability arising out of activities performed by or on behalf of the Consultant/Contractor; or automobiles owned, leased, hired or borrowed by the Consultant/Contractor. The coverage shall contain no special limitations on the scope of protection afforded to the Agencies, their officers, officials, employees, or volunteers.
2. The limits of insurance required in the agreement may be satisfied by a combination of primary and umbrella or excess insurance. The additional insured coverage under the Consultant's/Contractor's policy shall be primary and non-contributory and will not seek contribution from the Agencies Insurance or self-insurance and shall be at least as broad as ISO Form CC 20 10 04 13. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of the Agencies before their own insurance or self-insurance shall be called upon to protect it as a named insured.
  3. Any failure to comply with reporting or other provisions of the policy, including breaches of warranties, shall not affect coverage provided to the Agencies, their officers, officials, employees, or volunteers.
  4. The Consultant's/Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
  5. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party before expiration of the policy unless notice is delivered in accordance with policy provisions.
  6. It shall be a requirement under this agreement that any available insurance proceeds broader than, or in excess of, the specified minimum insurance coverage requirements and/or limits shall be available to the additional insured. Furthermore, the requirements for coverage and limits shall be (1) the minimum coverage and limits specified in this agreement; or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the names Insured; whichever is greater.
  7. Certificate Holder section of the insurance certificate should read: Livermore-Pleasanton Fire Department Joint Powers Authority, City of Livermore, City of Pleasanton, 3560 Nevada Street, Pleasanton, CA 94566.

### **Verification of Coverage**

Consultant/Contractor shall furnish certificate of insurance and endorsement(s) effecting coverage to the Livermore-Pleasanton Fire Department Joint Powers Authority for approval. All certificates and endorsements shall be on forms acceptable to the LPFD JPA. All certificates and endorsements are to be received and approved by the LPFD JPA before work commences. The LPFD JPA reserves the right to require complete and certified copies of all insurance policies required by this Agreement.

## **Exhibit C**

### **Assets Specific to Fire Stations**

Each city is responsible for furnishing and outfitting the Fire Stations located in their city with all equipment, appliances and gear reasonably expected to be on-site to support a fully staffed and operating Fire Station.

Replacement of these items are to be funded by the City of residence.

The following list is supplied as a guide to identify covered assets and is not meant as wholly inclusive. This list is subject to periodic review and updates.

- Stoves
- Ovens
- Refrigerators
- Washer and Dryer
- Tables
- Chairs
- Recliners
- Beds
- Fitness Equipment
- Plates, Cups and Utensils
- Electronic devices including TV's, radios, toasters, fans

# **Livermore-Pleasanton Fire Department Joint Administrative Services Cost Allocation**

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CITIES OF LIVERMORE AND  
PLEASANTON, CALIFORNIA

**FINAL REPORT**

**matrix**   
consulting group

April 2019

## Table of Contents

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# 1. Introduction & Executive Summary

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This report presents the results of the assessment of the Joint Administrative Costs study conducted for the Livermore-Pleasanton Fire Department.

## 1 BACKGROUND

The Cities of Livermore and Pleasanton share a Fire Department through a Joint Power Agreement (JPA) that provides services to both jurisdictions through the Livermore-Pleasanton Fire Department (LPFD). Operationally, the JPA enables the department to function independently in each jurisdiction with their own fire stations and personnel assigned to each city; however, the administrative costs are shared between the jurisdictions.

The City of Livermore is responsible for all Finance related activities for LPFD, while the City of Pleasanton is responsible for support provided by the City Clerk's Office, Human Resources, Information Technology, and Legal Services. The current methodology in use by the cities has been in place for the past twenty years and the dollar values for calculating the joint administrative costs have not been updated since 2012. The methodology calculates a proportionate share for both Livermore and Pleasanton for administrative support services.

The purpose of this study is to not only evaluate the current methodology in place, but to also develop a proposed methodology, which allows both cities to update the information annually, so that the administrative costs are truly reflective of the administrative costs being provided to LPFD.

## 2 METHODOLOGY

The work accomplished by the Matrix Consulting Group in assessment of Joint LPFD Administrative costs involved the following steps:

- **Reviewed Prior / Current Methodology Documents:** The project team reviewed the documents related to the current methodology in place and how it was calculated by the two cities.
- **Conducted Staff Interviews:** The project team met or talked with staff from all of the different support services areas to discuss how they provide support to LPFD, as well as possible methodologies to allocate that level of support.

- **Collected Expenditures & Staffing data:** FY18 expenditures and staffing information was collected for both Livermore and Pleasanton to accurately allocate the appropriate costs.
- **Developed proposed allocation methodology:** Based upon the information gathered, the project team developed a recommended and proposed allocation methodology and model.
- **Reviewed draft allocation implications:** The project team reviewed the results of the analysis with departmental and managerial staff to ensure that they were reflective of the support provided to LPFD.

The steps above were crucial in conducting a thorough and in-depth assessment of the joint administrative costs for LPFD.

### 3 RESULTS

Based upon the proposed methodology of utilizing tangible statistics for the different support service areas, the project team calculated the overall support provided to LPFD by the two different jurisdictions and each specific service area. The following table shows the results of the analysis by jurisdiction and by service area:

Jurisdiction	Central Services	LPFD
Pleasanton	City Attorney	\$86,655
	City Clerk	\$51,054
	HR	\$320,041
	IT	\$133,827
	Facilities	\$15,414
Livermore	General Accounting	\$100,797
	Payroll	\$80,791
	Purchasing	\$44,144
	Admin Svcs - Admin	\$87,735
	HR – Payroll	\$47,491
<b>TOTAL</b>		<b>\$967,948</b>

As the table indicates, the total joint administrative share for LPFD is approximately \$968,000. This is approximately a \$235,000 increase in joint administrative costs for LPFD compared to the existing allocation of \$733,160. The primary difference in this allocation is the increase in Human Resources Support.

## 4 RECOMMENDATIONS AND IMPLEMENTATION

The proposed allocation methodology results in an increased allocation to LPFD. The primary reason is that the current methodology has been in place for the past 20 years, and the numerical costs of the methodology have not been updated since 2012 to account for increased personnel costs associated with services and support to LPFD over the past 8 years. As those services have changed, the costs associated with them have also increased.

The proposed methodology also is based on tangible metrics; therefore, if there are concerns regarding LPFD costs being too high because of public records requests or facility maintenance work orders or other metrics of support, LPFD has the ability to directly impact those service levels and reduce that support if there is the need to reduce the administrative cost.

Ultimately, it is the project team's recommendation that both Livermore and Pleasanton transition to utilizing a Full Cost Allocation Plan as the basis for charging and assessing the costs to LPFD. The Joint Administrative Costs model takes a conservative approach for allocating indirect costs internally to City departments and funds and as such may not be accurately capturing the full support to LPFD. To capture the most detailed level of support to LPFD, the cities should develop and utilize a Citywide Full Cost Allocation Plan. The other benefit of a Full Cost Allocation Plan is that it will take a more detailed snapshot at ensuring that costs are not only fairly and equitably allocated between Fire and other City departments, but also how those costs are shared between, Fire, Police, Public Works, Community Services, and other specific City programs.

However, in the interim, the Cities should utilize the proposed methodology and ensure that there are annual updates to mitigate any major swings in costs that occur from stagnant methodology and costs.

## 2. Current Allocation Methodology

The current methodology in place for Joint Administrative costs for LPFD was developed in conjunction between the Cities of Pleasanton and Livermore in FY 2011-2012. The methodology is based upon percentage of effort of the position, with a brief description of the type of service provided by that position. The following subsections discuss each of the service areas and the current allocation methodology for those service areas.

### 1 CITY ATTORNEY

The City of Pleasanton provides legal advice and support to LPFD through the City Attorney's Office. The current methodology accounts for support related to legal advice to LPFD including liability and employment matters. The following table shows by position, the total salaries, wages, and benefits, the percentage of support, and the total support calculated:

Position Title	Salaries & Benefits	% of Support	Total Support Cost
City Attorney	\$304,538	2.0%	\$6,091
Assistant City Attorney	\$241,222	2.0%	\$4,824
Assistant City Attorney	\$126,107	2.0%	\$2,522
Assistant City Attorney	\$129,241	4.0%	\$5,170
<b>TOTAL</b>			<b>\$18,607</b>

As the table indicates, the percentage of support provided by the City Attorney's Office to LPFD currently varies between 2-4%. Overall, the percentage of support for all positions, is calculated at 2% of the total salaries and benefits for the city attorneys who provide support from the City of Pleasanton to LPFD.

### 2 FINANCE

The City of Livermore is responsible for providing all finance-related support to LPFD. The financial support includes developing the budget, processing accounts payable, handling p-cards, managing fixed assets, reconciling the general ledger, providing grant support, managing personnel benefits, collecting revenue, processing accounts receivable, and processing payroll. The current methodology not only accounts for the percentage of support through staff time, but it also accounts for a small portion of office supplies and printing, as well as audit services, and software maintenance costs. The following table shows by position, the total salaries, wages, and benefits, the percentage of support, and the total support calculated:

Position Title	Salaries & Benefits	% of Support	Total Support Cost
Finance Director	\$273,077	6.0%	\$16,385
Asst. Finance Director	\$207,399	6.0%	\$12,444
Sr. Financial Analyst	\$159,020	8.5%	\$13,517
Accounting Manager	\$163,783	5.0%	\$8,189
Financial Services Mgr	\$198,260	5.0%	\$9,913
Sr. Accountant	\$162,233	5.0%	\$8,112
Sr. Accountant	\$162,233	15.0%	\$24,335
Admin Assistant	\$106,718	2.5%	\$2,668
Sr. Accountant	\$155,591	5.0%	\$7,780
Payroll Coord.	\$110,539	15.0%	\$16,581
Accounting Assistant II	\$115,444	15.0%	\$17,317
Sr. Accounting Asst.	\$115,281	12.5%	\$14,410
Office Supplies & Printing			\$456
Audit Services			\$2,430
Software Maintenance			\$1,939
<b>TOTAL</b>			<b>\$156,474</b>

As the table indicates, the percentage of support provided by Finance staff varies from a low of 2.5% for the Admin Assistant to a high of 15% for the Sr. Accountant, Payroll Coordinator, and Accounting Assistant II. Additionally, the current methodology does not provide detail regarding the calculation methodology for the fixed and material costs. Overall, based upon the total salaries and benefits, approximately 8% of the City of Livermore's Finance Department costs are associated with supporting LPFD.

### 3 HUMAN RESOURCES

The City of Pleasanton is responsible for providing Human Resources services to LPFD. The support for Human Resources includes labor relations, legal aspects of employment, workers' compensation, recruitment, and personnel benefits. Similar to Finance support, the current methodology accounts for some material costs such as office supplies and advertising in addition to personnel costs. The following table shows by position, the total salaries, wages, and benefits, the percentage of support, and the total support calculated:

Position Title	Salaries & Benefits	% of Support	Total Support Cost
HR Manager	\$219,691	12.5%	\$27,461
Mgmt Analyst	\$145,946	12.5%	\$18,243
HR Coordinator	\$129,760	12.5%	\$16,220
Admin Assistant	\$105,223	5.0%	\$5,261
Asst. City Manager	\$293,606	5.0%	\$14,660
Office Supplies			\$1,229
Advertising			\$614
<b>TOTAL</b>			<b>\$83,709</b>

As the table indicates, the percentage of support provided by Human Resources staff varies from a low of 5% for the Admin Assistant and Assistant City manager to a high of 12.5% for the HR Coordinator, Mgmt Analyst, and HR Manager. Overall, based upon the

total salaries and benefits, the City of Pleasanton's cost for supporting LPFD represents approximately 7.9% of overall Human Resources' expenditures.

#### 4 FACILITIES MAINTENANCE

The City of Pleasanton is responsible for providing Facilities Maintenance services to LPFD. The current methodology accounts for support related to stocking bathroom supplies, facility set ups, lighting, roof, gutter, and refrigeration maintenance. Similar to Finance and Human Resources, there are certain material or contract costs included in the current methodology, which are not billed directly to LPFD. The following table shows by position, the total salaries, wages, and benefits, the percentage of support, and the total support calculated:

Position Title	Salaries & Benefits	% of Support	Total Support Cost
Building Maintenance Worker II	\$130,010	2.5%	\$3,250
Building Maintenance Worker II	\$130,010	0.5%	\$650
Support Services Lead Worker	\$144,128	2.5%	\$3,603
HVAC Maintenance & Repairs			\$324
Emergency Generator Maint. & Repairs			\$461
Qrtly Fire Alarm Inspections			\$231
Gates & Roll Up Door Maint.			\$431
Pest Control			\$155
<b>TOTAL</b>			<b>\$9,105</b>

As the table indicates, the percentage of support provided by Facilities Maintenance staff varies from a low of 0.5% for the Building Maintenance Worker II to a high of 2.5%. Additionally, the current methodology does not provide detail regarding the calculation methodology for the fixed and material costs. Overall, based upon the total salaries and benefits, the City of Pleasanton's Facilities Maintenance support cost represents approximately 2.3% of total departmental expenditures. However, it is important to note that this facilities maintenance cost is only related to the Headquarters.

#### 5 CITY CLERK

The City of Pleasanton is responsible for providing City Clerk support services to LPFD. The services provided by the Clerk include in-house printing, duplicating, folding, binding, laminating, centralized mail services, agenda support, and records management. Material costs associated with printing and paper and postage have also been included. The following table shows by position, the total salaries, wages, and benefits, the percentage of support, and the total support calculated:

Position Title	Salaries & Benefits	% of Support	Total Support Cost
Central Services Lead	\$110,523	3.5%	\$3,868
Sr. Office Asst.	\$95,688	3.5%	\$3,349

Position Title	Salaries & Benefits	% of Support	Total Support Cost
Deputy City Clerk	\$109,791	3.5%	\$3,843
Printing Supplies			\$215
Paper & Postage			\$6,141
<b>TOTAL</b>			<b>\$17,416</b>

As the table indicates, the percentage of support provided by City Clerk staff is consistent at 3.5%. However, the current methodology does not provide detail regarding the calculation for the fixed and material costs. Overall, based upon the total salaries and benefits, the City of Pleasanton’s City Clerk support cost represents approximately 5.5% of the departmental costs.

## 6 INFORMATION TECHNOLOGY

The City of Pleasanton is responsible for providing Information Technology Services to LPFD. IT services include general help desk support, server administration, email support, telecommunications, cybersecurity, web support, and GIS support. The calculation also includes a portion of direct costs associated with office supplies, internet access, website hosting, EOC Server hosting, and other costs. The following table shows by position, the total salaries, wages, and benefits, the percentage of support, and the total support calculated:

Position Title	Salaries & Benefits	% of Support	Total Support Cost
IT Manager	\$236,842	3.6%	\$8,526
IT Coordinator II	\$166,744	1.6%	\$2,668
IT Coordinator II	\$166,289	4.2%	\$6,984
IT Coordinator II	\$166,289	4.0%	\$6,732
IT Coordinator II	\$166,289	3.2%	\$5,301
IT Coordinator II	\$166,289	2.4%	\$4,039
GIS Coordinator	\$180,308	11.0%	\$19,798
GIS Tech II	\$168,289	8.4%	\$14,136
GIS Tech	\$85,180	12.6%	\$10,690
Office Supplies			\$1,474
Internet Access			\$307
Web Site Hosting			\$307
EOC Server Hosting			\$307
Other			\$307
<b>TOTAL</b>			<b>\$81,269</b>

As the table indicates, the percentage of support provided by IT staff varies from a low of 1.6% for an IT Coordinator II to a high of 12.6% associated with the GIS Technician. However, the current methodology does not provide detail regarding the calculation for the fixed and material costs. Overall, based upon the total salaries and benefits, the City of Pleasanton’s IT support cost represents approximately 5.4% of the departmental costs.

## 7 SUMMARY OF CURRENT METHODOLOGY

Overall, the current methodology results in total administrative costs of \$366,580 for one jurisdiction. This cost is doubled to represent the total administrative costs. The following table shows the breakout by major service area:

Jurisdiction	Service Area	LPFD Support Cost per Agency	Total LPFD Support Cost
	City Attorney	\$18,607	\$37,214
	Human Resources	\$83,705	\$167,410
Pleasanton	Facilities Maintenance	\$9,105	\$18,210
	City Clerk	\$17,416	\$34,832
	Information Technology	\$81,269	\$162,538
Livermore	Finance	\$156,474	\$312,948
	<b>TOTAL</b>	<b>\$366,580</b>	<b>\$733,160</b>

As the table indicates, the majority of support expenses are associated with Finance services, as they represent approximately 43% of the total support costs. The next highest cost center is Human Resources with IT as a close third. Overall, based upon the salaries and benefits included, the costs calculated represent approximately 5.6% of the total salary costs.

It is important to note that the current methodology assumes that the \$366,580 only represents one city's share of administrative costs. The current methodology also assumes that the administrative cost is equal to both cities, and therefore doubles the \$366,580 to arrive at total administrative costs of \$733,160. Utilizing this new administrative cost and comparing it to the total salaries and benefits, the support to LPFD is approximately 11.7% of the total salaries.

### 3. Proposed Allocation Methodology

The project team conducted an initial kickoff meeting with staff from both cities to discuss all of the support services provided to LPFD and the support services that are intended to be captured through this allocation calculation. While both City Councils and City Managers provide oversight and support to LPFD, it was determined that this support was not intended to be captured through this calculation. Therefore, the services that were included for consideration by each Jurisdiction were as follows:

Livermore	Pleasanton
General Accounting	City Attorney
Payroll	City Clerk
Purchasing	Human Resources
Administrative Services	Information Technology
Human Resources - Payroll	Facilities Maintenance

As the table indicates, the proposed services are nearly identical to those already included in the current methodology. The following subsections will discuss each of these services, the functional support that they provide, the allocation metrics proposed, and the resulting allocation percentage calculated based upon those metrics. The end of this chapter will compare the results of the current methodology to the proposed methodology.

#### 1 FINANCE

The City of Livermore is responsible for providing any finance-related services to the Livermore Pleasanton Fire Department (LPFD). However, these finance related services are broken into four additional support areas – General Accounting, Payroll, Purchasing, Administrative Services Support, and Human Resources support in relation to Payroll. Currently, these four service areas are all represented within one service area. However, to gain a greater understanding of these service areas, the project team will discuss them individually in the following subsections:

##### 1.1 General Accounting

General Accounting manages all accounting and treasury functions for the City, including maintaining all financial records, collecting revenue, developing and administering financial plans, and disbursing all funds. The Accounting staff also processes all required Federal, State, and other regulatory reporting and generates all reports for fiscal matters of the City for all internal and external customers. General Accounting costs are allocated to Receiving Departments, as follows:

- **Budget** – relates to the costs associated with developing the Citywide Budget, including providing support to various funds. These costs have been allocated based upon identified budget support per Fund / Department.
- **Accounts Payable** – represents costs associated with processing all accounts payable requests. These costs have been allocated based upon the number accounts payable transactions per Fund and Department.
- **Accounts Receivable & Cash Receipts** – includes costs associated with processing all billings and receivables. These costs have been allocated based upon the number of cash receipt line items per Fund and Department.
- **Cash Management** – represents costs associated with the processing of all incoming and outgoing cash. These costs have been allocated based upon the number of cashing transactions per Fund / Department.
- **Journal Vouchers and Financial Reporting** – includes costs associated with the reconciliation and entering of all journal entries. These costs have been allocated based upon the number of journal entry line items per Fund / Department.
- **Grant Management** – includes the support provided by the department regarding grants and conducting all grant reporting. These costs have been allocated directly to specified grants.
- **CIP Management** – includes management and oversight support provided to CIPs. These costs have been allocated directly to CIP funds based on the dollar value expended per CIP project.
- **LMDs & Assessment Districts** – relates to costs associated with providing budgetary support to landscape maintenance and assessment districts. These costs have been allocated to identified Districts.
- **Finance Admin** – includes costs associated to oversight of various staff and financial functions. These costs have been allocated according to the number of staff per finance functional area.
- **LPFD Audit and Financial Reporting** – this support is related directly to oversight and management of LPFD related audits and generating State Controller Reports. These costs have been allocated directly to LPFD.

Not all of these functional areas impact LPFD such as Finance Administrative Support, LMDs, RDA / Successor Agency. For those service areas where there was an impact to LPFD, the allocation support percentage was calculated as shown in the following two tables:

Dept	Budget Support	Allocation %	# of AP Transactions	Allocation %	# of Cash Receipts	Allocation %
Fire	57%	8%	2,278	9%	1492	8%
All Others	643%	92%	23,809	91%	17,047	92%
<b>TOTAL</b>	<b>700%</b>	<b>100%</b>	<b>26,807</b>	<b>100%</b>	<b>18,539</b>	<b>100%</b>

Dept	# of Cash Transactions	Allocation %	# of Journal Entries	Allocation %	LPFD Audit & Reporting	Allocation %
Fire	235.75	3%	27,358	8%	100%	100%
All Others	8,105.95	97%	311,664	92%	0%	0%
<b>TOTAL</b>	<b>8,341.70</b>		<b>339,022</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

As the table indicates, depending upon the service area the level of support varies such as cash management with cash transactions is as low as 3%, whereas LPFD Audit and Reporting Support is 100% directly allocated to LPFD.

