

LIVERMORE-PLEASANTON FIRE DEPARTMENT JOINT POWERS AUTHORITY BOARD OF DIRECTORS

Special Meeting Notice and Agenda
Friday, April 27, 2018 at 3:30 p.m.

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

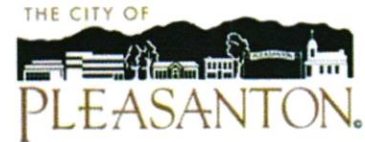
NOTICE IS HERBY GIVEN, pursuant to section 54956 of the California Government Code, a Special Meeting of the Board of Directors of the Livermore-Pleasanton Fire Department Joint Powers Authority is hereby called.

1. Call to Order
 - Pledge of Allegiance
 - Roll Call
2. Public Comment – *Comments are limited to items listed on the agenda.*
3. Approve meeting minutes of January 11 and February 23, 2018
4. Review and recommend for approval Mid-Term Adjustments to the Operating Budget for Fiscal Year 2018/19
5. Adopt a resolution approving the proposed insurance coverage for Fiscal Year 2018/19
6. Adjournment

Dated: April 25, 2018

Accessible Public Meetings

The City of Pleasanton will provide special assistance for citizens with disabilities to participate in public meetings upon advance notice. If you need an auxiliary heard aid or sign language assistance at least two working days advanced notice is necessary. Please contact the Livermore-Pleasanton Fire Department at 3560 Nevada Street, Pleasanton, CA 94566 or (925) 454-2361.



**Livermore-Pleasanton Fire Department
Joint Powers Authority Board of Directors
January 11, 2018
Minutes**

1. Call to Order

Chair Marchand called the special meeting of the Board of Directors of the Livermore-Pleasanton Fire Department Joint Powers Authority to order at the hour of 4:00 p.m.

Board Members Present:

City of Livermore – Mayor John Marchand, Councilmember Bob Wormer
City of Pleasanton – Mayor Jerry Thorne, Councilmember Kathy Narum

Board Members Absent:

None

2. Public Comment: None

3. Approve Minutes of May 12, 2017

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

4. Review and consider Amended and Restated Agreement between the City of Livermore and the City of Pleasanton for the Livermore-Pleasanton Fire Department Joint Powers Authority (Jason Alcalá)

Staff presented the agenda report, stated that while the LPFD has successfully addressed the original objectives, the agreement does not reflect current operations and limits the introduction of efficiencies that would better serve the partner cities. Staff reviewed the key points and noted that the proposed amended agreement aims to better define the LPFD, its operations and enhances its ability to provide fire protection services. Staff recommended that the Board forward a recommendation to the partner City Councils to approve the amended and restated agreement.

Discussion ensued regarding the proposed agreement.

Motion: It was m/s by Narum/Woerner to recommend to the partner City Councils adoption of the Amended and Restated Agreement between the City of Livermore and the City of Pleasanton for the Livermore-Pleasanton Fire Department Joint Powers Authority. Motion carried unanimously.

5. Review and consider Memorandum of Understanding between the City of Livermore and the City of Pleasanton related to Pension Obligations and Employment Retirement Benefits (Daniel Sodergren)

Staff introduced the agenda report, stated that the JPA Amended and Restated Agreement provides that liability for pension obligations and past employment retirement benefits for fire personnel be shared by the partner cities, to be detailed in a separate agreement adopted by the respective City Councils and revised from time to time when adjustments to suppression staffing ratios are made. The proposed MOU memorializes this agreement and the methodology for calculating pension obligations and past employment retirement benefits. Staff recommended that the Board forward a recommendation to the partner City Councils to approve the MOU.

Discussion ensued regarding the proposed MOU.

Motion: It was m/s by Narum/Woerner to recommend to the partner City Councils approval of the of the Memorandum of Understanding between the City of Livermore and the City of Pleasanton related to Pension Obligations and Employment Retirement Benefits. Motion carried unanimously.

6. Adjourn to Closed Session

The Board adjourned to closed session at 4:34 p.m. for the following:

Conference with Labor Negotiators pursuant to Government Code §54957.6:

Agency representatives: Nelson Fialho, Marc Roberts, Debra Gill and Doug Alessio

Employee organization: International Association of Firefighters Local 1974

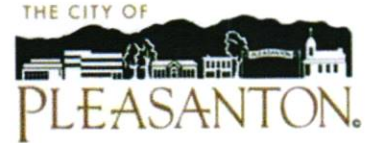
The meeting reconvened at 4:44 p.m. and reported that no reportable action was taken in closed session.