## 1.2 Payroll Services

Payroll Services primarily performs all salary and wage processes for employees of the City as well as the Livermore – Pleasanton Fire Department. Additionally, payroll services also prepares and files all payroll information to federal and state agencies, along with benefits providers. Payroll Services costs are allocated to Receiving Departments, as follows:

- **Payroll Services** – refers to costs associated with the processing and administering of the City's bi-weekly payroll. These costs are allocated based upon the number of payroll transaction per Fund / Department / Division.
- **Retiree Benefits** – relates to costs associated with the processing and administering of the City's retiree benefits. These costs are allocated based upon the dollar value of OPEB per Fund / Department / Division. As LPFD incurs its own retirement costs, these costs were not further allocated to LPFD.

As noted, the payroll function in Livermore provides payroll services for LPFD, even though the remaining personnel related functions are performed by the City of Pleasanton. Based upon the Payroll services, the following table shows the allocation percentage calculated for payroll services for LPFD:

Dept	# of Payroll Transactions	Allocation %
Fire	17,491	23%
All Others	57,999	77%
<b>TOTAL</b>	<b>75,490</b>	<b>100%</b>

Utilizing payroll transactions as a metric, results in the City of Livermore providing approximately 23% of their support to LPFD. This seems to be in line with the number of personnel associated with Fire services relative to other City functions.

### 1.3 Purchasing

The Purchasing Department oversees and processes all purchase orders for City departments. Purchasing department staff also develop, post, and manage all bidding for various City Funds and Departments, as well as audit all P-Card transactions. Purchasing costs are allocated to Receiving Departments, as follows:

- **RFPs & Bids** – represents costs associated with the development and management of the bid process, RFQ, and RFP for various City Funds and Departments. Costs for this function have been allocated based upon the number of bids and request for proposals for each Fund / Department.
- **Purchase Orders** – includes the costs accumulated from processing and managing purchase orders and contracts for various City Funds and Departments. Costs for this function have been allocated based upon a five year average of the number of purchase orders and blanket order per Fund / Department.
- **P-Cards** – this function represents costs associated from auditing and processing all p-card transactions for City Departments. These costs have been allocated based upon the number of P-Card Holders per Fund / Department.
- **Surplus** – represents support associated with posting and selling surplus items for City Departments. These costs have been allocated based upon the number of posts per Fund / Department.
- **Special Projects** – includes the costs accumulated from departmental support of special teams for City Hall furnishings or other departments. Costs for this function have been allocated directly to identified Departments.

Some of the functions noted above do not result in any support to LPFD and as such they have not been further allocated to LPFD. These include the RFPs and Bids function, the surplus function, as well as any special projects. However, the Fire Department does receive support from the City as it relates to RFPs & Bids, Purchase Orders, and P-Cards. The following table shows the calculation for those three service areas and the associated level of support.

Dept	5 yr average of Purchase Orders	Allocation %	# of P-cards	Allocation %
Fire	41.20	8%	44	25%
All Others	500.60	92%	130	75%
<b>TOTAL</b>	<b>541.80</b>	<b>100%</b>	<b>173</b>	<b>100%</b>

As the table indicates, in regards to support provided by Purchasing, the Department spends approximately 8% of their time in relation to purchase orders and blanket contracts compared to 25% of their time for managing the P-card users within LPFD.

**1.4 Administrative Services – Admin**

The Administrative Services Department provides oversight for three divisions: Human Resources, Information Technology, and Finance. The Administrative Services staff also administers licensing, payment processing, and employment assessment / training, in addition to providing functional assistance for tasks related to Finance, HR, or IT. Costs associated with Admin Services are allocated to Receiving Departments, as follows:

- **Human Resources Support** – represents the support associated with HR related tasks such as labor relations, training, and compensation. These costs are allocated directly to Human Resources.
- **Finance** – this function represents the support and oversight provided to Finance including Accounts Payable, Payroll, and Budget. These costs have been allocated directly to General Accounting.
- **Information Technology** – represents the support and oversight associated with both IT and GIS. Costs for this function were split between IT & GIS based upon staffing.
- **Treasury** – relates to costs associated with investing excess cash for funds. These costs have been allocated based on Daily Treasury Cash Transactions.
- **Council – Staff Reports** – this function relates to costs associated with reviewing the fiscal impacts on staff reports. These costs have been allocated based on the number of Agenda Items per Department.
- **LPFD** – this function represents the support associated with the support and oversight of the Fire Department agreement. These costs have been allocated directly to Fund 911.

Of all of these functional areas, the last three functions – Treasury, Council reports, and LPFD have been factored into the allocation model. The following table shows the allocation support for those three functional areas:

Dept	# of Cash Transactions	Allocation %	# of Agenda Items	Allocation %	Direct to LPFD	Allocation %
Fire	7,567	12%	18	5%	100%	100%
All Others	53,086	88%	325	95%	0%	0%
<b>TOTAL</b>	<b>60,653</b>	<b>100%</b>	<b>343</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

As the table indicates the level of support varies depending upon the statistic. The support related to LPFD is primarily in relation to labor negotiations and annual management of LPFD related activities. This function has been allocated directly to LPFD; however, the percentage of support that is allocated to this function is 11%. This 11% is derived by

calculating the support provided in relation to labor negotiations every 3 years. Every 3 years the Administrative Services Director spends approximately a third of his time (33%) on labor negotiations, which results in annual support calculation of about 11%.

### 1.5 Human Resources (Payroll-Related)

The Human Resources Division is responsible for the administration of the City's employment and benefits program. The division also administers employee training, workers' compensation, labor relations and volunteer administration. Human Resources costs are allocated to Receiving Departments, as follows:

- **Employee Support** – represents costs associated with HR operations and general support. These costs are allocated based on the number of full-time employees per Department excluding Fire.
- **Fire Support** – this function represents costs associated with payroll operations and support for the Fire Department as it relates to benefits. These costs are allocated to the number of full-time employees per Fund 911 Division.

Of all of these functional areas, only the second function that is related to Fire Support for payroll support. The regular employee support is allocated to all departments excluding Fire employees and accounts for approximately 96.5% of the total department's cost. The Fire Support allocation only accounts for overall 3.5% of total staff support annually. This is related to one position spending approximately 10-15% annually as it relates to coding benefits information as part of payroll for LPFD staff.

As such, even though Pleasanton is responsible for the personnel-related functions for LPFD; due to the nature of payroll split in Livermore, a portion of the payroll services as it relates to benefits is performed by staff in the Livermore Human Resources department.

### 1.6 Livermore Finance Summary

The current methodology did not differentiate between the different levels of Finance support and allocated approximately 8% of Finance Department support to LPFD. The proposed methodology is also allocating approximately 8% of its support as well to LPFD. As such, even though the types of services have been more clearly identified and streamlined the overall percentage of support has not fluctuated dramatically since the current analysis.

## 2 CITY ATTORNEY

The City Attorney's Office in Pleasanton provides legal support and oversight to LPFD. This legal support includes attending council meetings, processing contracts, overseeing outside counsel, and support with any labor related issues. If there is any LPFD related

litigation, that cost is borne directly by the Department and not incurred by the City of Pleasanton.

In the current methodology, the Department's costs were allocated based upon an individualized percentage of effort per staff position within the City Attorney's office. During discussions with the City Attorney's office, the project team worked to identify the drivers of support for the office, that were not based on estimates of effort.

As the City Attorney's primary focus is to serve as risk mitigation for the City, one of the drivers' that was explored was the amount of expenses or budget associated with each City fund or department. This is a fairly typical metric for the allocation of City Attorney support to City departments. The logic is that the larger the budgeted expenses for a fund or department (excluding one-time major line items and transfers) the higher the risk factor associated with that fund or department. The following table shows for the City of Pleasanton the level of support associated with LPFD relative to other city departments based upon the utilization of budgeted expenditures.

Dept	Budget	Allocation %
Fire	\$19,789,084	8%
All Others	\$236,351,693	92%
<b>TOTAL</b>	<b>\$256,140,777</b>	<b>100%</b>

As the table indicates, based upon budgeted expenditures the City Attorney's office spends approximately 8% of their time on matters related to LPFD. The current methodology allocates approximately 2.5% of the Attorney's office to LPFD. Therefore, the proposed methodology represents an increase in support. However, the proposed methodology is based upon a metric, which can and should be updated by City staff every year to ensure that as there are changes in city services and functions the support associated with the Attorney's office is appropriately distributed and allocated.

### 3 CITY CLERK

The City Clerk's office in Pleasanton provides support to all City departments as it relates to City Council meetings, Records Management, Public Records Requests, Mailing, Printing, and other general support items. The City Clerk's office is also responsible for conducting elections. LPFD has its own board, which the City Clerk serves as the board secretary, this support is accounted for separately through the LPFD budget and as such has not been factored into the proposed allocation methodology.

During discussions with City Clerk staff it was determined that the City Clerk functions could be broken into four distinct functional areas. These areas include the following:

- **Elections:** This represents the support provided for elections. As elections are in support of the general public, they have not been allocated out further to city departments.
- **General Citywide Support:** This represents the support provided to Pleasanton City departments in relation to agenda preparation, minutes, claims, and other functions that are done more in support of only City departments. These costs have not been allocated through this model, as they do not impact support provided to LPFD.
- **Records Management:** The City Clerk's office and staff serves as the custodian of all city records including LPFD records. This function relates to the storage, maintenance, and destruction of records per records retention schedules. These costs have been allocated based upon the number of records stored and managed for LPFD relative to the number of other Citywide records.
- **Public Records Requests:** This represents support associated with managing and routing any public records requests that come in for City departments and services. The City Clerk's office tracks these requests and makes sure that any requests are responded to in a timely manner. These costs have been allocated based upon the number of public records requests associated with LPFD relative to other City departments.

Based upon the functions noted above, the City Clerk's office is only allocating two of its primary services. The following table shows for each of those two service areas, the level of support calculated for the City Clerk's Office.

Dept	# of Records Management Requests	Allocation %	# of Public Records Requests	Allocation %
Fire	606	19%	17	13%
All Others	2,578	81%	114	87%
<b>TOTAL</b>	<b>3,184</b>	<b>100%</b>	<b>131</b>	<b>100%</b>

The table clearly indicates that for records management the City Clerk's office provides a slightly higher level of support to LPFD relative to the number of public records requests. These support percentages and metrics were reviewed with the City Clerk's office to ensure that they were reflective of the support provided to LPFD. The proposed methodology allocates approximately 18% to LPFD. The current methodology allocates about 3.2% overall of the City Clerk's office to LPFD. Therefore, these metrics represent an increase in support from the City Clerk's office to LPFD. Additionally, the utilization of these metrics enables the City to update this information as support associated with public records requests and / or destruction of fire records increases or decreases over time.

## 4 HUMAN RESOURCES

The Human Resources Department within the City of Pleasanton is responsible for performing all personnel-related services for LPGD except for processing their payroll. These services include management of workers compensation and risk management claims, recruitment services, organizational development, trainings, grievances, disciplinary actions, and other labor relations. The project team met with City staff to discuss their support and to determine functional areas of allocations. The following points reflect the major service areas and the proposed methodology for allocation:

- **General Personnel Support:** This represents the largest area of support for the Human Resources function within the Department and covers support as it relates to grievances, labor relations, safety training, ethics training, wellness, etc. This cost was allocated based upon the number of employees (full and part-time) per department, with part-time employees weighted at 0.25x the effort of a full-time employee.
- **Recruitment:** The Human Resources department is responsible for conducting all recruitments for the Fire department and other City departments. The project team worked with City staff to obtain the number of recruitments done for the past four years by department. As not all recruitments are the same, the project team weighted Fire recruitments at twice the level of effort as recruiting an employee for the Community Development Department or Recreation services. Recruitment costs were allocated based upon the four year average of recruitments as well as 2x weighting for Fire department.
- **Claims Support:** The department is also responsible for processing and managing the Risk Management and Workers Compensation claims for the City, including LPGD. The project team allocated these costs based upon the three year average number of claims that were processed for both functions by the Department. The use of the three year average time period smooths out any fluctuations associated with anomalous spikes.

Based upon the three functional areas discussed above, the project team allocated the support to LPGD. The following table shows for each of the three areas the metric and support percentage for LPGD relative to other City departments.

Dept	# of Employees	Allocation %	4 yr Avg. or Recruitments (Fire Weighted 2x)	Allocation %	3 yr Avg. of Claims Processed	Allocation %
Fire	116.5	21%	8	23%	42.67	47%
All Others	444.75	79%	27	77%	48.33	53%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>35</b>	<b>100%</b>	<b>91.00</b>	<b>100%</b>

As the table indicates, depending upon the service area the level of support does vary, for example for recruitments the level of support is calculated at 23%, compared to the level of support associated with claims which is closer to 47%. The current methodology allocated about 8% of Human Resources staffing to LPFD. The proposed methodology looks to allocate approximately 26% of total Human Resources costs to LPFD. This is an increase in support; as the City has added on more services and expanded existing staffing levels, it stands to reason that the current methodology would need to be updated to better reflect the current proportion of staffing between Fire and other city services.

## 5 INFORMATION TECHNOLOGY

The Information Technology (IT) department is centralized within the City of Pleasanton and provides all sorts of technology support to LPFD and city departments, including telephone services, internet support, help desk, networking, cybersecurity, servers, etc.

The project team met with staff in the department to discuss their current service areas and the best methodology to allocate those service areas based upon a tangible metric. During discussions with city staff, the following two areas of support were developed:

- **General IT / Helpdesk Support:** The largest proportion of time was spent by IT staff in relation to processing help desk tickets and requests for any type of general technology support. The project team allocated this based upon the number of help desk tickets per City fund / department.
- **Hardware / Device Support:** The Department is also responsible for providing support to City owned / issued devices. Therefore, the project team allocated this support based upon the number of devices per Fund / Department.

Based upon these allocation metrics, the project team calculated the percentage of support provided by IT to LPFD. The following table shows for both functions, the percentage of support.

Dept	# of Help Desk Tickets	Allocation %	# of Devices	Allocation %
Fire	96	6%	309	18%
All Others	1,527	94%	1,403	82%
<b>TOTAL</b>	<b>1,623</b>	<b>100%</b>	<b>1,712</b>	<b>100%</b>

The table clearly demonstrates that the department provides a much higher level of support to LPFD due to the number of devices relative to the number of help desk tickets initiated by the Department. The current methodology allocates about 3% of total IT support to LPFD. The proposed methodology doubles that to approximately 7% support. It is important to note that the proposed methodology is more reflective of tangible metrics rather than estimated level of effort on a position-by-position basis.

## 6 FACILITIES MAINTENANCE

The last area of service provided by the City of Pleasanton is related to facilities maintenance. The City of Pleasanton is responsible for maintaining the fire stations as well as other City facilities and properties. However, the primary shared responsibility for the City is the Fire Headquarters (Fire Station #1). The City of Pleasanton currently utilizes a work order system to track the costs and labor hours associated with each reactive and preventive maintenance activity. The project team worked with City staff to capture the support and work order costs associated with Fire services relative to other City departments.

The City of Pleasanton currently provides Facilities Maintenance service to Fire Station #1, which refers to both the Fire Station located at that address as well as the Headquarters for the Livermore-Pleasanton Fire Department. The only portion of the facility that is shared between the two cities is the headquarters. The Facilities Maintenance staff does not currently break out the work order between the Headquarters component and the Fire Station component. As such, the project team worked with city staff and Fire department staff to identify an alternative mechanism for allocating the work order cost for Fire Station #1 between the Fire Station and the Headquarters.

The project team determined that the hours of operation was a good indicator of the actual use of the two types of facilities. The headquarters are open from 8am-5pm Monday through Friday, excluding major holidays; whereas the Fire station is in use 24 hours a day, year round. If the assumption is that considering the typical 12-13 holidays, that the headquarters' office is open from 8am-5pm M-F for 50 weeks, then the annual hours of operations for the headquarters are 2,250 hours. Similarly, the Fire Station is in use 365 days a year for 24 hours, which results in annual hours of 8,760. The following table shows the proportionate share of utilization between headquarters and fire station #1:

Facility Portion	Hours of Operation	Utilization %
Headquarters	2,250	20%
Fire Station #1	8,760	80%
<b>TOTAL</b>	<b>11,010</b>	<b>100%</b>

As the table above indicates, the Headquarters represents about 20% utilization compared to 80% for the Fire Station component. This percentage was reviewed with Fire Department staff to ensure that they felt comfortable with this method of allocating facility maintenance support.

Therefore, the project team took the Facility Maintenance cost for work orders related to Fire Station #1 and only allocated 20% as the LPFD share of the cost. The following table shows the allocation percentage calculated for LPFD based upon Facility work order costs for Fire Station 1.

Dept	Facility Work Order Costs	Allocation %
Fire	\$4,190	0.42%
All Others	\$985,559	99.58%
<b>TOTAL</b>	<b>\$989,748</b>	<b>100%</b>

The table clearly demonstrates that approximately 0.42% of the department’s time is spent in relation to Fire Headquarter maintenance. This 0.42% includes management of any external vendor contracts related to specialized maintenance or regular preventive maintenance (landscaping, utilities, etc.). The current methodology only accounted for approximately 2% of staff support to Fire Facilities, which is slightly higher than the calculated cost based upon work order support.

## 7 INDIRECT COSTS

In addition to capturing the direct costs associated with the services as is done currently, the proposed methodology has also built in a mechanism to capture the indirect support associated with these functions. In order for the City of Pleasanton to provide Human Resources services to LPFD, Human Resources would receive support from City Manager, Finance, City Clerk, etc. Therefore, the proposed methodology considers the indirect costs associated with these providers of service.

To remain consistent in the methodology for indirect support costs for both agencies, in the absence of a Cost Allocation Plan with double step-down methodology, the project team developed an indirect cost rate for each city. The indirect cost rate is calculated based upon the total amount of indirect costs (departments that are considered to be indirect) divided by the total amount of direct costs. The following table shows the calculation for the Indirect Rate calculated for both cities:

Department	FY19 Budgeted Expenditures	
	Pleasanton	Livermore
City Council	\$181,950	\$169,184
City Clerk	\$689,458	\$824,588
City Manager	\$1,088,427	\$1,513,649
Human Resources	\$1,545,495	\$1,307,865
Admin Svcs Admin		\$658,807
Finance	\$2,932,118	\$2,278,984
City Attorney	\$1,403,894	\$1,639,422
Fleet	\$1,139,818	
Facilities	\$5,133,479	\$864,089
GIS	\$458,098	
IT	\$2,389,377	
<b>Total Indirect Cost</b>	<b>\$16,962,115</b>	<b>\$9,256,588</b>
<b>Total Direct Expenditures</b>	<b>\$277,409,789</b>	<b>\$245,982,836</b>
<b>Indirect Rate</b>	<b>6%</b>	<b>4%</b>

As the table indicates the indirect rate calculated for the City of Pleasanton is slightly higher at 6% relative to Livermore at 4%, as certain services within the City of Livermore such as Fleet, GIS, and IT are internal service funds are not captured in the general fund.

The indirect rates calculated were applied to the direct budgets for each of the City's respective service areas to try to capture some portion of the indirect cost associated with those services. Thus, the proposed methodology considers these indirect support impacts. It is the project team's recommendation though that the best practice for capturing this indirect support would be through a Full Cost Allocation Plan document, as it involves layering of costs between the support departments to more accurately account for that indirect support.

## 8 SUMMARY OF PROPOSED METHODOLOGY AND IMPACTS

Based upon the proposed methodology and allocation support percentages discussed in the previous chapter, the project team calculated the results of the Joint Administrative Costs for LPFD for the Cities of Pleasanton and Livermore. The following table shows on a service by service basis the comparison of the costs allocated through the current methodology and the proposed methodology:

Jurisdiction	Service Area	Current LPFD Support Cost	Proposed LPFD Support Cost	Difference
Pleasanton	City Attorney	\$37,214	\$86,655	\$49,441
	Human Resources	\$167,410	\$320,041	\$152,631
	Facilities Maintenance	\$18,210	\$15,414	(\$2,796)
	City Clerk	\$34,832	\$51,054	\$16,222
	Information Technology	\$162,538	\$133,827	(\$28,711)
Livermore	Finance	\$312,948	\$360,958	\$48,010
<b>TOTAL</b>		<b>\$733,152</b>	<b>\$967,959</b>	<b>\$234,797</b>

As the table indicates, overall the proposed methodology results in increasing the Joint Administrative costs allocation for LPFD by approximately \$235,000. Approximately 65% of that increase in cost is related to Human Resources support. There are two areas in where there is a proposed decrease in service related costs and those are IT and Facilities Maintenance services.