7. Adjournment

There being no further business, the meeting adjourned at 4:45 p.m.

Submitted by:

Karen Diaz, City Clerk
City of Pleasanton



**Livermore-Pleasanton Fire Department
Joint Powers Authority Board of Directors
February 23, 2018
Minutes**

Board Members Present:

City of Livermore – Mayor John Marchand
City of Pleasanton – Councilmember Kathy Narum

Board Members Absent:

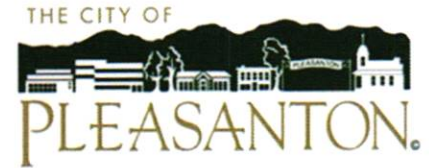
City of Livermore – Councilmember Bob Wormer
City of Pleasanton – Mayor Jerry Thorne

Due to the lack of a quorum, the meeting was not held.

1. Call to Order
 - Pledge of Allegiance
 - Roll Call
2. Public Comment – *Comments are limited to items listed on the agenda.*
3. Approve meeting minutes of January 11, 2018
4. Review and recommend for approval mid-year adjustments to the Operating Budget for Fiscal Year 2017/18
5. Adjournment

Submitted by:

Karen Diaz, City Clerk
City of Pleasanton



DATE: April 27, 2018

TO: Honorable JPA Board Members

FROM: Joint Executive Directors
Fire Chief

**SUBJECT: PROPOSED MID-TERM ADJUSTMENT TO THE OPERATING BUDGET
FOR FISCAL YEAR 2018-19**

SUMMARY

Staff is presenting for the Board's consideration the proposed mid-term adjustment to the Operating Budget for the Livermore-Pleasanton Fire Department ("LPFD") for FY 2018-19. All LPFD Joint Powers Authority ("JPA") shared costs related to Personnel Services (payroll), Supplemental Personnel Services (benefits) and Services & Supplies are included in the Operating Budget.

RECOMMENDATION

Staff recommends the Board receive and file this report, and forward a recommendation to the partner City Councils to approve the mid-term adjustment for the LPFD Operating Budget for FY 2018-19.

FISCAL STATEMENT

A review of the cost centers in the LPFD Operating Budget follows:

- Personnel Services (Payroll): No adjustment at this time. The current Memorandum of Understanding (MOU) between the LPFD JPA and the International Association of Fire Fighters Local 1974 (IAFF) expires on June 30, 2018. The JPA Executive Team is currently in negotiations with the IAFF on a new MOU. Once a new MOU is signed, the LPFD Operating Budget for FY 2018-19 will need to be adjusted to reflect any changes to payroll.

- Supplemental Personnel Services (Benefits): No adjustment at this time. The current Memorandum of Understanding (MOU) between the LPFD JPA and the International Association of Fire Fighters Local 1974 (IAFF) expires on June 30, 2018. The JPA Executive Team is currently in negotiations with the IAFF on a new MOU. Once a new MOU is signed, the LPFD Operating Budget for FY 2018-19 will need to be adjusted to reflect any changes to benefits.
- Services & Supplies: Adjustment: \$30,000 (\$15,000 for each partner city). This increase is to cover the costs for annual service and maintenance contract of the ten (10) LIFEPAK 15 systems and ten (10) LUCAS Devices (five for each city) that were acquired in September 2017 via the Second Amendment to the Emergency Medical Services First Responder Advanced Life Support Services Agreement (FRALS) between the Cities and the County of Alameda.

The total mid-term cost adjustment for the LPFD Operating Budget for FY 2018-19 is an increase of \$30,000 over the currently approved expenditure budget of \$37,851,693, bringing the total budget to \$37,881,693. The cost to each city is \$15,000. Attachments 1 and 2 detail the mid-term adjustment to the LPFD Operating Budget for FY 2018-19.

In addition to the adjustments specific to the LPFD Operating Budget for FY 2018/19, staff provides the following for consideration to both partner cities for FY 2018/19 budgeting and beyond:

Revenue impacts: The FRALS agreement discussed above also includes funds paid to each partner city to partially offset the costs of providing paramedics as required by the agreement. The County is planning to end these payments, received directly by each city, effective July 1, 2018. A reduction in revenues of \$473,574 (\$236,787 for each partner city) may be projected annually.