Overall, the proposed methodologies for the different service areas differ primarily from the current methodology in that they are based upon tangible metrics. The utilization of tangible metrics ensures that City staff are able to update those metrics on an annual basis to reflect updated support, as well as enables the Cities to document the levels of support to LPFD. These support metrics were reviewed with City staff from each of the Cities to ensure that the resulting support percentage was still reflective of overall staff effort and time spent in relation to LPFD. The goal of the proposed methodology was to utilize metrics that fairly and equitably distributed support to LPFD relative to other City departments.

## 4. Updates and Recommendations

The focus of this analysis was to evaluate the existing methodology for Joint Administrative Costs for LPFD as well as to propose a revised methodology. The revised methodology would not only incorporate the updated support to LPFD from the member agencies (Livermore and Pleasanton), but it would also be set up in a manner to allow for annual updates to account for any changes in services or service levels. The following subsections discuss options and recommendations for the cities going forward as it relates to Joint Administrative cost calculations.

### 1 JOINT ADMINISTRATIVE COSTS MODEL

The scope of this project included development of a model, which the Cities would be able to update on an annual basis with updated expenditure information, metrics, and any cost exclusions as service levels change within each city. The project team has put together a model, which can be updated by each City individually to calculate the total indirect cost associated with the different administrative support services provided by the two agencies (Livermore and Pleasanton).

Livermore and Pleasanton should utilize this model to annually calculate the administrative costs for LPFD. This annual update should incorporate the following factors:

- **Review of existing functions and services:** The model incorporates existing services and functions provided by both agencies, but this should be reviewed on an annual basis to ensure that any new services are added, as well as removal of any services that are now being provided in-house by LPFD.
- **Updating Expenditures and Revenue Information:** The annual expenses associated with the services being provided should be annually updated. Additionally, any revenue offsets should be accounted for in the cost adjustments in the model.
- **Evaluation of allocation metrics and support percentages:** For each functional area of support to LPFD, the metrics should be updated to ensure that the most up-to-date support percentages are reflected for LPFD.
- **Determination of support split between different services:** The model includes assumptions regarding allocation of staff support between different functional areas and each of the Cities should review those support percentages annually and ensure that they are reflective of staff support.

As the previous points indicate, the Joint Administrative Costs Model provides both cities with great flexibility and ensures that as there are any changes to service levels, or the types of services involved, those are updated and reflected in an updated Joint Administrative Costs calculation for LPFD.

## 2 CITYWIDE COST ALLOCATION PLAN

In lieu of the Joint Administrative Costs Allocation Model, it is the project team's recommendation that ultimately both agencies utilize a Full Cost Allocation Plan to calculate the administrative costs apportioned to LPFD.

The primary purpose of a Full Cost Allocation Plan is to fairly and equitably distribute the indirect support services costs (i.e. City Manager, Human Resources, Finance, Fleet Services, etc.) to other Funds and Departments within an Agency. Many of the support services included in this Joint Administrative Costs are services that would typically be included within a Citywide Cost Allocation Plan.

The Citywide Cost Allocation Plan is typically developed in accordance with Generally Accepted Accounting Principles (GAAP) and Office of Management and Budget (OMB) Guidelines. It is a standardized document utilizing a standardized methodology.

The benefits of utilizing a Cost Allocation Plan, is that it incorporates indirect support from providers of service to other providers of service (through the double step down allocation method) and it shows on a service-by-service basis the total indirect cost associated with a Fund or Department. Therefore, if there are certain services for which the City does not want to recover support, such as City Council or City Manager, the plan does allow for the Cities to see the total support allocated to the fund and reduce that total allocation by City Manager and / or City Council.

The City of Livermore already has a Citywide Full Cost Allocation Plan that it utilizes to calculate the indirect costs associated with other City funds and services. The basis of the allocation metrics and services used in this analysis had already been developed through the City's established Cost Allocation Plan. The following table shows a sample of the summary from the Citywide Cost Allocation Plan:

NAME	LPFD TOTAL ALLOCATION
BUILDING AND EQUIPMENT USE	\$10,026
CITY COUNCIL	38,107
CITY MANAGER ADMIN	\$247,171
CITY ATTORNEY ADMIN	\$27,382
CITY CLERK	\$27,081
GENERAL ACCOUNTING	\$145,212
PAYROLL SERVICES	\$119,496
PURCHASING	\$67,398
HUMAN RESOURCES	\$59,079

NAME	LPFD TOTAL ALLOCATION
ADMINISTRATIVE SVCS ADMIN	\$112,599
GENERAL SERVICES	\$367,467
LANDSCAPE AREA MAINT	\$14,512
<b>TOTAL FROM COST PLAN</b>	<b>\$1,262,476</b>
<b>JOINT ADMIN COST ELIGIBLE</b>	<b>\$503,783</b>

As the table indicates, LPFD receives approximately \$1.3 million in support from the City of Livermore. However, some of those support services are not considered as part of the joint administrative costs. The rows that have been highlighted are those same support services which would be allocated through the Joint Administrative Costs Model. However, as can be noticed, the values in this allocation are significantly higher (approximately \$142,000 difference), as the Cost Allocation model considers through the double step-down methodology indirect costs associated with General Accounting, Payroll Services, Purchasing, and Administrative Services Admin at a more accurate proportion.

As such, the utilization of the results from the Cost Allocation Plan, are much more accurate and reflective of the services and costs associated with LPFD. Therefore, it is the project team's recommendation that the City of Pleasanton should also develop a Full Cost Allocation Plan. Therefore, both Livermore and Pleasanton will be able to utilize a standardized methodology that is nationally recognized and accepted to calculate the true indirect costs associated with LPFD.

**RESOLUTION NO. LPFD 2019-**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LIVERMORE-  
PLEASANTON FIRE DEPARTMENT JOINT POWERS AUTHORITY  
AUTHORIZING THE CITY MANAGERS TO SIGN THE MEMORANDUM OF  
UNDERSTANDING BETWEEN THE CITY OF LIVERMORE AND THE CITY OF  
PLEASANTON RELATED TO ADMINISTRATIVE SERVICES PROVIDED TO  
THE LIVERMORE-PLEASANTON FIRE DEPARTMENT JOINT POWERS  
AUTHORITY**

**WHEREAS**, the cities of Livermore and Pleasanton formed a Joint Powers Authority to provide fire protection services; and

**WHEREAS**, the Livermore-Pleasanton Fire Department Joint Powers Authority Board approved the Amended and Restated Livermore-Pleasanton Fire Department Joint Powers Authority Agreement dated February 12, 2018; and

**WHEREAS**, Section 6.E of the Amended and Restated Livermore-Pleasanton Fire Department Joint Powers Authority Agreement allows the cities of Livermore and Pleasanton to provide Administrative Services to the LPFD JPA; and

**WHEREAS**, Attachment C of the Amended and Restated Livermore-Pleasanton Fire Department Joint Powers Authority Agreement provides the specifics of the Administrative Services provided to the LPFD JPA by the cities of Livermore and Pleasanton.

**NOW, THEREFORE, BE IT RESOLVED THAT THE LIVERMORE-  
PLEASANTON FIRE DEPARTMENT JOINT POWERS AUTHORITY BOARD DOES  
DECLARE, DETERMINE, AND ORDER THE FOLLOWING:**

**Section 1:** Authorizes the City Managers to sign the Memorandum of Understanding Between the City of Livermore and the City of Pleasanton related to Administrative Services provided by the cities of Livermore and Pleasanton to the Livermore-Pleasanton Fire Department Joint Powers Authority.

**Section 2:** This resolution shall become effective immediately upon its passage and adoption.

**PASSED, APPROVED AND ADOPTED** by the Board of Directors of the Livermore-Pleasanton Fire Department Joint Powers Authority at a meeting held on May 16, 2019.

I, Karen Diaz, Secretary of the Livermore-Pleasanton Fire Department Joint Powers Authority, certify that the foregoing resolution was adopted by the Board of Directors at a meeting held on the \_\_\_\_\_ day of \_\_\_\_\_ 2019, by the following vote:

Ayes:

Noes:

Absent:

Abstain:

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Karen Diaz, Secretary

APPROVED AS TO FORM:

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Daniel G. Sodergren, Legal Counsel

**RESOLUTION NO. LPFD 2019-**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LIVERMORE-  
PLEASANTON FIRE DEPARTMENT JOINT POWERS AUTHORITY  
APPROVING THE APPOINTMENTS OF THE ADMINISTRATIVE  
ASSIGNMENTS PROVIDED TO THE LIVERMORE-PLEASANTON FIRE  
DEPARTMENT JOINT POWERS AUTHORITY IN ACCORDANCE WITH THE  
MEMORANDIUM OF UNDERSTANDING BETWEEN THE CITY OF  
LIVERMORE AND THE CITY OF PLEASANTON RELATED TO  
ADMINISTRATIVE SUPPORT**

**WHEREAS**, the cities of Livermore and Pleasanton formed a Joint Powers Authority to provide fire protection services; and

**WHEREAS**, the Livermore-Pleasanton Fire Department Joint Powers Authority (LPFD JPA) Board approved the Amended and Restated Livermore-Pleasanton Fire Department Joint Powers Authority Agreement dated February 12, 2018; and

**WHEREAS**, Attachment C of the Amended and Restated Livermore-Pleasanton Fire Department Joint Powers Authority Agreement provides the specifics of the Administrative Services provided to the LPFD JPA by the cities of Livermore and Pleasanton; and

**WHEREAS**, Sections 5.C, 6.F, 6.G of the Amended and Restated Livermore-Pleasanton Fire Department Joint Powers Authority Agreement requires the LPFD JPA Executive Directors to designate the General Counsel, Secretary and Treasurer to provide Administrative Services to the LPFD JPA.

**NOW, THEREFORE, BE IT RESOLVED THAT THE LIVERMORE-  
PLEASANTON FIRE DEPARTMENT JOINT POWERS AUTHORITY BOARD DOES  
DECLARE, DETERMINE, AND ORDER THE FOLLOWING:**

**Section 1:** The Legal Administrative Support will be provided by the City of Pleasanton and the City of Pleasanton General Counsel is appointed the LPFD JPA General Counsel.

**Section 2:** The Secretary Administrative Support will be provided by the City of Pleasanton and the City of Pleasanton City Clerk is appointed the LPFD JPA Secretary.

**Section 3:** The Finance/Budget Administrative Support will be provided by the City of Livermore and the City of Livermore Finance Director is appointed the LPFD JPA Treasurer.

**Section 4:** This resolution shall become effective immediately upon its passage and adoption.

**PASSED, APPROVED AND ADOPTED** by the Board of Directors of the Livermore-Pleasanton Fire Department Joint Powers Authority at a meeting held on May 16, 2019.

I, Karen Diaz, Secretary of the Livermore-Pleasanton Fire Department Joint Powers Authority, certify that the foregoing resolution was adopted by the Board of Directors at a meeting held on the \_\_\_\_\_ day of \_\_\_\_\_ 2019, by the following vote:

Ayes:

Noes:

Absent:

Abstain:

\_\_\_\_\_  
Karen Diaz, Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
Daniel G. Sodergren, Legal Counsel

**RESOLUTION NO. LPFD 2019-**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LIVERMORE-  
PLEASANTON FIRE DEPARTMENT JOINT POWERS AUTHORITY  
RECEIVING THE LIVERMORE-PLEASANTON FIRE DEPARTMENT JOINT  
POWERS AUTHORITY ADMINISTRATIVE SERVICES COST ALLOCATION  
AND AUTHORIZING STAFF TO APPLY THE PROPOSED METHODOLOGY  
AND COSTING WHERE APPROPRIATE**

**WHEREAS**, the cities of Livermore and Pleasanton formed a Joint Powers Authority to provide fire protection services; and

**WHEREAS**, the Livermore-Pleasanton Fire Department Joint Powers Authority Board approved the Amended and Restated Livermore-Pleasanton Fire Department Joint Powers Authority Agreement dated February 12, 2018; and

**WHEREAS**, Section 6.E of the Amended and Restated Livermore-Pleasanton Fire Department Joint Powers Authority Agreement allows the cities of Livermore and Pleasanton to provide Administrative Services to the LPFD JPA and include these services in the Cost Allocation Plan.

**NOW, THEREFORE, BE IT RESOLVED THAT THE LIVERMORE-  
PLEASANTON FIRE DEPARTMENT JOINT POWERS AUTHORITY BOARD DOES  
DECLARE, DETERMINE, AND ORDER THE FOLLOWING:**

**Section 1:** Receive the Livermore-Pleasanton Fire Department Joint Powers Authority Administrative Services Cost Allocation report.

**Section 2:** Authorize staff to apply the proposed methodology and costing where appropriate.

**Section 3:** This resolution shall become effective immediately upon its passage and adoption.

**PASSED, APPROVED AND ADOPTED** by the Board of Directors of the Livermore-Pleasanton Fire Department Joint Powers Authority at a meeting held on May 16, 2019.

I, Karen Diaz, Secretary of the Livermore-Pleasanton Fire Department Joint Powers Authority, certify that the foregoing resolution was adopted by the Board of Directors at a meeting held on the 16<sup>th</sup> day of May 2019, by the following vote:

Ayes:

Noes:

Absent:

Abstain:

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Karen Diaz, Secretary

APPROVED AS TO FORM:

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Daniel G. Sodergren, Legal Counsel



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**DATE:** May 16, 2019

**TO:** Honorable JPA Board Members

**FROM:** Joint Executive Directors  
Fire Chief

**SUBJECT: ADOPT A RESOLUTION APPROVING THE PROPOSED YEAR-END ADJUSTMENTS TO FISCAL YEAR 2018/19 AND THE TWO-YEAR OPERATING BUDGET FOR FISCAL YEARS 2019/20 AND 2020/21 AND FORWARD A RECOMMENDATION TO THE PARTNER CITY COUNCILS TO APPROVE THIS TWO-YEAR BUDGET**

### **SUMMARY**

Staff is presenting for the Board's consideration the proposed year-end adjustments to FY 2018/19 and the two-year operating budget for the Livermore-Pleasanton Fire Department Joint Powers Authority for Fiscal Years 2019/20 and 2020/21. All JPA shared costs related to personnel, maintenance, materials, goods, services and asset management are included in the Operating Budget.

### **RECOMMENDATION**

Staff recommends the Board adopt a resolution approving this report, and forward a recommendation to the partner City Councils, to approve the two-year LPFD JPA Operating Budget for Fiscal Years 2019/20 and 2020/21.

## **FISCAL STATEMENT**

Fiscal Year 2018/19: There is no change to the overall budget in the proposed year-end adjustments to the Fiscal Year 2018/19. Staff is recognizing where actual spending has occurred and allocating funds accordingly. The most notable adjustment is the addition in the Service & Supplies of account 43135 Cost of Service – Overhead. This recognizes the costs of administrative support the partner cities provide the LPFD JPA through the Internal Support Services budget.

Fiscal Year 2019/20: The proposed LPFD JPA Operating Budget for Fiscal Year 2019/20 is an increase of \$4,455,576 over the proposed year-end budget for the current Fiscal Year 2018/19 of \$37,881,693, bringing the total budget to \$42,337,269, an increase of 11.7%. Most of the increase is due to pay increases per the new Memorandum of Understanding signed with the Firefighters Union (\$1,534,083), increases in reimbursable overtime due to increased Strike Team hours (\$251,809), net changes in Retirement Benefits (\$1,586,917), and the initial funding of the Equipment Replacement Reserve (\$831,808).

Fiscal Year 2020/21: The proposed LPFD JPA Operating Budget for Fiscal Year 2020/21 is an increase of \$2,004,577 over the proposed budget for the Fiscal Year 2019/20 of \$42,337,269, bringing the total budget to \$44,341,846 an increase of 4.7%.

There are two items with particular impact on the budget:

- VA Hospital Livermore: The LPFD JPA supplies fire protection services to the VA Hospital in Livermore through a contract between the VA and the City of Livermore. The VA recently requested a modification to the agreement, requiring the initial responding unit to be staffed by four (4) fire personnel (the LPFD employs a 3.0 staffing model). The VA will be paying the fully loaded cost for the three (3) additional FTE required to meet this requirement (1 additional FTE per shift), for a total reimbursement of \$2,379,102 over the 4-year term of the contract. The addition of the 3 FTE is reflected in the Personnel Services and Supplemental Personnel Services cost as well as the Department Position Detail.
- Equipment Replacement Reserve: Some of the equipment used by the LPFD JPA is of high dollar value and requires replacement either irregularly (through breakage or wear-and-tear) or via a mandated replacement schedule (i.e. the Self-Contained Breathing Apparatus, or SCBA, must be replaced before the date of its 3<sup>rd</sup> electrostatic test, or before the 15<sup>th</sup> year of service). To better prepare for these expenses, an Equipment Replacement Reserve has been implemented to set-aside funds expressly for this equipment replacement. The initial funding years of FY 19/20 and FY 20/21 is budgeted for \$831,808 and \$750,000 respectively to fund two mandated high-value purchases required in these years – the FAA

mandated radio replacement in FY 19/20 and the FY 20/21 SCBA replacement. Thereafter the annual set-aside is \$250K (\$125K per partner city).

**Total LPFD JPA Joint Budget**

	FY 2018-19 Adopted May 12, 2017	FY 2018-19 Year-End Proposed	FY 2019-20 Proposed	FY 2020-21 Proposed
PERSONNEL SERVICES	21,387,464	21,497,407	23,453,183	24,532,298
SUPPLEMENTAL PERSONNEL SERVICES	14,536,914	13,688,073	15,274,990	16,170,851
SERVICES & SUPPLIES	1,957,315	2,696,213	2,777,288	2,888,697
TRANSFER OUT TO REPLACEMENT RESERVE	-	-	831,808	750,000
<b>TOTAL EXPENDITURES</b>	<b>37,881,693</b>	<b>37,881,693</b>	<b>42,337,269</b>	<b>44,341,846</b>

In summary, there is no total change in the proposed year-end for FY 2018/19. Cost increases are found in Personnel Services (i.e., payroll) with \$1,955,776 for FY 2019/20 and \$1,079,115 for FY 2020/21 and Supplemental Personnel Services (i.e., benefits) with \$1,586,917 for FY 2019/20 and \$895,861 for FY 2020/21. The vast majority of the Services and Supplies increase of \$738,898 in the proposed year-end adjustment for FY 2018/19 is the recognition of the Cost of Service – Overhead for the administrative services provided to the LPFD JPA (\$733,160). Additionally, the initial funding of the Equipment Replacement Reserve Fund in the Fiscal Years 2019/20 (\$831,808) and 2020/21 (\$750,000) increases the overall budget.

- Personnel Services: Increases are mostly due to:
  - o Increases in pay rates per new MOU
    - \$2,019,810 over the two years
  - o Increases in Overtime due to Strike Teams
    - \$779,809 over the two years with corresponding reimbursement revenues
  
- Supplemental Personnel Services: Increases are due to:
  - o Increases in CalPERS rates in various retirement tiers
    - \$2,482,778 over the two years
  
- Services & Supplies: Increases are mostly due to:
  - o Recognition of the Cost of Service – Overhead
    - \$192,484 over first year of recognition (FY 2018/19)
  
- Transfer Out to Replacement Reserve:
  - o Funding of the Equipment Replacement Reserve Fund
    - \$831,808 in FY 2019/20 and \$750,000 in FY 2020/21

**BACKGROUND**

On May 12, 2017, the JPA Board approved the Two-Year Operating Budget for the LPFD for the Fiscal Years 2017/18 & 2018/19. Staff is presenting the year-end adjustment for the current fiscal year and the two-year operating budget for the next two fiscal years for the Board’s consideration in accordance with the Joint Powers Authority governing document.

**DISCUSSION**

The proposed year-end adjustment for FY 2018/19 does not affect the net total for the year while the two-year budget forecasts increases of 11.7% in FY 2019/20 and 4.7% for FY 2020/21 with the majority of these increases identified as non-discretionary spending due to increases in payroll and benefits. Staff continues to explore all options to reduce costs and increase cost recovery.

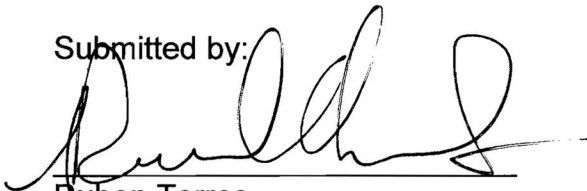
**CONCLUSION**

Staff recommends the Board adopt a resolution approving this report and forward a recommendation to the partner City Councils to approve the year-end adjustment for Fiscal Year 2018/19 and the two-year budgets for Fiscal Year 2019/20 and Fiscal Year 2020/21.

**ATTACHMENTS**

Attachment 1: Livermore-Pleasanton Fire Department Joint Powers Authority Operating Budget FY 2019/20 – FY 2020/21

Submitted by:



Ruben Torres  
Fire Chief  
Livermore-Pleasanton Fire Department Joint Powers Authority

Approved by:



Marc Roberts  
Executive Director, LPFD JPA

Approved by:



Nelson Fialho  
Executive Director, LPFD JPA

**Livermore-Pleasanton Fire Department  
Joint Powers Authority**

**Operating Budget  
FY 2019/2020– FY 2020/2021**



Mission Statement: The mission of the Livermore-Pleasanton Fire Department is to provide exceptional public safety services that enhance the quality of life in our communities by protecting life, property and the environment.

**Joint Powers Authority  
Governing Board**

**City of Pleasanton**

Jerry Thorne, Mayor  
Kathy Narum, Council Member  
Nelson Fialho, City Manager

**City of Livermore**

John Marchand, Mayor  
Bob Woerner, Council Member  
Marc Roberts, City Manager

**Livermore-Pleasanton Fire Department**

Ruben Torres, Fire Chief





May 16, 2019

Mr. Nelson Fialho  
City Manager  
City of Pleasanton

Mr. Marc Roberts  
City Manager  
City of Livermore

Dear Joint Executive Directors;

As required by the Joint Powers Agreement and on behalf of the men and women of the Livermore-Pleasanton Fire Department, I present the proposed year-end adjustment for FY 2018/19 and the proposed FY2019/2020 and FY2020/2021 Livermore-Pleasanton Fire Department's Budget. This document represents the culmination of over 20 years of cooperation and effort by the Cities of Pleasanton and Livermore Finance Departments and the Livermore Pleasanton Fire Department.

The FY 2019/2020 and FY 2020/2021 budget includes Internal Support Services provided to the Fire Department by both cities and is divided appropriately. The budget also captures both revenues and expenses, in an attempt to identify the full cost of fire and life safety services for both cities. This budget document continues to endeavor to capture Equipment Replacement liabilities, cost projections and budget allocations.

Items of particular importance related to the two-year budget are:

- The savings being experienced in the department's insurance costs: The Amended and Restated JPA Agreement signed in February 2018 allows the LPFD to acquire its' own insurance. After reviewing submitted insurance proposals, the LPFD entered the California Joint Powers Risk Management Authority insurance pool for general liability, reducing the overall LPFD insurance costs by approximately \$150,000.
- Strike Team Overtime Hours: Strike Team overtime hours continue to rise for the department. Strike Team overtime hours for FY 16/17 was 4,015, FY 17/18 saw a rise to 7,990, almost double, and FY 2018/19 saw another increase to 12,800 hours. While these costs are reimbursed by both the State and Federal governments, the dramatic increase in these hours can have an effect in the overall effectiveness of the operations of the department and warrants attention.

- The Contract between the City of Livermore and the VA Hospital in Livermore: The LPFD JPA supplies fire protection services to the VA Hospital in Livermore through a contract between the VA and the City of Livermore. The VA recently requested a modification to the agreement, requiring the initial responding unit to be staffed by four (4) fire personnel (the LPFD employs a 3.0 staffing model). The VA will be paying the fully loaded cost for the three (3) additional FTE required to meet this requirement (1 additional FTE per shift), for a total reimbursement of \$2,379,102 over the 4-year term of the contract. The addition of the 3 FTE is reflected in the Personnel Services and Supplemental Personnel Services cost as well as the Department Position Detail.
- Equipment Replacement Reserve: Some of the equipment used by the LPFD JPA is of high dollar value and requires replacement either irregularly (through breakage or wear-and-tear) or via a mandated replacement schedule (i.e. the Self-Contained Breathing Apparatus, or SCBA, must be replaced before the date of its' 3<sup>rd</sup> electrostatic test, or before the 15<sup>th</sup> year of service). To better prepare for these expenses, an Equipment Replacement Reserve has been implemented to set-aside funds expressly for this equipment replacement. The initial funding years of FY 19/20 and FY 20/21 is budgeted for \$831,808 and \$750,000 respectively to fund two mandated high-value purchases required in these years – the FAA mandated radio replacement in FY 19/20 and the FY 20/21 SCBA replacement. Thereafter the annual set-aside is \$250K (\$125K per partner city).

## Conclusion

The fire department is committed to assist both cities to meet the continuing fiscal challenges. There continues to be tremendous value in the Cities of Pleasanton and Livermore partnership. This is proven daily by the sharing of emergency resources, providing coverage in both cities, and decreased labor costs in overhead and operations. We are committed to evaluate all ways in which economies of scale and shared resources can fiscally and operationally benefit both partner communities.

The Livermore-Pleasanton Fire Department appreciates the support of the leadership teams in both cities, and recognizes the tremendous work that is done daily to care for our personnel, facilities, fleet, finances, and all other services we receive.

Sincerely,

*Ruben Torres*

Ruben Torres  
Fire Chief

# Livermore-Pleasanton Fire Department Joint Powers Authority

## Operating Budget FY 2019/2020 – FY 2020/2021



***Mission:*** The mission of the Livermore-Pleasanton Fire Department is to provide exceptional public safety services that enhance the quality of life in our communities by protecting life, property and the environment.

**Vision: The Livermore-Pleasanton Fire Department will be a leader in all-risk emergency services, adapting to the evolving needs of our communities through innovation, professionalism, training and teamwork.**

### **City of Livermore**

The City of Livermore is a community of 90,295 encompassing 26.44 square miles and is the easternmost city in the San Francisco Bay Area; the gateway to the Central Valley. Protection by the coastal range provides the Livermore Valley with a mild climate that enhances the pursuit of a more relaxed, less congested lifestyle.

As home to renowned science and technology centers, Lawrence Livermore National Laboratory and Sandia National Laboratory, Livermore is a technological hub and an academically engaged community. It has become an integral part of the Bay Area, successfully competing in the global market powered by its wealth of research, technology and innovation.

Livermore's arts, culture, western heritage, and vibrant wine industry provide a unique blend to this special community. Historic Downtown Livermore is enjoying a renaissance reestablishing the downtown as the city's preeminent shopping, dining, entertainment, and cultural district with a 13-screen cinema and a 500-seat performing arts center. With the addition of the San Francisco Premium Outlets, several residential projects, art/live workspaces, and a pedestrian-oriented environment, the City is establishing an active urban living experience in the Valley.

### **City of Pleasanton**

The City of Pleasanton is a community of 83,007 situated in the Tri-Valley Region of the Bay Area in Northern California. Pleasanton is a family-oriented community and prides themselves on their numerous parks, recreation facilities and programs. Pleasanton is also home to thriving business parks and the regional Stoneridge Mall. The Pleasanton Unified School District has been named a National District of Character and 12 out of its 14 schools have received the California Distinguished School designation. Together, the City and School District are committed to building a Community of Character.

Pleasanton's Downtown is the heart of the community -- the setting for festivals, street parties, parades, weekly summer concerts, Saturday farmer's market, and other special events. Downtown also offers some of the finest dining and shopping in the Tri-Valley. Pleasanton is also home to the Alameda County Fairgrounds which hosts statewide and regional events, as well as the annual Alameda County Fair.

### **The Livermore-Pleasanton Fire Department Joint Powers Authority**

The Livermore-Pleasanton Fire Department Joint Powers Authority (LPFD) provides seamless Fire and Life Safety protection to the cities of Livermore, Pleasanton, and several square miles of unincorporated area adjacent to both cities. These areas include Happy Valley, Castlewood (the Pleasanton Ridge) and the Veterans Administration Hospital Livermore. The department consists of 124 dedicated personnel, delivering fire and emergency medical services, specialized rescue,

hazardous materials mitigation, development and code enforcement services and public education from 10 neighborhood fire stations and fire headquarters.

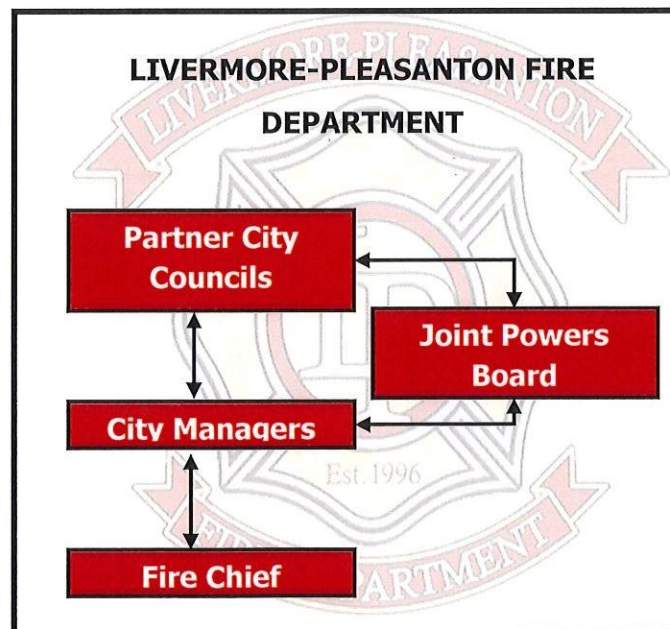
Over the past nine years, significant integration between the LPPFD and Alameda County Fire Department emergency resources has improved services throughout the valley, and increased system reliability for both agencies. Through unified communications (ACRECC) and redefined response area, the departments have reduced duplication of service, increased command depth, and are moving toward seamless emergency operations. We continue to monitor the equity of shared resources to ensure these system enhancements equally benefit both agencies.

## ADMINISTRATION AND BUDGET

### Organization Plan

The LPPFD uses a joint powers authority (JPA) model with essential support services such as Finance and Human Resources provided by the Cities of Livermore and Pleasanton respectively.

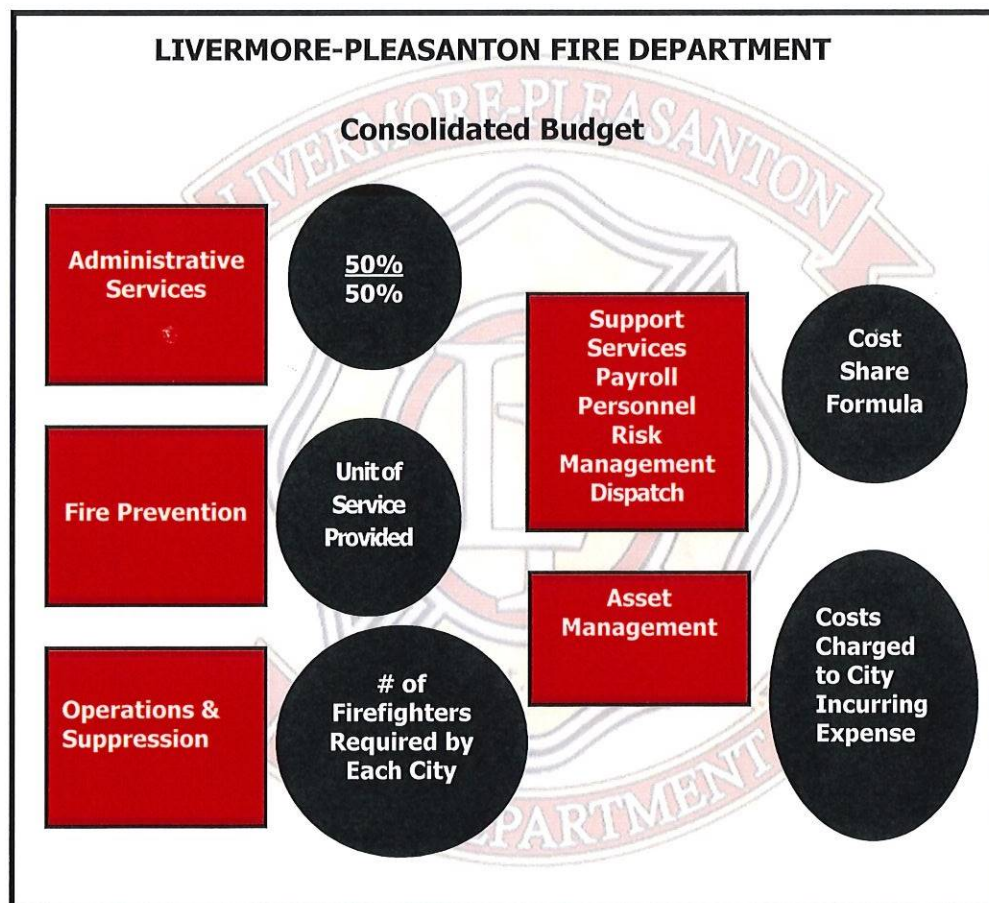
Under this model, the LPPFD JPA organization plan includes the JPA Board of Directors, the partner City Councils and both City Managers, who perform the duties of the Joint Executive Directors for the JPA. Along with the Fire Chief, these parties are responsible to provide all Fire Protection Services to the partner communities of Livermore and Pleasanton.



## Consolidated Budget

At the time of consolidation in 1996, a cost sharing plan was developed to allow each partner city to pay its share of the joint operating expenses of the LPFD. This plan apportions overall headquarters and administrative expenses by different formulas on a program by program basis. By structuring the formulas according to program, each city is able to maximize its cost benefit, as well as better match service levels with the evolving needs of their own community.

Administrative costs are shared by each city and cost share formulas are used for support services such as payroll, personnel, risk management, and dispatch. Fire Prevention expenses are shared based on units of service provided (the number of new construction and tenant improvement permits issued per city, per calendar year). Fire Operations and Suppression expenses are shared between the partner cities based on the number of firefighters each city requires. Self-determining the number of firefighters in this way, is an example of how each community is able to maintain local control and effectively meets its own independent service level requirements. Each city also individually maintains and purchases its own fire stations and fire apparatus.



## Highlights for FY 2018/19 budget

There was no mid-year adjustment to the FY2018/19 budget and the proposed year-end adjustments result in a net zero effect on the overall budget. The following factors are key contributors to the year-end adjustments:

### 1. Personnel and Supplemental Personnel Services

LPFD is frequently called upon by the State and Federal governments to assist in regional incidents. Participation results in overtime costs which are then reimbursed to LPFD. When the budget was updated in February 2016, it was anticipated that LPFD would experience \$250,000 of reimbursable overtime costs. To date, LPFD has actually participated in roughly \$800,000 of reimbursable Strike Team activities. The additional \$550,000 of Personnel Services costs will be offset with the reimbursed revenue, however, the total paid Overtime may be in excess of the budgeted \$5.1 million.

### 2. Services & Supplies

The partner cities provide administrative support to the LPFD JPA. The costs of these services, captured in the Internal Support Services budget, is now being recognized in the Cost of Services – Overhead account. The recognition of this cost increased the year-end Services & Supplies budget by \$733,160.

## Highlights for proposed FY 2019/20 and FY 2019/20 budget

The proposed FY 2019/20 budget reflects an overall \$4,455,576 change from the proposed year-end FY 2018/19 budget.

- Year-End Proposed FY 2018/2019 \$37,881,693
- Proposed FY 2019/2020 \$42,337,269

Key factors contributing to the budget increases are due to the following:

### Personnel and Supplemental Personnel Services \$3,542,693

Adjustments have been made for negotiated MOU increases, as well as increased contributions to the Retirement and OPEB funds.

- Salary: \$1,534,083 (Negotiated MOU increase plus the additional 3.0 FTE Firefighter positions funded by the VA Hospital Livermore contract)
- Overtime: \$251,809 (Increase in estimated Strike Team hours – reimbursable if hours are expended)
- Retirement Benefits: \$1,586,917 (CalPERS increase plus the additional 3.0 FTE Firefighter positions funded by the VA Hospital Livermore contract)

Additionally, the initial funding of the Equipment Replacement Reserve increases the budget \$831,808.

**Key Budget Actions to Proposed FY 2020/21**

The FY 2020/21 proposed budget reflects an overall increase of \$2,004,577 from the FY 2019/20 proposed budget.

- Proposed FY 2019/2020                      \$42,337,269
- Proposed FY 2018/2019                      \$44,341,846

The majority of the increase in the proposed FY 2020/21 budget is due to increases in payroll (\$485,727), overtime (\$528,000) and Retirement Benefits (\$895,861). The second year of funding for the Equipment Replacement Reserve is budgeted for \$750,000.

## 2018 Department Accomplishments

- Received and placed into service two Tractor Drawn Aerial vehicles.
- Completed the Fire Station 4 roofline project.
- Successfully negotiated a new five-year fire protection agreement with the Veteran's Administration Hospital Livermore resulting in more than \$960,000 in annual revenue, which is shared equally by the partner cities. Additionally, the VA recently requested a modification to the agreement to require a 4<sup>th</sup> Firefighter to the initial responding company and agreed to pay for this additional staffing level. The 4<sup>th</sup> Firefighter requirement is an increase of 3 FTE to the City of Livermore and the modification will bring in an additional \$2,379,102 over the 4-year term of the contract to reimburse the City of Livermore for the cost of these FTE.
- Zero Fire Fatalities.



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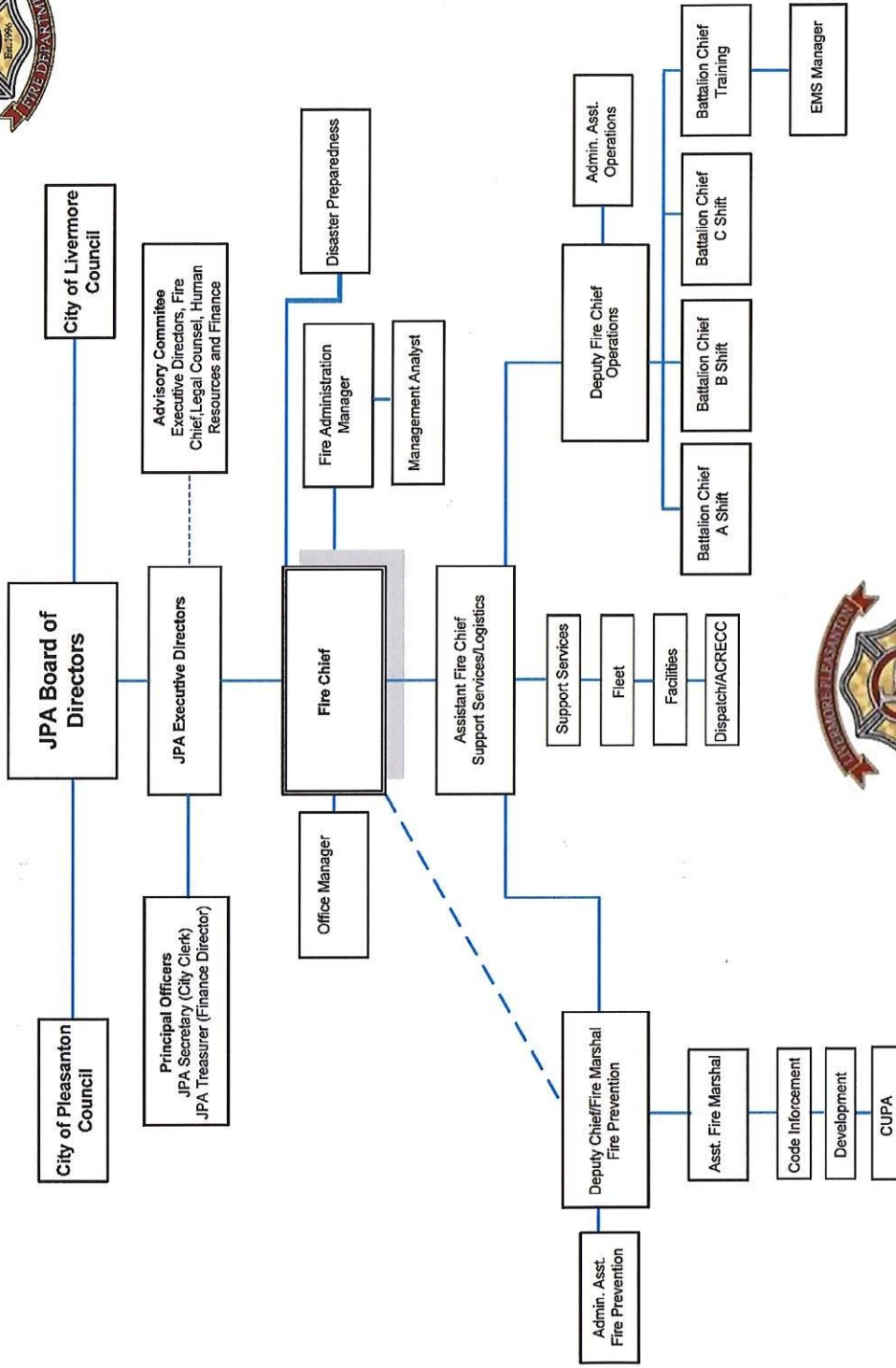
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## Department Position Detail

DIVISION	FISCAL YEAR					
	2016/17 Actual	2017/18 Actual	2018/19 Budgeted	2018/19 Actual	2019/20 Projected	2020/21 Projected
<b>Administration</b>						
Fire Chief	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Fire Chief	1.00	1.00	1.00	1.00	1.00	1.00
Deputy Fire Chief	1.00	1.00	1.00	1.00	1.00	1.00
Battalion Chief	4.00	4.00	4.00	4.00	4.00	4.00
EMS Manager	1.00	1.00	1.00	1.00	1.00	1.00
Emergency Prep Coord	1.00	1.00	1.00	1.00	1.00	1.00
Administration Manager	1.00	1.00	1.00	1.00	1.00	1.00
Management Analyst - Finance	0.00	0.00	0.00	0.00	0.00	0.00
Management Analyst - IT	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00	1.00
Office Assistant	1.00	1.00	1.00	1.00	1.00	1.00
Training Coordinator - Part-Time	0.50	0.50	0.50	0.50	0.50	0.50
<b>TOTAL</b>	13.50	13.50	13.50	13.50	13.50	13.50
<b>Emergency Operations</b>						
Fire Captain	30.00	30.00	30.00	30.00	30.00	30.00
Fire Engineer	30.00	30.00	30.00	30.00	30.00	30.00
Firefighter/Paramedic	30.00	30.00	30.00	30.00	30.00	30.00
Firefighter <sup>1</sup>	9.00	9.00	9.00	9.00	12.00	12.00
<b>TOTAL</b>	99.00	99.00	99.00	99.00	102.00	102.00
<b>Fire Prevention</b>						
Fire Marshal	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Fire Marshal	1.00	1.00	1.00	1.00	1.00	1.00
Fire/HazMat Inspectors	5.00	5.00	5.00	5.00	5.00	5.00
Office Asst	2.00	2.00	2.00	2.00	2.00	2.00
<b>TOTAL</b>	9.00	9.00	9.00	9.00	9.00	9.00
<b>GRAND TOTAL</b>	121.50	121.50	121.50	121.50	124.50	124.50

<sup>1</sup> Firefighter increase to 12 FTE in FY 2019/20 and FY 2020/21 is the 4th Firefighter (3 FTE - 1 per shift) per the VA Hospital contract.