BACKGROUND

In September 2017, City Councils for both partner cities approved the Second Amendment to the Emergency Medical Services First Responder Advanced Life Support Services Agreement (FRALS) between the Cities and the County of Alameda. The Amendment extended the term of the agreement to June 30, 2018, kept the same reimbursement formula and stipulated each city take ownership, at no cost, of the following:

- LIFEPAK 15 System
 - Five (5) units for each city.
 - EMS standard equipment; monitor and defibrillator with communication ability to hospital.
 - All units are currently in good working order.

- Physio-Control chest compression system (LUCAS Device).
 - Five (5) units for each city.
 - EMS standard equipment; portable chest compression system.
 - All units are currently in good working order.

The County EMS continued to fund the service plan on all the devices through the end of the Amendment, June 30, 2018, at which time service responsibility, and replacement when required, would be transferred to the Cities. LPFD staff has received a quote (Attachment 3) for service for a three (3) year service agreement to cover all twenty (20) units for a total annual payment of \$30,000 (\$15,000 for each partner city). LPFD staff recommends that the LPFD be responsible for paying these annual invoices and, to support this, an adjustment be made to the LPFD Operating Budget for FY 2018-19 for \$30,000. LPFD staff will also include these costs in the out-year operating budgets for FY 2019-20 and FY 2020-21.

The County is also planning to end the payments intended to offset some of the costs of providing paramedics to all FRALS participants, including the payments made to both partner cities. This may impact future city revenues by \$473,574, or \$236,787 for each partner city, annually.

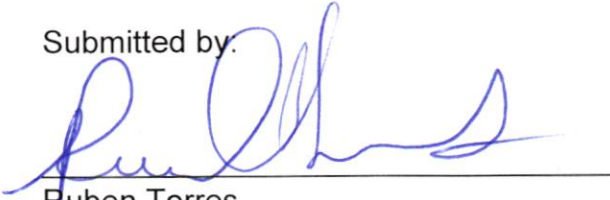
Additionally, the approved two-year budget for the LPFD includes planned Capital expenses (now termed 'Equipment Replacement Reserve', or 'ERR'). ERR purchases are intended for long-term use and include items such as Self-Contained Breathing Apparatus (SCBA), fire hoses, radios and other equipment. Staff will be incorporating these items into a long-term Asset Management Plan. Current FY 2018/19 estimates associated with ERR are \$302,484 (\$151,242 for each partner city).

DISCUSSION

The current Memorandum of Understanding (MOU) between the LPFD JPA and the International Association of Fire Fighters Local 1974 (IAFF) expires on June 30, 2018. The JPA Executive Team is currently in negotiations with the IAFF on a new MOU. Once a new MOU is signed, the LPFD Operating Budget for FY 2018-19 will need to be adjusted to reflect any changes to payroll and benefits.

Staff is currently recommending a mid-term adjustment to the FY 2018-19 LPFD Operating Budget of \$30,000 (\$15,000 for each partner city) to support the service agreement for the equipment the cities acquired via the Second Amendment to the FRALS Agreement signed in September 2017. Staff also recommends both partner cities review revenue anticipations in light of the changes to the FRALS agreement and projected Equipment Replacement Reserve expenditures.

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

ATTACHMENTS

1. Fiscal Year 2018-19 Mid-Term Adjustments: Payroll and Benefits
2. Fiscal Year 2018-19 Mid-Term Adjustments: Services & Supplies
3. Service Plan Quote for LIFEPAK 15 System and LUCAS Devices

Attachment 1: Fiscal Year 2018-19 Mid-Term Adjustments: Payroll and Benefits


	FY 18/19 Budget (Adopted May 2017)	FY 18/19 Mid-Term Adjustment	FY 18/19 Budget (Proposed)
4200 Personnel Services	21,387,464	0	21,387,464
42010 Permanent Employee	14,203,140		14,203,140
4201001 Budget Adjust - Salaries	0		0
42020 Temp Employee	90,000		90,000
42040 Holiday Pay In Lieu	947,988		947,988
42050 Overtime	5,105,400		5,105,400
42130 Shift Premium	95,600		95,600
42170 Uniform/Shoe Allow	78,960		78,960
42230 Bilingual Pay	1,296		1,296
42302 Paramedic Pay	258,348		258,348
42304 Haz Mat Pay	98,604		98,604
42306 Education Incentive Pay	55,728		55,728
42308 Certification Pay	452,400		452,400