2/17/16

## Budget Summary

### JPA Shared Revenues Fiscal Years 2018-2021

Fund	Account & Description	FY 2017-18 Actual	FY 2018-19 Adopted Budget	FY 2018-19 Year-End Proposed	FY 2019-20 Projected	FY 2020-21 Projected
<b>911</b>	<b>30000 Revenue</b>	<b>36,719,090</b>	<b>37,881,693</b>	<b>37,881,693</b>	<b>42,337,269</b>	<b>44,341,846</b>
	39906 Licenses & Permits	1,235	-	-		
	31480 HazMat Permits	1,235	-	-		
<b>911</b>	<b>39909 Intergovernmental Revenue</b>	<b>8,854</b>	<b>25,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
	34620 State Grants - HHS	5,904	25,000	-		
911	34820 Emergency Services	2,950	-	-	-	-
<b>911</b>	<b>39911 Charges for Current Services</b>	<b>2,133,412</b>	<b>1,168,070</b>	<b>1,925,320</b>	<b>1,848,157</b>	<b>1,898,928</b>
911	343602 After Hours Inspections	7,724	2,000	7,200	2,000	2,000
911	34805 Federal Reimbursement for Fire Services	550,451	100,000	550,000	425,000	425,000
911	34810 State Reimbursement for Fire Services	608,153	100,000	400,000	400,000	400,000
911	35200 Sale of Incident Reports	210	100	700	160	160
911	35590 Fire Plan Check and Inspet Fee	940	-	550	550	550
911	36780 Administrative Cost Recovery	3,942	5,000	5,900	5,000	5,000
911	36829 Fire VA Contract Services	961,991	960,970	960,970	1,015,447	1,066,218
<b>911</b>	<b>39912 Other Revenue</b>	<b>34,575,589</b>	<b>36,688,623</b>	<b>35,956,373</b>	<b>40,489,112</b>	<b>42,442,918</b>
911	32420 Miscellaneous Donation	2,873	2,000	2,400	2,000	2,000
911	36860 Miscellaneous Revenue	3,990	-	10,300	5,000	5,000
911	36911 Participation by Others	-	1,500	-	-	-
911	3691026 Partner Contribution - Pleasanton <sup>1</sup>	17,762,103	18,850,852	18,427,123	20,241,056	21,217,959
911	3691027 Partner Contribution - Livermore <sup>1</sup>	16,806,623	17,834,271	17,516,550	20,241,056	21,217,959

<sup>1</sup> The budgeted amounts for the Fiscal Years 2019-20 and 2020-21 are equal as the majority of cost difference in prior years was the result of disproportional operational staffing levels, which is now equal per the new VA contract. Any differences (i.e. impacts of Fire Prevention calculations per formula based on new construction inspections) will be tried-up during the year-end process.

### Livermore Only Fire Revenues (Not Part of JPA Shared Revenues) Fiscal Year 2018-21

Fund	Account & Description	FY 2017-18 Actual	FY 2018-19 Budgeted	FY 2019-20 Projected	FY 2020-21 Projected
<b>001</b>	<b>30000 Revenue</b>	<b>1,727,811</b>	<b>1,305,500</b>	<b>1,662,000</b>	<b>1,697,000</b>
001	31470 Fire Code Permits	225,327	317,750	200,000	200,000
001	31480 Hazmat Permits	461,941	215,250	250,000	250,000
001	34780 EMT Service Area	374,604	366,000	366,000	366,000
001	34820 Emergency Services (FRALS) <sup>1</sup>	239,945	-	-	-
001	36829 Fire VA Contract 4th FF	-	-	542,000	577,000
001	35450 Weed Abatement	5,260	6,500	4,000	4,000
001	35590 Fire Inspection Fees	420,734	400,000	300,000	300,000

<sup>1</sup> The Third Amendment to the FRALS Agreement between Alameda County and the City of Livermore eliminated the subsidy paid for maintaining each FRALS unit.

### Pleasanton Only Fire Revenues (Not Part of JPA Shared Revenues) Fiscal Year 2018-21

Fund	Account & Description	FY 2017-18 Actual	FY 2018-19 Budgeted	FY 2019-20 Projected	FY 2020-21 Projected
<b>120</b>	<b>Revenue</b>	<b>2,440,412</b>	<b>1,688,797</b>	<b>1,547,500</b>	<b>1,547,500</b>
120	321136 Fire Permit Fees	204,786	180,000	180,000	180,000
120	321137 Annual Fire Permit Fee	286,650	251,000	251,000	251,000
120	321133 Other Fire Permits	3,211	3,000	3,000	3,000
120	329212 FEMA/OES Grant-Disaster Aid	283,592	24,000	24,000	24,000
120	331234 State Grant	313,320	138,000	-	-
120	337292 Plan Check Fees	125,900	120,000	120,000	120,000
120	337293 Fire HazMat Permit Fees	486	500	500	500
120	343359 Fire Protection- ALA CO Areas	972,247	963,297	960,000	960,000
120	343352 Misc Charges for Services	6,224	1,000	1,000	1,000
120	343360 Fire Training Tower	-	5,000	5,000	5,000
120	357491 Reimbursements	2,533	2,000	2,000	2,000
120	357492 Emergency Response Cost Rec	1,519	1,000	1,000	1,000
120	357493 1st Responder-ALA CO <sup>1</sup>	239,944	-	-	-

<sup>1</sup> The Third Amendment to the FRALS Agreement between Alameda County and the City of Pleasanton eliminated the subsidy paid for maintaining each FRALS unit.

911 LPFD - ALL PROGRAMS		FY2017-18 Actual	FY2018-19 Adopted May 12, 2017	FY2018-19 Year-End Proposed	FY2019-20 Proposed	FY2020-21 Proposed
<b>40000 Expenditures</b>		<b>36,719,090</b>	<b>37,881,693</b>	<b>37,881,693</b>	<b>42,337,269</b>	<b>44,341,846</b>
<b>42000</b>	<b>Personnel Services</b>	<b>21,379,508</b>	<b>21,387,464</b>	<b>21,497,407</b>	<b>23,453,183</b>	<b>24,532,298</b>
42010	Permanent Employee	13,733,138	14,203,140	14,139,024	15,673,107	16,158,834
42020	Temporary Employee	94,305	90,000	90,000	90,000	90,000
42040	Holiday Pay in Lieu	911,787	947,988	922,735	1,008,804	1,042,548
42050	Overtime	5,696,714	5,105,400	5,391,191	4,818,000	5,346,000
42051	Strike Team OT	-	-	-	525,000	525,000
42052	Strike Team Backfill OT	-	-	-	300,000	300,000
42130	Shift Premium	67,297	95,600	75,100	77,300	80,000
42170	Uniform Allowance	76,667	78,960	88,273	79,908	79,908
42230	Bilingual Pay	1,300	1,296	1,298	1,296	1,296
42302	Paramedic Pay	225,188	258,348	225,881	253,776	262,680
42304	Haz Mat Pay	79,053	98,604	72,078	87,780	90,888
42306	Education Incentive Pay	55,236	55,728	57,356	63,000	63,000
42308	Certification Pay	438,823	452,400	434,471	475,212	492,144
<b>42500</b>	<b>Supplemental Personnel Services</b>	<b>12,607,654</b>	<b>14,536,914</b>	<b>13,688,073</b>	<b>15,274,990</b>	<b>16,170,851</b>
4257006	Misc Plan LPFD T1	121,332	162,792	163,164	195,468	220,728
4257008	Misc Plan LPFD T2	59,717	24,132	80,644	82,596	90,108
4257010	Safety Fire Tier 1	4,717,569	5,791,212	5,037,049	5,934,576	6,561,108
4257011	Safety Fire Tier 2	694,153	773,688	802,390	1,075,752	1,193,676
4257012	Safety Fire Tier PEPRA	699,292	814,080	822,082	1,298,184	1,442,760
4258001	Budget Adjustment Fringe Benefits	88	247,740	-	-	-
4258002	Medical & Health Insurance	2,567,683	2,885,028	2,886,677	2,835,036	2,788,908
4258003	Life, Disability, and Other Insurance	35,823	33,060	33,296	33,060	33,060
4258004	Retiree Health Savings & Deferred Comp	122,892	87,252	134,358	133,992	133,992
4258005	Cafeteria	8,936	-	6,906	-	-
4258006	Payroll WC Contribution	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
4258007	Employer Payroll Taxes	290,994	211,560	262,905	231,600	238,800
425801	Medicare on Supplemental Pays	-	76,720	80,570	72,290	79,980
42588	Leave(s) Cash Out	288,245	199,650	146,862	151,266	156,561
42590	PARS - ER only	930	-	1,170	1,170	1,170
44070	Retiree Health Premiums	1,500,000	1,730,000	1,730,000	1,730,000	1,730,000
<b>43000</b>	<b>Services &amp; Supplies</b>	<b>2,731,928</b>	<b>1,957,315</b>	<b>2,696,213</b>	<b>2,777,288</b>	<b>2,888,697</b>
43010	Utilities Water	17,323	34,000	34,000	20,000	20,000
43020	Utilities Gas Lights	16,562	20,000	20,000	20,000	20,000
430401	Telephone - City Land Lines	67,505	80,000	80,000	90,000	90,000
430402	Telephone - City Cell Phone	39,305	42,000	42,000	42,000	42,000
43050	Printing & Binding	5,382	15,000	15,000	14,000	14,000
43070	Postage & Freight	3,691	1,665	1,665	1,500	1,500
43080	Travel Expense	18,405	13,200	13,200	14,000	14,000
43090	Repairs & Maintenance - Equipment	40,340	22,250	22,250	20,000	22,000
4309040	Repairs & Maintenance - Contract	79,844	91,000	51,000	85,000	85,000
43100	Repairs & Maintenance - Building	133	15,900	15,900	17,000	1,000
43130	Contract Services - Private	349,734	227,000	227,000	282,000	282,000
4313040	Computer Contract Services	108,129	97,000	97,000	99,000	99,000
4313230	Biosolids Disposal	21,497	15,000	15,000	12,000	10,000
43135	Cost of Service - OH	733,160	-	733,160	996,988	1,026,897
4313618	Services - Hosted Training	4,337	18,000	18,000	10,000	10,000
43140	Office Supplies	21,447	20,000	20,000	23,000	23,000
43150	Supplies Other	234,510	135,500	135,500	164,500	164,500
4315002	Personal Protective Supplies	197,524	200,000	200,000	215,500	215,500
4315030	Small Fire Equipment	234,659	136,500	176,500	155,000	155,000
43180	Gasoline & Oil	45	-	-	-	-
43190	Grounds Maintenance	-	13,000	13,000	-	-
43200	Miscellaneous	16,869	2,000	7,738	13,000	13,000
43205	COP - Station Furnishing	-	-	4,790	7,500	7,500
43206	COL - Station Furnishing	-	-	3,320	7,500	7,500
43270	Replacement Reserve	80,000	80,000	80,000	-	-
43280	Training & Education	94,331	127,000	127,000	94,000	139,000
43288	Licenses & Certifications	6,992	8,000	8,000	6,500	6,500
43350	Public Outreach	18,035	32,000	32,000	21,500	21,500
43371	Vehicle Supplies Equipment	1,515	43,000	43,000	40,000	40,000
43450	Recruitment Expense	12,496	33,000	33,000	26,000	50,000
43510	Physical Exams	-	23,000	23,000	18,000	35,000
43530	Contract Services - Government Agency	103,840	61,800	61,800	61,800	61,800
43580	Tuition Reimbursement	8,760	10,000	10,000	10,000	10,000
435801	Fitness Program	8,399	10,000	1,890	-	-
44010	Insurance	156,941	300,000	300,000	160,000	170,000
44030	Liability Contingency	17,500	15,000	15,000	15,000	15,000
44090	Membership & Subscriptions	12,717	15,500	15,500	15,000	16,500
49040	Transfer Out to Replacement Reserve	-	-	-	831,808	750,000

## Cities of Livermore and Pleasanton Internal Support Services

All administrative support functions are provided to the Livermore-Pleasanton Fire Department by the two partner cities. This includes Human Resources, Legal, Finance, Information Technology, Fleet, and Facility Services. These services are given a financial value, and this value is shared by the partner agencies. The LPFD and both partner cities have recently completed a study with regard to the methodology and costing of these services and the updated costing is reflected in the table below.

### Internal Support Services Fiscal Years 2017/18-2018/19

Internal Support Services	FY 17-18 Budget			Adopted May 12, 2017 FY 18-19 Budget		
	LPFD	Net Contribution Per Partner		LPFD	Net Contribution Per Partner	
		COL	COP		COL	COP
<b>Internal Support Services</b>	<b>733,160</b>	<b>366,580</b>	<b>366,580</b>	<b>733,160</b>	<b>366,580</b>	<b>366,580</b>
City Attorney	37,214	18,607	18,607	37,214	18,607	18,607
Finance	312,948	156,474	156,474	312,948	156,474	156,474
Human Resources	167,418	83,709	83,709	167,418	83,709	83,709
Support Services	18,210	9,105	9,105	18,210	9,105	9,105
General Services	197,370	98,685	98,685	197,370	98,685	98,685

### Internal Support Services Fiscal Years 2019/20-2020/21

Internal Support Services	FY 19-20 Proposed <sup>1</sup>			FY 20-21 Proposed <sup>2</sup>					
	LPFD	Base Net Contribution Per Partner		LPFD	Net Contribution Per Partner		LPFD	Net Contribution Per Partner	
		COL	COP		COL	COP		COL	COP
<b>Internal Support Services</b>	<b>967,948</b>	<b>360,958</b>	<b>606,991</b>	<b>996,988</b>	<b>371,787</b>	<b>625,201</b>	<b>1,026,897</b>	<b>382,940</b>	<b>643,957</b>
City Attorney	86,655		86,655	89,255		89,255	91,932		91,932
City Clerk	51,054		51,054	52,586		52,586	54,163		54,163
HR	320,041		320,041	329,642		329,642	339,531		339,531
IT	133,827		133,827	137,842		137,842	141,977		141,977
Facilities	15,414		15,414	15,876		15,876	16,353		16,353
General Accounting	100,797	100,797		103,821	103,821		106,936	106,936	
Payroll	80,791	80,791		83,215	83,215		85,711	85,711	
Purchasing	44,144	44,144		45,468	45,468		46,832	46,832	
Admin Svcs - Admin	87,735	87,735		90,367	90,367		93,078	93,078	
HR - Payroll	47,491	47,491		48,916	48,916		50,383	50,383	

<sup>1</sup> Includes 3% annual increase over Base

<sup>2</sup> Includes 3% annual increase over FY 19-20

## **Fire Department Operating Budget By Division**

### **FIRE ADMINISTRATION BUREAU**

The Administration Bureau of the fire department consists of the Fire Chief, Office Manager, Administration Manager and the Information Technology Management Analyst. The Fire Chief oversees the relationship between partner agencies, the fiscal responsibility of the department, and the health and welfare of all department personnel.

#### **Performance Expectations**

- Provide an environment where department personnel can thrive.
- Ensure equity in service levels and financial responsibilities between partner agencies.
- Adhere to all laws, regulations, contracts and expectations of partner agencies.
- Ensure internal fiscal responsibility.
- Exemplify and ensure strong ethical behavior throughout organization.
- Ensure the highest level of internal and external customer service throughout organization.
- Conduct long range financial and operational planning.
- Strengthen relationships with surrounding agencies and community groups.

#### **FY 2018/19 Accomplishments**

- Negotiated a new five-year agreement with the Department of Veteran's Affairs to continue to provide fire safety and emergency response services to the VA Hospital Livermore.
- Took delivery of two (2) Tractor Drawn Aerial vehicles and placed into service.
- Updated the mission, vision and core values for LPFD.

#### **FY 2019/20 Goals**

- Continue development of new, comprehensive policy manual.
- Monitor changes to Fire Prevention Services business mode.
- Monitor ambulance transportation service contract.
- Improve disaster preparedness training throughout both communities; host annual emergency mock exercise; update disaster plan; and make program more visible and accepted throughout both communities.
- Fully implement department records management system, including Inventory and Inspections modules.
- Complete cost allocation plan for LPFD.
- Complete process for strategic plan.
- Continue work on EOC needs for both cities.
- Purchase 2 Type I Fire Engines for City of Livermore and place into service.
- Receive and place into service 2 Type III Fire Engines for the City of Pleasanton.

# Administration

## Budget Detail Fiscal Years 2018-2021

80010 - ADMINISTRATION	FY2017-18 ACTUAL			FY2018-19 Adopted May 12, 2017			FY2018-19 Year-End Proposed			FY2019-20 PROPOSED			FY2020-21 PROPOSED		
	LPFD	COST SHARE		LPFD	COST SHARE		LPFD	COST SHARE		LPFD	COST SHARE		LPFD	COST SHARE	
		50%	50%		50%	50%		50%	50%		50%	50%		50%	50%
	100%	50%	50%	100%	50%	50%	100%	50%	50%	100%	50%	50%	100%	50%	50%
40000 Expenditures	5,465,134	2,732,567	2,732,567	4,904,855	2,452,428	2,452,428	5,592,285	2,796,143	2,796,143	6,929,884	3,464,942	3,464,942	7,000,206	3,500,103	3,500,103
42000 Personnel Services	2,053,005	1,026,503	1,026,503	2,097,783	1,048,892	1,048,892	2,109,923	1,054,962	1,054,962	2,179,652	1,089,826	1,089,826	2,195,457	1,097,729	1,097,729
42010 Permanent Employee	1,839,686	919,843	919,843	1,885,740	942,870	942,870	1,904,903	952,452	952,452	1,965,852	982,926	982,926	1,979,457	989,729	989,729
42020 Temporary Employee	94,304	47,152	47,152	90,000	45,000	45,000	90,000	45,000	45,000	90,000	45,000	45,000	90,000	45,000	45,000
42040 Holiday Pay in Lieu	32,370	16,185	16,185	45,504	22,752	22,752	43,447	21,724	21,724	50,316	25,158	25,158	50,316	25,158	25,158
42050 Overtime	22,777	11,389	11,389	1,695	848	848	1,791	896	896	5,000	2,500	2,500	5,000	2,500	2,500
42130 Shift Premium	58,166	29,083	29,083	33,750	16,875	16,875	33,750	16,875	16,875	61,500	30,750	30,750	61,500	30,750	30,750
42170 Uniform Allowance	5,700	2,850	2,850	7,344	3,672	3,672	10,082	5,041	5,041	6,984	3,492	3,492	6,984	3,492	3,492
42500 Supplemental Personnel Services	1,840,607	920,304	920,304	2,082,607	1,041,304	1,041,304	2,018,999	1,009,500	1,009,500	2,110,136	1,055,068	1,055,068	2,182,552	1,091,276	1,091,276
4257006 Misc Plan LPFD T1	82,745	41,373	41,373	115,824	57,912	57,912	102,543	51,272	51,272	115,080	57,540	57,540	130,440	65,220	65,220
4257008 Misc Plan LPFD T2	59,717	29,859	29,859	24,132	12,066	12,066	80,644	40,322	40,322	82,596	41,298	41,298	90,108	45,054	45,054
4257009 Contra Pension Expense	453,291	226,646	226,646	541,992	270,996	270,996	514,696	257,348	257,348	588,372	294,186	294,186	631,056	315,528	315,528
4257010 Safety Fire Tier 1	86,360	43,180	43,180	44	22	22	44,893	22,447	22,447	116,580	58,290	58,290	125,664	62,832	62,832
4257011 Safety Fire Tier 2	88	44	44	21,548	10,774	10,774	51,078	25,539	25,539	116,580	58,290	58,290	125,664	62,832	62,832
4257012 Safety Fire Tier PEPPRA	255,459	127,730	127,730	306,876	153,438	153,438	294,211	147,106	147,106	280,332	140,166	140,166	275,868	137,934	137,934
4258001 Budget Adjustment Fringe Benefits	2,096	1,048	1,048	1,380	690	690	1,591	796	796	960	480	480	960	480	480
4258002 Medical & Health Insurance	21,040	10,520	10,520	11,652	5,826	5,826	22,871	11,436	11,436	22,980	11,490	11,490	22,980	11,490	11,490
4258003 Life, Disability, and Other Insurance	193,203	96,602	96,602	193,203	96,602	96,602	193,203	96,602	96,602	193,203	96,602	96,602	193,203	96,602	96,602
4258005 Cafeteria	30,804	15,402	15,402	22,656	11,328	11,328	29,935	14,968	14,968	26,700	13,350	13,350	26,700	13,350	13,350
4258006 Payroll WC Contribution	114,873	57,437	57,437	118,430	59,215	59,215	55,629	27,815	27,815	57,297	28,649	28,649	59,303	29,652	29,652
4258007 Employer Payroll Taxes	930	465	465	465	233	233	1,170	585	585	1,170	585	585	1,170	585	585
4258001 Medicare on Supplemental Pays	540,000	270,000	270,000	622,800	311,400	311,400	622,800	311,400	311,400	622,800	311,400	311,400	622,800	311,400	311,400
42588 Leave(s) Cash Out															
42590 PARS - ER only															
44070 Retiree Health Premiums															
44076 Contra OPEB Expense															
43000 Supplies & Supplies	1,571,522	785,761	785,761	724,465	362,233	362,233	1,463,363	731,682	731,682	1,808,288	904,144	904,144	1,872,197	936,099	936,099
43010 Utilities Water	17,323	8,662	8,662	34,000	17,000	17,000	34,000	17,000	17,000	20,000	10,000	10,000	20,000	10,000	10,000
43020 Utilities Gas Lights	16,562	8,281	8,281	20,000	10,000	10,000	20,000	10,000	10,000	20,000	10,000	10,000	20,000	10,000	10,000
430401 Telephone - City Land Lines	67,505	33,753	33,753	80,000	40,000	40,000	80,000	40,000	40,000	90,000	45,000	45,000	90,000	45,000	45,000
430402 Telephone - City Cell Phone	39,305	19,653	19,653	42,000	21,000	21,000	42,000	21,000	21,000	42,000	21,000	21,000	42,000	21,000	21,000
43050 Printing & Binding	5,382	2,691	2,691	15,000	7,500	7,500	15,000	7,500	7,500	14,000	7,000	7,000	14,000	7,000	7,000
43070 Postage & Freight	3,691	1,846	1,846	1,665	833	833	1,665	833	833	1,665	833	833	1,665	833	833
43080 Travel Expense	3,741	1,871	1,871	6,000	3,000	3,000	6,000	3,000	3,000	6,000	3,000	3,000	6,000	3,000	3,000
4309040 Repairs & Maintenance - Contract	36,581	18,291	18,291	26,000	13,000	13,000	26,000	13,000	13,000	20,000	10,000	10,000	20,000	10,000	10,000
43100 Repairs & Maintenance - Building	220,430	110,215	110,215	100,000	50,000	50,000	100,000	50,000	50,000	160,000	80,000	80,000	160,000	80,000	80,000
43130 Contract Services - Private	96,585	48,293	48,293	87,000	43,500	43,500	87,000	43,500	43,500	87,000	43,500	43,500	87,000	43,500	43,500
4313040 Computer Contract Services	19,193	9,597	9,597	8,000	4,000	4,000	8,000	4,000	4,000	8,000	4,000	4,000	8,000	4,000	4,000
4313230 Biosolids Disposal	733,160	366,580	366,580	8,000	4,000	4,000	733,160	366,580	366,580	996,988	498,494	498,494	1,026,897	513,449	513,449
43135 Cost of Service - OH	19,036	9,518	9,518	20,000	10,000	10,000	20,000	10,000	10,000	20,000	10,000	10,000	20,000	10,000	10,000
43140 Office Supplies	46,715	23,358	23,358	20,000	10,000	10,000	20,000	10,000	10,000	20,000	10,000	10,000	20,000	10,000	10,000
4315002 Personal Protective Supplies	900	450	450	1,000	500	500	1,000	500	500	500	250	250	500	250	250
4315030 Small Fire Equipment	1,354	677	677	16,000	8,000	8,000	16,000	8,000	8,000	5,000	2,500	2,500	5,000	2,500	2,500
43180 Gasoline & Oil															
43190 Grounds Maintenance															
43200 Miscellaneous	7,946	3,973	3,973	2,000	1,000	1,000	13,000	6,500	6,500	8,000	4,000	4,000	8,000	4,000	4,000
43270 Replacement Reserve	80,000	40,000	40,000	80,000	40,000	40,000	80,000	40,000	40,000	80,000	40,000	40,000	80,000	40,000	40,000
43280 Training & Education	17,462	8,731	8,731	30,000	15,000	15,000	30,000	15,000	15,000	30,000	15,000	15,000	30,000	15,000	15,000
43300 Debt Service Principal															
43350 Public Outreach															
43371 Vehicle Supplies Equipment															
43450 Recruitment Expense	12,000	6,000	6,000	13,000	6,500	6,500	13,000	6,500	6,500	6,000	3,000	3,000	25,000	12,500	12,500
43510 Physical Exams															
43530 Contract Services - Government Agency	102,468	51,234	51,234	61,800	30,900	30,900	61,800	30,900	30,900	61,800	30,900	30,900	61,800	30,900	30,900
43580 Tuition Reimbursement															
44010 Insurance	(343)	(172)	(172)												
44030 Liability Contingency	17,500	8,750	8,750	15,000	7,500	7,500	15,000	7,500	7,500	15,000	7,500	7,500	15,000	7,500	7,500
44090 Membership & Subscriptions	7,026	3,513	3,513	4,000	2,000	2,000	4,000	2,000	2,000	831,808	415,904	415,904	750,000	375,000	375,000
44940 Transfer Out to Replacement Reserve															

## OPERATIONS BUREAU

The Operations Bureau consists of three (3) divisions under the Deputy Chief of Operations: Emergency Operations, Training and EMS. The Emergency Operations Division consists of three (3) Battalion Chiefs and 102 suppression personnel who staff a total of eight (8) Engine Companies and two (2) Truck Companies. Emergency services are provided from ten (10) fire stations strategically located throughout both communities. The Emergency Operations Division is responsible for ensuring the operational readiness of personnel to respond to, and provide all services related to Fire Suppression, Emergency Medical Service, Traffic Collisions, Specialized Rescue, Emergency Hazardous Material Response, and other risk of property losses; such as water leaks, fallen trees, and down utility lines. The Training Division is staffed by one (1) Battalion Chief, and is responsible for coordinating all fire department training, maintaining certification records, conducting recruit academies and conducting promotional exams. The EMS Division consists of one (1) EMS Manager. This Division is responsible for Patient Care Report reviews, EMT and Paramedic training and certifications, EMT licensing, and the Quality Improvement program as required by Alameda County Emergency Medical Services.

### Performance Expectations

- Organize and coordinate emergency response personnel and equipment.
- Continuously evaluate the deployment model to ensure an effective use of resources in the provision of services.
- First fire unit shall arrive on-scene of an emergency within seven (7) minutes time (one minute for dispatch processing, one minute for firefighters to don protective equipment and five minutes to drive to the incident), for 90% of fire and medical incidents.
- Have a full first alarm effective firefighting force on the scene within 10 minutes, for 90% of all fire incidents.
- Establish OSHA firefighter safety standard “2-in/2-out” on structural fires in less than eight (8) minutes from dispatch of alarm, for 90% of all fire incidents.
- Maintain or improve the City’s existing Insurance Services Organization (ISO) fire protection rating at a renewal rating of class three (3) or better.
- Identify, prioritize, and develop appropriate operational policies to provide the most effective and efficient emergency service delivery to the community.
- Coordinate and network with other fire agencies to meet mutual and automatic aid objectives for the local and regional response area.
- Provide direction and assist in setting goals for the department’s Urban Search and Rescue (USAR) and Hazmat Teams.
- Assist in identifying, prioritizing, developing, and delivering the necessary training to provide safe and efficient delivery of emergency services.
- Review, monitor, and investigate emergency calls for proper response and adherence to established policies and procedures.

- Evaluate and implement new technology that improves operational efficiency and effectiveness during emergency operations.
- Provide a safe work environment for all fire department personnel, minimizing the potential for employee injury.

### **FY 2018/19 Accomplishments**

- All personnel trained in the new Tractor Drawn Aerial vehicles. Vehicles placed into service at Stations 3 and 6.
- Expanded rescue capabilities to include heavy lifting, such as a BART car or cement truck.
- Held LPFD's first ever State Fire Marshal Accredited Local Academy under its new curriculum and certification.
- LPFD HazMat Team recertified as a Type 2 response team after State review.
- Established a Recruitment Team and expanded community outreach in recruitment efforts.
- Formed a partnership with Las Positas College to host the college fire academy.

### **FY 2019/20 Goals**

- Expand partnership with Las Positas College to provide college units and funding for existing LPFD training.
- Continue the process of updating and expanding policies and procedures.
- Establish an unmanned aerial systems program to enhance incident response capabilities.
- Provide uninterrupted services to the area served by Fire Station 3 during its rebuilding.
- Establish a partnership with the new County ambulance provider, Falck, for interagency effectiveness and implement a new Patient Care Reporting system.



# Operations

# Budget Detail Fiscal Years 2018-2021

80050 - EMERGENCY OPERATIONS	FY2017-18 ACTUAL				FY2018-19 Adopted May 12, 2017				FY2019-20 PROPOSED				FY2020-21 PROPOSED				
	COST SHARE		COST SHARE		COST SHARE		COST SHARE		COST SHARE		COST SHARE		COST SHARE		COST SHARE		
	LPFD	COL	COP	51.52%	LPFD	COL	COP	51.52%	LPFD	COL	COP	50.00%	LPFD	COL	COP	50.00%	
40000 Expenditures	29,130,747	14,122,586	15,008,161	30,777,692	14,921,025	15,856,667	15,490,602	32,880,478	16,440,239	16,440,239	16,440,239	34,696,907	17,348,454	17,348,454			
42000 Personnel Services	18,267,069	8,855,875	9,411,194	18,213,123	8,829,722	9,383,401	9,434,873	20,028,052	10,014,026	10,014,026	10,014,026	21,056,540	10,528,270	10,528,270	6,468,000	6,468,000	
42010 Permanent Employee	10,864,383	5,267,053	5,597,330	11,277,984	5,467,567	5,810,417	5,810,417	12,938,000	6,249,300	6,249,300	6,249,300	12,938,000	6,468,000	6,468,000			
42040 Holiday Pay in Lieu	879,417	426,341	453,076	902,484	437,524	464,960	464,960	879,288	426,279	453,009	453,009	938,488	479,244	479,244	496,116	496,116	
42050 Overtime	5,662,679	2,745,267	2,917,412	5,085,339	2,465,372	2,619,967	2,619,967	5,369,996	2,603,374	2,766,622	2,766,622	4,793,000	2,396,500	2,396,500	2,660,500	2,660,500	
42051 Strike Team OT	-	-	-	-	-	-	-	-	-	-	-	525,000	262,500	262,500	262,500	262,500	
42052 Strike Team Backfill OT	-	-	-	-	-	-	-	-	-	-	-	300,000	150,000	150,000	150,000	150,000	
42130 Shift Premium	5,428	2,631	2,797	24,300	11,781	12,519	12,519	11,600	5,624	5,976	5,950	12,500	6,150	6,150	6,150	6,150	
42170 Uniform Allowance	64,575	31,306	33,289	66,096	32,043	34,053	34,053	72,000	34,906	37,094	37,094	66,096	33,048	33,048	33,048	33,048	
42302 Paramedic Pay	225,188	109,171	116,017	258,348	125,247	133,101	133,101	225,881	109,507	116,374	116,374	262,680	131,340	131,340	131,340	131,340	
42304 Haz Mat Pay	79,053	38,325	40,728	98,604	47,803	50,801	50,801	72,078	34,943	37,135	37,135	87,780	43,890	43,890	43,890	43,890	
42306 Education Incentive Pay	51,728	25,078	26,650	52,128	25,272	26,856	26,856	52,457	25,857	27,457	27,457	58,200	29,100	29,100	29,100	29,100	
42308 Certification Pay	434,617	210,702	223,915	447,840	217,113	230,727	230,727	434,296	210,547	223,749	223,749	492,144	246,072	246,072	246,072	246,072	
42500 Supplemental Personnel Services	9,933,332	4,815,679	5,117,653	11,557,219	5,602,940	5,954,279	5,954,279	10,746,784	5,210,041	5,556,743	5,556,743	12,855,867	6,427,934	6,427,934	6,427,934	6,427,934	
425700 Safety Fire Tier 1	4,110,487	1,992,764	2,117,723	5,088,632	2,457,273	2,611,359	2,611,359	4,402,948	2,134,549	2,268,399	2,268,399	5,210,256	2,605,128	2,605,128	2,605,128	2,605,128	
425701 Safety Fire Tier 2	438,159	212,419	225,740	718,812	348,480	370,332	370,332	660,563	320,241	340,322	340,322	1,075,752	537,876	537,876	537,876	537,876	
425702 Safety Fire Tier PEPPA	649,123	314,695	334,428	516,804	250,547	266,257	266,257	610,426	295,935	314,491	314,491	817,140	408,570	408,570	408,570	408,570	
4258001 Budget Adjustment Fringe Benefits	-	-	-	211,657	102,611	109,046	109,046	-	-	-	-	-	-	-	-	-	-
4258002 Medical & Health Insurance	2,125,213	1,030,303	1,094,910	2,380,320	1,153,979	1,226,341	1,226,341	2,346,568	1,137,616	1,208,952	1,208,952	2,305,336	1,152,678	1,152,678	1,152,678	1,152,678	
4258003 Life, Disability, and Other Insurance	31,146	15,100	16,046	29,376	14,241	15,135	15,135	29,229	14,170	15,059	15,059	29,376	14,688	14,688	14,688	14,688	
4258004 Retiree Health Savings & Deferred Comp	85,392	41,398	43,994	65,424	31,718	33,706	33,706	95,368	46,234	49,134	49,134	94,872	47,436	47,436	47,436	47,436	
4258005 Cafeteria	8,936	4,332	4,604	9,332	4,604	4,932	4,932	9,332	4,604	4,932	4,932	9,332	4,604	4,604	4,604	4,604	
4258006 Payroll WC Contribution	1,226,932	594,817	632,115	1,226,932	594,817	632,115	632,115	1,226,932	594,817	632,115	632,115	1,226,932	613,466	613,466	613,466	613,466	
4258007 Employer Payroll Taxes	244,297	118,435	125,862	174,072	84,390	89,682	89,682	218,796	106,072	112,724	112,724	190,464	95,232	95,232	95,232	95,232	
425801 Medicare on Supplemental Pays	-	-	-	74,090	35,919	38,171	38,171	78,030	37,829	40,201	40,201	69,670	34,835	34,835	34,835	34,835	
42588 Leave(s) Cash Out	128,847	62,368	66,279	70,400	34,130	36,270	36,270	51,853	25,138	26,715	26,715	53,408	26,704	26,704	26,704	26,704	
44070 Retiree Health Premiums	885,000	429,048	455,952	1,020,700	494,835	525,865	525,865	1,020,700	494,835	525,865	525,865	1,020,700	510,350	510,350	510,350	510,350	
43000 Services & Supplies	930,346	451,032	479,314	1,007,350	488,363	518,987	518,987	1,007,350	488,363	518,987	518,987	758,500	379,250	379,250	379,250	379,250	
43080 Travel Expense	13,523	6,556	6,967	7,200	3,491	3,709	3,709	7,200	3,491	3,709	3,709	8,000	4,000	4,000	4,000	4,000	
43090 Repairs & Maintenance - Equipment	40,340	19,557	20,783	22,250	10,787	11,463	11,463	22,250	10,787	11,463	11,463	20,000	10,000	10,000	10,000	10,000	
4309040 Repairs & Maintenance - Contract	43,263	20,974	22,289	65,000	31,512	33,488	33,488	25,000	12,120	12,880	12,880	65,000	32,500	32,500	32,500	32,500	
43100 Repairs & Maintenance - Building	132	64	68	900	436	464	464	900	436	464	464	17,000	8,500	8,500	8,500	8,500	
43130 Contract Services - Private	23,079	11,189	11,890	50,000	24,240	25,760	25,760	50,000	24,240	25,760	25,760	40,000	20,000	20,000	20,000	20,000	
4313040 Computer Contract Services	11,544	5,597	5,947	10,000	4,848	5,152	5,152	10,000	4,848	5,152	5,152	12,000	6,000	6,000	6,000	6,000	
4313230 Biosolids Disposal	-	-	-	5,000	2,424	2,576	2,576	5,000	2,424	2,576	2,576	5,000	2,424	2,424	2,424	2,424	
4313618 Services - Hosted Training	4,337	2,103	2,234	18,000	8,726	9,274	9,274	18,000	8,726	9,274	9,274	10,000	5,000	5,000	5,000	5,000	
43140 Office Supplies	2,397	1,162	1,235	-	-	-	-	-	-	-	-	3,000	1,500	1,500	1,500	1,500	
43150 Supplies Other	97,099	47,074	50,025	32,000	15,514	16,486	16,486	32,000	15,514	16,486	16,486	60,000	30,000	30,000	30,000	30,000	
4315002 Personal Protective Supplies	196,438	95,233	101,205	199,000	96,475	102,525	102,525	199,000	96,475	102,525	102,525	215,000	107,500	107,500	107,500	107,500	
4315030 Small Fire Equipment	231,642	112,300	119,342	120,000	58,176	61,824	61,824	160,000	77,568	82,432	82,432	150,000	75,000	75,000	75,000	75,000	
43180 Gasoline & Oil	45	22	23	-	-	-	-	-	-	-	-	-	-	-	-	-	-
43200 Miscellaneous	8,910	4,320	4,590	-	-	-	-	-	-	-	-	5,000	2,500	2,500	2,500	2,500	
43205 COP - Station Furnishings	-	-	-	-	-	-	-	4,790	2,322	2,468	2,468	7,500	3,750	3,750	3,750	3,750	
43206 COL - Station Furnishings	-	-	-	-	-	-	-	3,320	1,610	1,710	1,710	7,500	3,750	3,750	3,750	3,750	
43280 Training & Education	60,519	29,340	31,179	50,000	24,240	25,760	25,760	50,000	24,240	25,760	25,760	35,000	17,500	17,500	17,500	17,500	
43288 Licenses & Certifications	792	384	408	-	-	-	-	500	250	250	250	500	250	250	250	250	
43350 Public Outreach	17,546	8,506	9,040	30,000	14,544	15,456	15,456	30,000	14,544	15,456	15,456	20,000	10,000	10,000	10,000	10,000	
43371 Vehicle Supplies Equipment	1,515	734	781	43,000	20,846	22,154	22,154	43,000	20,846	22,154	22,154	40,000	20,000	20,000	20,000	20,000	
43450 Recruitment Expense	496	240	256	20,000	9,696	10,304	10,304	20,000	9,696	10,304	10,304	20,000	10,000	10,000	10,000	10,000	
43510 Physical Exams	1,372	665	707	20,000	9,696	10,304	10,304	20,000	9,696	10,304	10,304	20,000	10,000	10,000	10,000	10,000	
43530 Contract Services - Government Agency	8,760	4,247	4,513	-	-	-	-	-	-	-	-	15,000	7,500	7,500	7,500	7,500	
43580 Tuition Reimbursement	8,399	4,072	4,327	10,000	4,848	5,152	5,152	10,000	4,848	5,152	5,152	4,000	2,000	2,000	2,000	2,000	
44010 Insurance	157,284	76,251	81,033	300,000	145,440	154,560	154,560	300,000	145,440	154,560	154,560	4,000	2,000	2,000	2,000	2,000	
44090 Membership & Subscriptions	912	442	470	5,000	2,424	2,576	2,576	5,000	2,424	2,576	2,576	4,000	2,000	2,000	2,000	2,000	

<sup>1</sup> The cost share split for FY 2019/20 and FY 2020/21 is calculated with the addition of the 4th Firefighter to Station #9 per the VA Hospital Contract.