	FY 18/19 Budget (Adopted May 2017)	FY 18/19 Mid-Term Adjustment	FY 18/19 Budget (Proposed)
42500 Supplement Personnel Svcs	14,536,914	0	14,536,914
4257006 Misc Plan LPFD T1	162,792		162,792
4257008 Misc Plan LPFD T2	24,132		24,132
4257010 Safety Fire Tier 1	5,791,212		5,791,212
4257011 Safety Fire Tier 2	773,688		773,688
4257012 Safety Fire PEPR	814,080		814,080
4258001 Bdgt-Adj-Fringe Bene	247,740		247,740
4258002 Medical & Health Insur	2,885,028		2,885,028
4258003 Life Disab & Other Insur	33,060		33,060
4258004 RHS & Deferred Comp	87,252		87,252
4258005 Cafeteria	0		0
4258006 Payroll WC Contribution	1,500,000		1,500,000
4258007 Employer Payroll Taxes	211,560		211,560
425801 Medicare on Sup Pays	76,720		76,720
42588 Lease Cash Out	199,650		199,650
42590 PARS - ER Only	0		0
44070 Retiree Health Prem	1,730,000		1,730,000

Attachment 2: Fiscal Year 2018-19 Mid-Term Adjustments: Services & Supplies

	FY 18/19 Budget (Adopted May 2017)	FY 18/19 Mid-Term Adjustment	FY 18/19 Budget (Proposed)
43000 Services & Supplies	1,927,315	30,000	1,957,315
43010 Utilities Water	34,000		34,000
43020 Utilities Gas Lights	20,000		20,000
430401 Telephone - City Land Lines	80,000		80,000
430402 Telephone - City Cell Phone	42,000		42,000
43050 Printing & Binding	15,000		15,000
43070 Postage & Freight	1,665		1,665
43080 Travel Expense	13,200		13,200
43090 Repair & Maint - Equipment	22,250		22,250
4309040 Repair & Maint - Contract	91,000		91,000
43100 Repair & Maint - Building	15,900		15,900
43110 Rental of Land/Bldg/Equip	0		0
43130 Contract Services Private	167,000	30,000	197,000
4313040 Computer Contract Svcs	97,000		97,000
4313230 Biosolids Disposal	15,000		15,000
4313618 Services - Hosted Training	18,000		18,000
43140 Office Supplies	20,000		20,000
43150 Supplies - Other	135,500		135,500
4315002 Personal Protective Svcs	200,000		200,000
4315030 Small Fire Equipment	136,500		136,500
43180 Gasoline	0		0
43190 Grounds Maintenance	13,000		13,000
43200 Misc	2,000		2,000
43270 Replacement Reserve	80,000		80,000
43280 Training & Education	127,000		127,000
43288 Licenses & Certifications	8,000		8,000
43300 Debt Service Principal	30,000		30,000
43350 Public Outreach	32,000		32,000
43371 Vehicle Supplies Equip	43,000		43,000
43450 Recruitment Expense	33,000		33,000
43510 Physical Exams	23,000		23,000
43530 Contract Services Gov't	61,800		61,800
43580 Tutition Reimbursement	10,000		10,000
435801 Fitness Program	10,000		10,000
44010 Insurance	300,000		300,000
44030 Liability Contingency	15,000		15,000
44090 Membership & Subscriptions	15,500		15,500
45020 Field Equipment	0		0

Attachment 3: Service Plan Quote for LIFEPAK 15 System and LUCAS Devices

	Physio Control, Inc.	Quote Number	00114348
	11811 Willows Road NE	Create Date	2/14/2018 2:35 PM
	P.O. Box 97006	Quote Expiration Date	06/30/2018
	Redmond, WA 98073-9706 U.S.A	Quote Consultant	Trevyn Haller
	www.physio-control.com		925-285-2857
	tel (800) 442.1142		WENN65
	fax (800) 772.3340		

Service Plan Quote

Account: 21238501	Service Plan Detail
Jodee Ayers LIVERMORE PLEASANTON FD 3560 NEVADA ST PLEASANTON, CA 94566 (925) 454-2361 jayers@lpfire.org	Type: Renewal Service Plan Start Date: 07/01/2018 Service Plan End Date: 06/30/2021 Reference Plan: DS020964 Billing Frequency: Annual Terms: All quotes subject to credit approval and the following terms and conditions Net Terms: NET 30 Promotion: Coverage Details-Brochure: www.physio-control.com/ServicePlans/

Notes
 Service plan customers receive 15% discount on Accessories and Disposables.
 SN List
 10 LP15: 30112286, 30112294, 30112303, 30112313, 30112323, 30112327, 30112337, 30112340, 30112356, 30112362
 10 Lucas: 39610114, 39612266, 39615282, 39615799, 39615802, 39615847, 39615849, 39616905, 39618496, 40417998

Product	Start Date	End Date	Qty	Term List Price	Disc %	Annual Net Price Per Unit	Term Net Price Per Unit	Extended Term Net Price
LUCAS-OSCOMP-3	07/01/2018	06/30/2021	10	4,104.00	5.00	1,299.60	3,898.80	38,988.00
LP15-OSCOMP-3	07/01/2018	06/30/2021	10	5,292.00	5.00	1,675.80	5,027.40	50,274.00

* Denotes Proration
 Product Descriptions provided below signature line.

Subtotal	USD 89,262.00
Estimated Tax	USD 0.00
Estimated Shipping & Handling	USD 0.00
Grand Total	USD 89,262.00
Pricing Summary Totals	
List Price Total	USD 93,960.00
Total Discount	USD -4,698.00
Estimated Tax + S&H	USD 0.00

Tax will be calculated at time of invoice and is based on the Ship To location where product will be shipped.

GRAND TOTAL FOR THIS QUOTE
 USD 89,262.00

Please provide a company issued Purchase Order that includes Billing and Shipping Address.
 PO must reference payment terms of Net 30 days.

- OR -

Required information if no Purchase Order is provided

Billing Address <input type="checkbox"/> same as address on quote	Shipping Address <input type="checkbox"/> same as Billing Address
Account Name	Account Name
Address	Address
City	City
State	State
Zip Code	Zip Code
Accounts Payable Contact Information	
Accounts Payable Contact	Accounts Payable Phone Number
Accounts Payable Email	Customer is Tax Exempt? <input type="checkbox"/> Yes <input type="checkbox"/> No
Authorized Customer Signature	
Name	Signature
Title	Date

Optional information:

Special Ship to Address

Comments

For Multiple End Users, please attach a supporting document with End User name, physical location, product type and quantity
 To update any customer information, please complete form at www.physio-control.com/account/

Reference Number JS/21238501/157568/00114348

Product	Product Description
LUCAS-OSCOMP-3	LUCAS Service - 3 YEAR. On-site Comprehensive Coverage. On-site Comprehensive Coverage for LUCAS® Includes: -Services performed at customer's location by a Physio-Control Technical Specialist -Parts and labor necessary to restore device to original specifications -Annual Preventive Maintenance and inspections including quality assurance documentation -Discounts on accessories, disposables, and upgrades -Updates to the latest software version -Preconfigured loaner device provided if needed
LP15-OSCOMP-3	LIFEPAK 15 Service - 3 YEAR. On-site Comprehensive Coverage for LIFEPAK® 15 Includes: -Services performed at customer's location by a Physio-Control Technical Specialist -Parts and labor necessary to restore device to original specifications -Annual Preventive Maintenance and inspections including quality assurance documentation -Discounts on accessories, disposables, and upgrades -Updates to the latest software version -Preconfigured loaner device provided if needed -Battery Replacement Service

Quote Number
00114348

THIS IS NOT AN INVOICE

Service Plan Summary

List of covered equipment by location will be provided upon Customer's signature of this quote.

General Terms for all Products, Services and Subscriptions.

Physio-Control, Inc. ("Physio") accepts Buyer's order expressly conditioned on Buyer's assent to the terms set forth in this document. Buyer's order and acceptance of any portion of the goods, services or subscriptions shall confirm Buyer's acceptance of these terms. Unless specified otherwise herein, these terms constitute the complete agreement between the parties. Amendments to this document shall be in writing and no prior or subsequent acceptance by Seller of any purchase order, acknowledgment, or other document from Buyer specifying different and/or additional terms shall be effective unless signed by both parties.