## EMS Budget Detail Fiscal Years 2018-2021

80030 - EMERGENCY MEDICAL SERVICES	FY2017-18 ACTUAL			FY2018-19 Adopted May 12, 2017			FY2018-19 Year-End Proposed			FY2019-20 PROPOSED			FY2020-21 PROPOSED		
	LPFD	COST SHARE		LPFD	COST SHARE		LPFD	COST SHARE		LPFD	COST SHARE		LPFD	COST SHARE	
		COL	COP		COL	COP		COL	COP		COL	COP		COL	COP
		100%	50%		50%	100%		50%	50%		100%	50%		50%	100%
40000 Expenditures	209,267	104,634	104,634	208,500	104,250	104,250	208,500	104,250	104,250	188,500	94,250	94,250	208,500	104,250	104,250
43000 Services & Supplies	209,267	104,634	104,634	208,500	104,250	104,250	208,500	104,250	104,250	188,500	94,250	94,250	208,500	104,250	104,250
43130 Contract Services - Private	95,254	47,627	47,627	72,000	36,000	36,000	72,000	36,000	36,000	72,000	36,000	36,000	72,000	36,000	36,000
4313230 Biosolids Disposal	2,304	1,152	1,152	2,000	1,000	1,000	2,000	1,000	1,000	2,000	1,000	1,000	2,000	1,000	1,000
43140 Office Supplies	14	7	7												
43150 Supplies Other	89,856	44,928	44,928	81,000	40,500	40,500	81,000	40,500	40,500	82,000	41,000	41,000	82,000	41,000	41,000
4315002 Personal Protective Supplies	185	93	93												
4315030 Small Fire Equipment	1,663	832	832	500	250	250	500	250	250	-	-	-	-	-	-
43280 Training & Education	12,510	6,255	6,255	43,000	21,500	21,500	43,000	21,500	21,500	25,000	12,500	12,500	45,000	22,500	22,500
43288 Licenses & Certifications	6,200	3,100	3,100	8,000	4,000	4,000	8,000	4,000	4,000	6,000	3,000	3,000	6,000	3,000	3,000
44090 Membership & Subscriptions	1,280	640	640	2,000	1,000	1,000	2,000	1,000	1,000	1,500	750	750	1,500	750	750



## **FIRE PREVENTION BUREAU**

The Fire Prevention Bureau's mission is to improve and maintain public safety by reducing injuries and loss of life, environmental damage, and property loss due to fires and hazardous materials incidents. The Fire Prevention Bureau's goal is to accomplish this mission in a consistent, cost effective manner that ensures public safety while helping to build the economic vitality of the community. The Bureau is responsible for the plan review design, installation and maintenance of:

- Fire Alarm Systems
- Automatic Fire Protection Systems, such as fire sprinklers
- Underground Storage Tanks
- Hazardous Waste
- Aboveground storage of petroleum products
- Hazardous Materials Inventory Reporting, Employee Training and Emergency Response Planning
- Fire and Life Safety Provisions in the Fire and Building Code, including hazardous materials requirements
- Annual Weed Abatement Program

To ensure new and modified facilities meet community safety and environmental standards, the Bureau implements five core programs:

- Community development and construction oversight
- Weed abatement
- Code enforcement
- Public education and information
- Assisting with fire and hazardous materials investigations

### **FY 2018/19 Accomplishments**

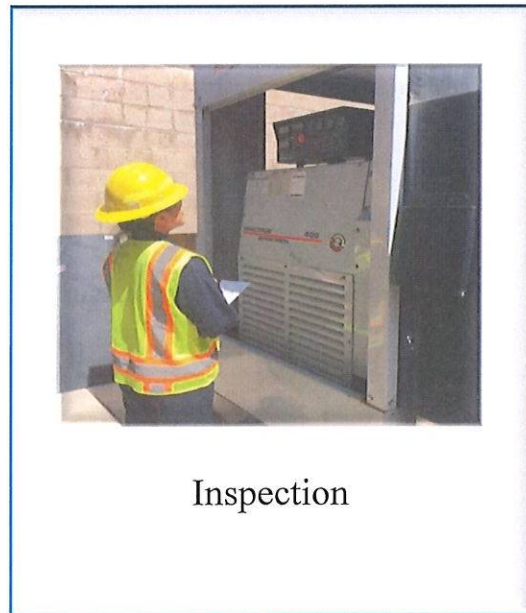
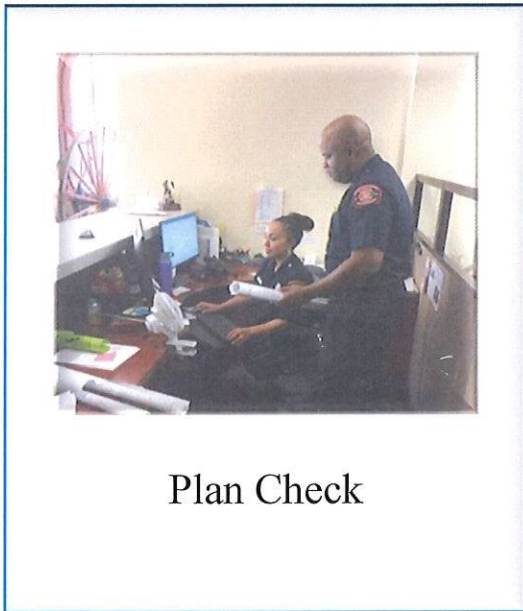
- Created a succession plan which began the hiring process in the final quarter of employment of two Hazardous Materials Inspectors, onboarding their replacements on the next business day after each staff member retired. This resulted in zero work days being lost during the recruitment process.
- Completed 319 inspections in the Certified Unified Program Agency (CUPA).
- Completed 1380 plan reviews and 2762 construction inspections.

**Public Education:**

- Provided fire/life safety and environmental education to the public at the Fire Safety Expo, First Wednesday, Children’s Fair, and other community events.

**FY 2019/20 Goals**

- Work with both cities financial departments to develop inspection billing via their respective financial systems.
- Provide infrastructure for electronic plan review capability.
- Implement the archiving system created for fire protection plans.
- Update and improve the Prevention and Disaster Preparedness sections of the LPFD web site.



## Fire Prevention Budget Detail FY 2018-2021

80020 - FIRE PREVENTION	FY2017-18 ACTUAL						FY2018-19 Adopted May 12, 2017						FY2019-20 PROPOSED						FY2020-21 PROPOSED					
	COST SHARE <sup>1</sup>			COST SHARE <sup>1</sup>			COST SHARE <sup>1</sup>			COST SHARE <sup>1</sup>			COST SHARE <sup>1</sup>			COST SHARE <sup>1</sup>			COST SHARE <sup>1</sup>					
	LPFD	COL	COP	LPFD	COL	COP	LPFD	COL	COP	LPFD	COL	COP	LPFD	COL	COP	LPFD	COL	COP	LPFD	COL	COP			
	100%	44.46%	55.54%	100%	44.46%	55.54%	100%	44.46%	55.54%	100%	44.46%	55.54%	100%	50.00%	50.00%	100%	50.00%	50.00%	100%	50.00%	50.00%			
40000 Expenditures	1,913,942	850,939	1,063,003	1,990,646	885,041	1,105,605	2,013,745	895,311	1,118,434	2,338,407	1,169,204	1,169,204	2,436,233	1,218,117	1,218,117	2,436,233	1,218,117	1,218,117	2,436,233	1,218,117	1,218,117			
42000 Personnel Services	1,059,434	471,024	588,410	1,076,558	478,638	597,920	1,074,455	477,703	596,752	1,245,479	622,740	622,740	1,280,301	640,151	640,151	1,280,301	640,151	640,151	1,280,301	640,151	640,151			
42010 Permanent Employee	1,029,069	457,524	571,545	1,039,416	462,124	577,292	1,039,525	462,173	577,352	1,208,655	604,328	604,328	1,243,377	621,689	621,689	1,243,377	621,689	621,689	1,243,377	621,689	621,689			
42050 Overtime	11,258	5,005	6,253	18,366	8,166	10,200	19,404	8,627	10,777	20,000	10,000	10,000	20,000	10,000	10,000	20,000	10,000	10,000	20,000	10,000	10,000			
42130 Shift Premium	3,702	1,646	2,056	3,800	1,689	2,111	3,800	1,689	2,111	3,900	1,950	1,950	4,000	2,000	2,000	4,000	2,000	2,000	4,000	2,000	2,000			
42170 Uniform Allowance	6,392	2,842	3,550	5,520	2,454	3,066	6,191	2,753	3,438	6,828	3,414	3,414	6,828	3,414	3,414	6,828	3,414	3,414	6,828	3,414	3,414			
42230 Bilingual Pay	1,300	578	722	1,296	576	720	1,298	577	721	1,296	576	720	1,296	576	720	1,296	576	720	1,296	576	720			
42306 Education Incentive Pay	3,507	1,559	1,948	3,600	1,601	1,999	4,062	1,806	2,256	4,800	2,400	2,400	4,800	2,400	2,400	4,800	2,400	2,400	4,800	2,400	2,400			
42308 Certification Pay	4,206	1,870	2,336	4,560	2,027	2,533	175	78	97	175	78	97	175	78	97	175	78	97	175	78	97			
42500 Supplemental Personnel Services	833,715	370,670	463,045	897,088	398,845	498,243	922,290	410,050	512,240	1,070,928	535,464	535,464	1,132,432	566,216	566,216	1,132,432	566,216	566,216	1,132,432	566,216	566,216			
4257006 Misc Plan LPFD TI	38,587	17,156	21,431	46,968	20,882	26,086	60,621	26,952	33,669	80,388	40,194	40,194	90,288	45,144	45,144	90,288	45,144	45,144	90,288	45,144	45,144			
4257010 Safety Fire Tier 1	153,791	68,375	85,416	180,588	80,289	100,299	119,405	53,087	66,318	135,948	67,974	67,974	148,152	74,076	74,076	148,152	74,076	74,076	148,152	74,076	74,076			
4257011 Safety Fire Tier 2	169,634	75,419	94,215	54,876	24,398	30,478	96,934	43,097	53,837	364,464	182,232	182,232	405,780	202,890	202,890	405,780	202,890	202,890	405,780	202,890	202,890			
4257012 Safety Fire Tier PEPPA	50,169	22,305	27,864	197,472	87,796	109,676	160,578	71,393	89,185	364,464	182,232	182,232	405,780	202,890	202,890	405,780	202,890	202,890	405,780	202,890	202,890			
4258001 Budget Adjustment Fringe Benefits	-	-	-	14,535	6,462	8,073	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
4258002 Medical & Health Insurance	187,011	83,145	103,866	197,832	87,956	109,876	245,898	109,326	136,572	249,348	124,674	124,674	245,628	122,814	122,814	245,628	122,814	122,814	245,628	122,814	122,814			
4258003 Life, Disability, and Other Insurance	2,581	1,148	1,433	2,304	1,024	1,280	2,476	1,101	1,375	2,724	1,362	1,362	2,724	1,362	1,362	2,724	1,362	1,362	2,724	1,362	1,362			
4258004 Retiree Health Savings & Deferred Comp	16,460	7,318	9,142	10,176	4,524	5,652	16,119	7,167	8,952	16,140	8,070	8,070	16,140	8,070	8,070	16,140	8,070	8,070	16,140	8,070	8,070			
4258006 Payroll WC Contribution	79,865	35,508	44,357	79,865	35,508	44,357	79,865	35,508	44,357	79,865	35,508	44,357	79,865	35,508	44,357	79,865	35,508	44,357	79,865	35,508	44,357			
4258007 Employer Payroll Taxes	15,893	7,066	8,827	14,832	6,594	8,238	14,174	6,302	7,872	14,640	7,320	7,320	15,024	7,512	7,512	15,024	7,512	7,512	15,024	7,512	7,512			
425801 Medicare on Supplemental Pays	-	-	-	320	142	178	340	151	189	350	175	175	350	175	175	350	175	175	350	175	175			
42588 Leave(s) Cash Out	44,724	19,884	24,840	10,820	4,811	6,009	39,380	17,508	21,872	40,561	20,281	20,281	41,981	20,991	20,991	41,981	20,991	20,991	41,981	20,991	20,991			
44070 Retiree Health Premiums	75,000	33,345	41,655	86,500	38,458	48,042	86,500	38,458	48,042	86,500	38,458	48,042	86,500	38,458	48,042	86,500	38,458	48,042	86,500	38,458	48,042			
43000 Services & Supplies	20,793	9,244.57	11,548	17,000	7,558	9,442	17,000	7,558	9,442	22,000	11,000	11,000	23,500	11,750	11,750	23,500	11,750	11,750	23,500	11,750	11,750			
43080 Travel Expense	1,141	507	634	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
43130 Contract Services - Private	10,971	4,878	6,093	5,000	2,223	2,777	5,000	2,223	2,777	10,000	5,000	5,000	10,000	5,000	5,000	10,000	5,000	5,000	10,000	5,000	5,000			
43140 Office Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
43150 Supplies Other	840	373	467	2,500	1,112	1,389	2,500	1,112	1,389	2,500	1,112	1,389	2,500	1,112	1,389	2,500	1,112	1,389	2,500	1,112	1,389			
4315002 Personal Protective Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
43180 Gasoline & Oil	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
43200 Miscellaneous	13	6	7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
43280 Training & Education	3,840	1,707	2,133	4,000	1,778	2,222	4,000	1,778	2,222	4,000	1,778	2,222	4,000	1,778	2,222	4,000	1,778	2,222	4,000	1,778	2,222			
43350 Public Outreach	489	217	272	1,000	445	555	1,000	445	555	1,000	445	555	1,000	445	555	1,000	445	555	1,000	445	555			
43450 Recruitment Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
43510 Physical Exams	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
44090 Membership & Subscriptions	3,499	1,556	1,943	4,500	2,001	2,499	4,500	2,001	2,499	4,500	2,001	2,499	4,500	2,001	2,499	4,500	2,001	2,499	4,500	2,001	2,499			

<sup>1</sup> The cost share split is based on a two-tiered formula: the first 50% of the costs are split 50/50, the second 50% is based on the number of new construction inspections conducted by each city (with each city split being the percentage of the total). The cost share percentages noted in FY 2019/20 and FY 2020/21 are based on a 50/50 split and will be adjusted accordingly based on the new construction inspections performed in each fiscal year, calculated at the end of each fiscal year.

## EQUIPMENT REPLACEMENT FUND

The fire department utilizes tools and equipment that are both very expensive and have a life expectancy that is somewhat predictable. Life expectancy for equipment is determined by the manufacturer, regulatory agencies such as the Department of Transportation, or past experience. The Equipment Replacement Fund has been set up to set aside monies for these out-year, high cost expenses, which is typically defined as equipment having a life expectancy of over five years and a replacement cost of more than \$5,000.

### Performance Expectations

- Replacement values of equipment shall be updated at a minimum of biennially and more frequently if equipment is updated or is anticipated to rise more than ten percent annually.
- Purchases for this equipment shall be approved at the adoption of the budget or with written approval of the City Managers.

### FY 2019/20 Goals

- Develop and purchase fire apparatus as identified in the COL and COP Fleet Replacement Plan.
- Identify all equipment within the fire department; evaluate life expectancy and replacement costs.
- Develop replacement schedule for all identified equipment.
- Identify necessary funding and funding sources from both cities.
- Develop Joint Specialized Apparatus Purchase and Use Policy.
- Develop a Joint Specialized Equipment Replacement definition, purchase and use policy.

	Equipment Replacement Fund									
	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28
IT Equipment (Computers, printers, laptops, network, software)	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Thermal Imaging Cameras (TIC)	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Hydraulic Rescue Tools	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
EMS Defibrillators/LUCAS Device	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
HazMat Protective Gear (Includes HazMat suits)	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
EBRCS Radio Equipment (replace every 10 years at \$650K)	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000
Self Contained Breathing Apparatus (SCBA) Replacement	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000
EBRCS Radio Equipment (FY 19/20 replacement)	625,000									
Self Contained Breathing Apparatus (SCBA) Replacement (FY 20/21 replacement)	500,000	500,000								

Annual Total: 1,375,000 750,000 250,000 250,000 250,000 250,000 250,000 250,000 250,000 250,000

### Equipment Replacement Reserve Revenues

Fund	Account & Description	FY 2017-18 Actual	FY 2018-19 Budgeted	FY 2019-20 Projected	FY 2020-21 Projected
912	30000 Revenue	-	-	1,375,000	750,000
912	3691026 Contribution - City of Pleasanton	-	-	271,596	-
912	3691027 Contribution - City of Livermore	-	-	271,596	-
912	39030 Transfer in from Fund 911	-	-	831,808	750,000

## FACILITIES

The fire stations, fire headquarters and fire training center are maintained by the respective cities, and the maintenance and repair budgets are held within the City of Livermore and Pleasanton Operations and Maintenance divisions. Utilities and supplies are budgeted within the fire department. With the exception of fire headquarters, station and yard maintenance is performed by fire personnel.

### Performance Expectations

- All fire department properties shall be maintained in a state of readiness for public viewing at all times.
- Necessary repairs shall be requested of the operations and maintenance division in a timely manner.
- Minor repairs will be performed by fire personnel.
- Recycling practices shall be utilized in all fire department facilities.
- Utilities shall be utilized in a responsible manner to control costs and preserve resources.

### FY 2019/20 Goals

- Perform annual facilities inspections for maintenance and capital needs.
- Perform annual safety inspections to comply with all Cal OSHA mandates and provide the safest working environment possible.
- Start LPFD Headquarters HVAC replacement.
- Work with partner cities to schedule and funding for essential building repairs.
- Develop Capital Repair and Replacement Plan for the Fire Training Center.
- Start Fire Station 3 rebuild.
- Complete Fire Station 4 roof repairs.

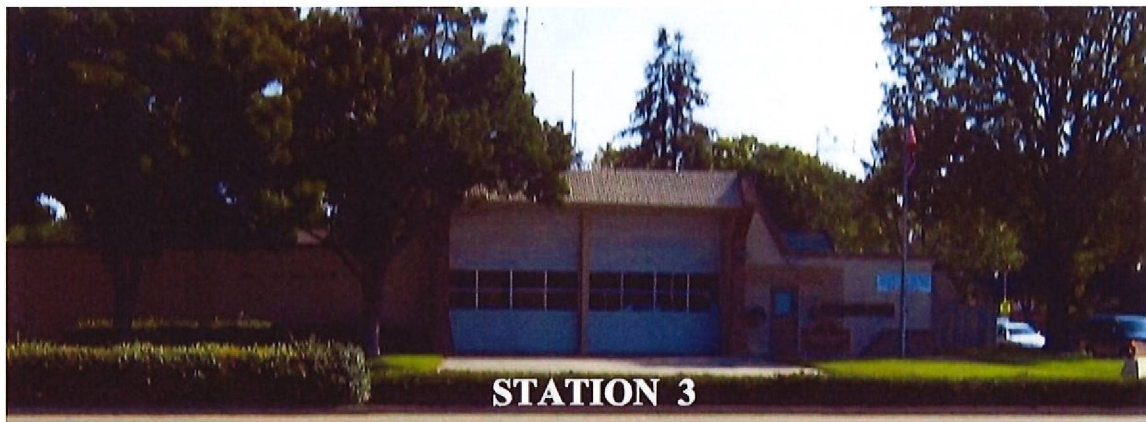
### FACILITIES PROJECTS PER CITY FISCAL YEAR 2019-2021

City	Project Description	FY 19/20	FY 20/21
COL	LPFD Headquarters HVAC Replacement <sup>1</sup>	\$167,500	
COP	LPFD Headquarters HVAC Replacement <sup>1</sup>	\$167,500	
	Fire Station 3 Replacement <sup>2</sup>	\$2,647,073	\$1,352,927
	Fire Station 4 Roof Repairs	\$150,000	

<sup>1</sup> LPFD Headquarters expenses are shared 50/50 by partners

<sup>2</sup> The total project is cost is forecast at \$7,563,998; there is \$3,563,998 available from prior year funding

## Livermore-Pleasanton Fire Department Facilities Projects



## FLEET

The vehicles used and operated by the LPFD are owned and maintained by the respective cities, with maintenance, repair and replacement budgets held within the City of Livermore and Pleasanton Public Works divisions.

### FLEET REPLACEMENT SCHEDULE PER CITY FISCAL YEAR 2019-2021

City	Equip. No.	Year	Life	Replace	Make	Model	Description	FY 19/20	FY 20/21
COL	LAPFP97	2003	16	2019	Chevy	S10	Pickup 1/4 ton	\$27,936	
	LAPE90	2003	16	2019	Spartan	Gladitor	Pumper Hi-Tech	\$682,000	
	LAPE97	2003	16	2019	Spartan	Gladitor	Pumper Hi-Tech	\$682,000	
	LAPC92	2011	8	2019	Chevy	Tahoe	SUV-4 door	\$76,254	
	TLR1297	1997	22	2019	Scott	HD32	Trailer-Fire	\$48,529	
	LPF1216	2005	15	2020	Honda	Civic	Sedan- 4 door Hybrid		\$34,788
	LPF1217	2005	15	2020	Honda	Civic	Sedan- 4 door Hybrid		\$34,788
	LAPU91	2004	16	2020	Dodge	2500	Pickup 3/4 ton		\$37,590
COP	604A - C91	2010	8	2019	Chevy	Tahoe Hybrid	SUV-4 door	\$50,000	
	612 - E491	2004	15	2019	Ford	4x4 Patrol	Type 6 Fire Engine	\$180,000	
	610 - E495	2004	15	2019	Ford	4x4 Patrol	Type 6 Fire Engine	\$180,000	
	601 - 1234	2005	15	2020	Ford	Ranger	Pickup		\$25,000



Tractor Drawn Aerial T96



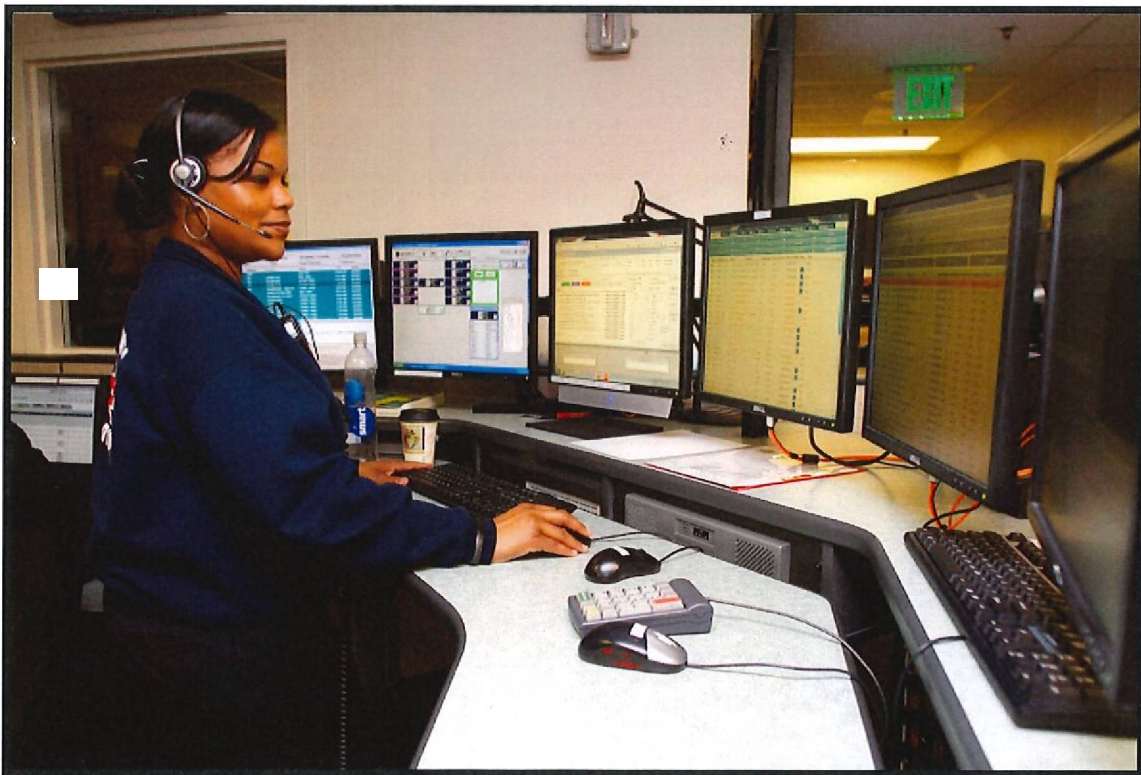
HazMat Response Team Trailer

## DISPATCH SERVICES

Fire dispatch services are provided by the Alameda County Fire District (ACFD), through its Regional Emergency Communications Center. Each partner city has its own agreement with ACFD and is invoiced separately. The cost of services is based on a rate per call volume for each city. The cost of dispatch services encompasses ACFD personnel costs, services and supplies, information technology, facilities, County overhead/liability, annual Capital Improvement Plan contributions, and Capital Improvement Projects.

**Cost of Dispatch Services Per Partner City Contract with ACFD**

Partner City	FY 18/19 BUDGET	FY 18/19 REVISED	FY 19/20 PROJECTED (includes Radio Services Contract)	FY 20/21 PROJECTED (Includes Radio Services Contract)
<b>Dispatch Services</b>	<b>\$612,218</b>	<b>\$612,218</b>	<b>\$661,816</b>	<b>\$705,089</b>
Livermore	369,034	369,034	398,925	424,978
Pleasanton	243,184	243,184	262,891	280,111



**RESOLUTION NO. LPFD 2019-**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LIVERMORE-PLEASANTON FIRE DEPARTMENT JOINT POWERS AUTHORITY APPROVING THE PROPOSED YEAR-END ADJUSTMENT FOR THE FISCAL YEAR 2018/19 AND THE TWO-YEAR OPERATING BUDGET FOR THE FISCAL YEARS 2019/20 AND 2020/21 AND FORWARD A RECOMMENDATION TO THE PARTNER CITY COUNCILS TO APPROVE THIS TWO-YEAR BUDGET**

**WHEREAS**, the cities of Livermore and Pleasanton formed a Joint Powers Authority to provide fire protection services; and

**WHEREAS**, the Livermore-Pleasanton Fire Department Joint Powers Authority Board approved the Amended and Restated Livermore-Pleasanton Fire Department Joint Powers Authority Agreement on January 11, 2018; and

**WHEREAS**, the Amended and Restated Livermore-Pleasanton Fire Department Joint Powers Authority Agreement requires the Fire Chief to present the budget to the JPA Board for its' consideration and approval.

**NOW, THEREFORE, BE IT RESOLVED THAT THE LIVERMORE-PLEASANTON FIRE DEPARTMENT POINT POWERS AUTHORITY BOARD DOES DECLARE, DETERMINE, AND ORDER THE FOLLOWING:**

**Section 1:** Approve the proposed year-end adjustment for the Fiscal Year 2018/19 and the two-year operating budgets for the Fiscal Years 2019/20 and 2020/21 and forward a recommendation to the partner City Councils to approve this two-year budget.

**Section 2:** This resolution shall become effective immediately upon its passage and adoption.

**PASSED, APPROVED AND ADOPTED** by the Board of Directors of the Livermore-Pleasanton Fire Department Joint Powers Authority at a meeting held on May 16, 2019.

I, Karen Diaz, Secretary of the Livermore-Pleasanton Fire Department Joint Powers Authority, certify that the foregoing resolution was adopted by the Board of Directors at a meeting held on the 16<sup>th</sup> day of May 2019, by the following vote:

Ayes:

Noes:

Absent:

\_\_\_\_\_  
Karen Diaz, Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
Daniel G. Sodergren, Legal Counsel



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**DATE:** May 16, 2019

**TO:** Honorable JPA Board Members

**FROM:** Joint Executive Directors  
Fire Chief

**SUBJECT: ADOPT A RESOLUTION TO AUTHORIZING THE PURCHASE OF MOTOROLA RADIO EQUIPMENT IN THE AMOUNT NOT-TO-EXCEED \$625,000**

### **SUMMARY**

The East Bay Regional Communication system is moving the Alameda and Contra Costa Counties from a FDMA (frequency-division multiple access) to TDMA (time division multiple access) radio platform. This purchase, already completed by both partner cities departments including Police, Water Resources, Airport and Public Works, will align the LPFD with this new platform.

### **RECOMMENDATION**

Staff recommends the Board adopt a resolution approving the purchase of Motorola radio equipment in the amount not-to-exceed \$625,000.

### **FISCAL STATEMENT**

The total project is budgeted at an amount not-to-exceed \$625,000 with actual expenditures expected to be \$594,838.61. A reserve of \$30,161.39 (approximately 5%) is included to recognize any unexpected costs. Sufficient funds are allocated to the LPFD JPA Equipment Replacement Reserve in the two-year operating budget for the LPFD JPA for Fiscal Years 2019/20 and 2020/21 to cover the \$625,000 cost. The Motorola vendor was chosen using the Contra Costa County Bid # 0904-018, valid through May 31, 2020.

## **DISCUSSION**

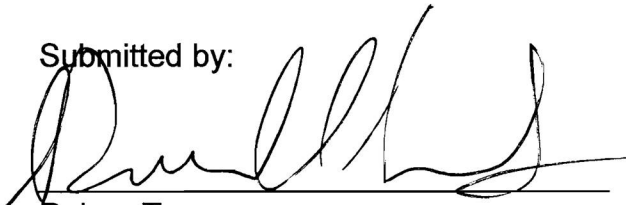
The East Bay Regional Communication system is moving the Alameda and Contra Costa Counties from a FDMA (frequency-division multiple access) to TDMA (time division multiple access) radio platform. This change requires the purchase of radios in compliance with the new TDMA format. This new TDMA platform will be used by all the regional public safety departments as well as many of the state-wide public safety providers.

The LPFD deploys both Mobile (installed in vehicles and fire stations) and Portable (carried by personnel) radios. The radios currently in the field that are compatible with the new format and will not be replaced. LPFD JPA staff has identified 30 Mobile and 52 Portable radios that need to be replaced.

## **ATTACHMENTS**

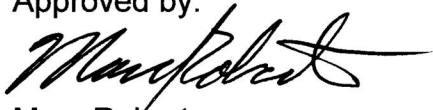
1. Motorola quotes.

Submitted by:



Ruben Torres  
Fire Chief  
Livermore-Pleasanton Fire Department

Approved by:



Marc Roberts  
City Manager, City of Livermore

Approved by:



Nelson Fialho  
City Manager, City of Pleasanton



Quote Number: QU0000459784

**Bill-To:**

LIVERMORE-PLEASANTON FIRE DEPT  
 P O BOX 520  
 PLEASANTON, CA 94566  
 United States

**Attention:**

**Name:** Capt. Rod Leijten  
**Email:** rleijten@lpfire.org  
**Phone:** 209 968-9304

**Sales Contact:**

**Name:** Kevin Lincks  
**Email:** kevin@redcloudinc.com  
**Phone:** 5104280635

**Contract Number:** CONTRA COSTA COUNTY, (CA)  
**Freight terms:** FOB Destination  
**Payment terms:** Net 30 Due

Item	Quantity	Nomenclature	Description	List price	Your price	Extended Price
1	52	H91TGD9PW5AN	APX 8000 ALL BAND PORTABLE MODEL 1.5	\$5,777.00	\$4,332.75	\$225,303.00
1a	52	H842AU	ADD: SINGLE UNIT PACKING	-	-	-
1b	52	Q806CB	ADD: ASTRO DIGITAL CAI OPERATION	\$515.00	\$386.25	\$20,085.00
1c	52	Q887AU	ADD: 5Y ESSENTIAL SERVICE	\$206.00	\$206.00	\$10,712.00
1d	52	QA05509AA	DEL: DELETE UHF BAND	\$-800.00	\$-600.00	\$-31,200.00
1e	52	H38BS	ADD: SMARTZONE OPERATION	\$1,500.00	\$1,125.00	\$58,500.00
1f	52	Q361AN	ADD: P25 9600 BAUD TRUNKING	\$300.00	\$225.00	\$11,700.00
1g	52	QA00580AA	ADD: TDMA OPERATION	\$450.00	\$337.50	\$17,550.00
1h	52	QA01843AC	ADD: MANDOWN OPERATION	\$150.00	\$112.50	\$5,850.00
1i	52	QA09001AB	ADD: WIFI CAPABILITY	\$300.00	\$225.00	\$11,700.00
1j	52	QA09007AA	ADD: OUT OF THE BOX WIFI PROVISIONING	-	-	-
2	52	PMNN4486A	BATT IMPRES 2 LIION R IP67 3400T	\$142.00	\$113.60	\$5,907.20
<b>Estimated Tax Amount</b>						\$31,089.92
<b>Total Quote in USD</b>						\$367,197.12

PREPARED BY KEVIN LINCKS. REFERENCE 2009 CONTRA COSTA COUNTY P25 SUBSCRIBER RADIO CONTRACT # 0904-018

PO Issued to Motorola Solutions Inc. must:

- >Be a valid Purchase Order (PO)/Contract/Notice to Proceed on Company Letterhead. Note: Purchase Requisitions cannot be accepted
- >Have a PO Number/Contract Number & Date
- >Identify "Motorola Solutions Inc." as the Vendor
- >Have Payment Terms or Contract Number
- >Be issued in the Legal Entity's Name
- >Include a Bill-To Address with a Contact Name and Phone Number
- >Include a Ship-To Address with a Contact Name and Phone Number
- >Include an Ultimate Address (only if different than the Ship-To)
- >Be Greater than or Equal to the Value of the Order
- >Be in a Non-Editable Format



Quote Number: QU0000459787

**Bill-To:**

LIVERMORE-PLEASANTON FIRE DEPT  
 P O BOX 520  
 PLEASANTON, CA 94566  
 United States

**Attention:**

Name: Captain Rod Leijten  
 Email: RLeijten@lpfire.org  
 Phone: 209 968-9304

**Sales Contact:**

Name: Kevin Lincks  
 Email: kevin@redcloudinc.com  
 Phone: 5104280635

Contract Number: CONTRA COSTA COUNTY, (CA)  
 Freight terms: FOB Destination  
 Payment terms: Net 30 Due

Item	Quantity	Nomenclature	Description	List price	Your price	Extended Price
I	30	M37TSS9PWIAN	APX8500 ALL BAND MP MOBILE	\$4,770.00	\$3,577.50	\$107,325.00
Ia	30	GA01513AA	ADD: ALL BAND MOBILE ANTENNA (7/8"/V/U)	\$95.00	\$71.25	\$2,137.50
Ib	30	W22BA	ADD: STD PALM MICROPHONE APX	\$72.00	\$54.00	\$1,620.00
Ic	30	GA00318AF	ADD: 5Y ESSENTIAL SERVICE	\$319.00	\$319.00	\$9,570.00
Id	30	G67DF	ADD: REMOTE MOUNT MP	\$297.00	\$222.75	\$6,682.50
Ie	30	G806BL	ENH: ASTRO DIGITAL CAI OP APX	\$515.00	\$386.25	\$11,587.50
If	30	G442AJ	ADD: O5 CONTROL HEAD	\$432.00	\$324.00	\$9,720.00
Ig	30	G51AT	ENH: SMARTZONE OPERATION APX	\$1,500.00	\$1,125.00	\$33,750.00
Ih	30	B18CR	ADD: AUXILARY SPKR 7.5 WATT	\$60.00	\$45.00	\$1,350.00
Ii	30	GA01517AA	DEL: NO J600 ADAPTER CABLE NEEDED	-	-	-
Ij	30	G361AH	ENH: P25 TRUNKING SOFTWARE APX	\$300.00	\$225.00	\$6,750.00
Ik	30	GA00580AA	ADD: TDMA OPERATION APX	\$450.00	\$337.50	\$10,125.00
Il	30	GA09001AA	ADD: WI-FI CAPABILITY	\$300.00	\$225.00	\$6,750.00
Im	30	GA09007AA	ADD: OUT OF THE BOX WI-FI PROVISIONING	-	-	-

Estimated Tax Amount \$19,181.49

**Total Quote in USD** **\$226,548.99**

PREPARED BY KEVIN LINCKS. REFERENCE 2009 CONTRA COSTA COUNTY P25 SUBSCRIBER RADIO CONTRACT # 0904-018

PO Issued to Motorola Solutions Inc. must:

- >Be a valid Purchase Order (PO)/Contract/Notice to Proceed on Company Letterhead. Note: Purchase Requisitions cannot be accepted
- >Have a PO Number/Contract Number & Date
- >Identify "Motorola Solutions Inc." as the Vendor
- >Have Payment Terms or Contract Number
- >Be issued in the Legal Entity's Name
- >Include a Bill-To Address with a Contact Name and Phone Number

Quote Number: QU0000459786



**Bill-To:**

LIVERMORE-PLEASANTON FIRE DEPT  
P O BOX 520  
PLEASANTON, CA 94566  
United States

**Attention:**

**Name:** Captain Rod Leijten  
**Email:** RLeijten@lpfire.org  
**Phone:** 209 968-9304

**Sales Contact:**

**Name:** Kevin Lincks  
**Email:** kevin@redcloudinc.com  
**Phone:** 5104280635

**Contract Number:** CONTRA COSTA COUNTY, (CA)  
**Freight terms:** FOB Destination  
**Payment terms:** Net 30 Due

Item	Quantity	Nomenclature	Description	List price	Your price	Extended Price
1	1	NNTN8844A	CHARGER, MULTI-UNIT, IMPRES 2, 6-DISP, NA/LA-PLUG, ACC USB CHGR	\$1,250.00	\$1,000.00	\$1,000.00
Estimated Tax Amount						\$92.50
<b>Total Quote in USD</b>						<b>\$1,092.50</b>

PREPARED BY KEVIN LINCKS. REFERENCE 2009 CONTRA COSTA COUNTY P25 SUBSCRIBER RADIO CONTRACT # 0904-018

PO Issued to Motorola Solutions Inc. must:

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- >Have Payment Terms or Contract Number
- >Be issued in the Legal Entity's Name
- >Include a Bill-To Address with a Contact Name and Phone Number
- >Include a Ship-To Address with a Contact Name and Phone Number
- >Include an Ultimate Address (only if different than the Ship-To)
- >Be Greater than or Equal to the Value of the Order
- >Be in a Non-Editable Format
- >Identify Tax Exemption Status (where applicable)
- >Include a Signature (as Required)

**RESOLUTION NO. LPFD 2019-**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LIVERMORE-  
PLEASANTON FIRE DEPARTMENT JOINT POWERS AUTHORITY AUTHORIZING  
THE PURCHASE THE PURCHASE OF MOTOROLA RADIO EQUIPMENT IN THE  
AMOUNT NOT-TO-EXCEED \$625,000**

**WHEREAS**, the cities of Livermore and Pleasanton formed a Joint Powers Authority to provide fire protection services; and

**WHEREAS**, the Livermore-Pleasanton Fire Department Joint Powers Authority Board approved the Amended and Restated Livermore-Pleasanton Fire Department Joint Powers Authority Agreement on January 11, 2018; and

**WHEREAS**, Section 3.F.7 in the Amended and Restated Livermore-Pleasanton Fire Department Joint Powers Authority Agreement allows the LPFD JPA to acquire supplies and equipment.

**NOW, THEREFORE, BE IT RESOLVED THAT THE LIVERMORE-PLEASANTON FIRE DEPARTMENT POINT POWERS AUTHORITY BOARD DOES DECLARE, DETERMINE, AND ORDER THE FOLLOWING:**

**Section 1:** Authorize the LPFD JPA to purchase Motorola radio equipment in the amount not-to-exceed \$625,000.

**Section 2:** This resolution shall become effective immediately upon its passage and adoption.

**PASSED, APPROVED AND ADOPTED** by the Board of Directors of the Livermore-Pleasanton Fire Department Joint Powers Authority at a meeting held on May 16, 2019.

I, Karen Diaz, Secretary of the Livermore-Pleasanton Fire Department Joint Powers Authority, certify that the foregoing resolution was adopted by the Board of Directors at a meeting held on the 16<sup>th</sup> day of May 2019, by the following vote:

Ayes:

Noes:

Absent:

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Karen Diaz, Secretary

APPROVED AS TO FORM:

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Daniel G. Sodergren, Legal Counsel