Pricing. Prices do not include freight insurance, freight forwarding fees, taxes, duties, import or export permit fees, or any other similar charge of any kind applicable to the goods and services. Sales or use taxes on domestic (USA) deliveries will be invoiced in addition to the price of the goods and services unless Physio receives a copy of a valid exemption certificate prior to delivery. Discounts may not be combined with other special terms, discounts, and/or promotions.

Payment. Payment for goods and services shall be subject to approval of credit by Physio. Unless otherwise specified by Physio in writing, the entire payment of an invoice is due thirty (30) days after the invoice date for deliveries in the USA, and sight draft or acceptable (confirmed) irrevocable letter of credit is required for sales outside the USA.

Minimum Order Quantity. Physio reserves the right to charge a service fee for any order less than \$200.00.

Patent Indemnity. Physio shall indemnify Buyer and hold it harmless from and against all demands, claims, damages, losses, and expenses, arising out of or resulting, from any action by a third party against Buyer that is based on any claim that the services infringe a United States patent, copyright, or trademark, or violate a trade secret or any other proprietary right of any person or entity. Physio's indemnification obligations hereunder will be subject to (i) receiving prompt written notice of the existence of any claim; (ii) being able to, at its option, control the defense and settlement of such claim (provided that, without obtaining the prior written consent of Buyer, Physio will enter into no settlement involving the admission of wrongdoing); and (iii) receiving full cooperation of Buyer in the defense of any claim.

Limitation of Interest. Through the purchase of Physio products, services, or subscriptions, Buyer does not acquire any interest in any tooling, drawings, design information, computer programming, patents or copyrighted or confidential information related to said products or services, and Buyer expressly agrees not to reverse engineer or decompile such products or related software and information.

Delays. Physio will not be liable for any loss or damage of any kind due to its failure to perform or delays in its performance resulting from an event beyond its reasonable control, including but not limited to, acts of God, labor disputes, the requirements of any governmental authority, war, civil unrest, terrorist acts, delays in manufacture, obtaining any required license or permit, and Physio inability to obtain goods from its usual sources.

Limited Warranty. Physio warrants its products and services in accordance with the terms of the limited warranties located at <http://www.physio-control.com/Documents/>. The remedies provided under such warranties shall be Buyer's sole and exclusive remedies. Physio makes no other warranties, express or implied, including, without limitation, **NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND IN NO EVENT SHALL PHYSIO BE LIABLE FOR INCIDENTAL, CONSEQUENTIAL, SPECIAL OR OTHER DAMAGES.**

Compliance with Confidentiality Laws. Both parties acknowledge their respective obligations to maintain the security and confidentiality of individually identifiable health information and agree to comply with applicable federal and state health information confidentiality laws.

Compliance with Law. The parties agree to comply with any and all laws, rules, regulations, licensing requirements or standards that are now or hereafter promulgated by any local, state, and federal governmental authority/agency or accrediting/administrative body that governs or applies to their respective duties and obligations hereunder.

Regulatory Requirement for Access to Information. In the event 42 USC § 1395x(v)(1)(I) is applicable, Physio shall make available to the Secretary of the United States Department of Health and Human Services, the Comptroller General of the United States General Accounting Office, or any of their duly authorized representatives, a copy

of these terms, such books, documents and records as are necessary to certify the nature and extent of the costs of the products and services provided by Physio.

No Debarment. Physio represents and warrants that it and its directors, officers, and employees (i) are not excluded, debarred, or otherwise ineligible to participate in the Federal health care programs as defined in 42 USC § 1320a-7b(f); (ii) have not been convicted of a criminal offense related to the provision of healthcare items or services; and (iii) are not under investigation which may result in Physio being excluded from participation in such programs.

Choice of Law. The rights and obligations of Physio and Buyer related to the purchase and sale of products and services described in this document shall be governed by the laws of the state where Buyer is located. All costs and expenses incurred by the prevailing party related to enforcement of its rights under this document, including reasonable attorney's fees, shall be reimbursed by the other party.

Additional Terms for Purchase and Sale of Service Plans.

In addition to the General Terms above, the following terms apply to all Physio Service Plans.

Service Plans. Physio shall provide services according to the applicable Service Plan purchased by Buyer and described at <http://www.physio-control.com/ServicePrograms.aspx> for the length of the subscription purchased and for the devices specified as covered by the Service Plan ("Covered Equipment").

Pricing. If the number or configuration of Covered Equipment changes during the Service Plan subscription, pricing shall be pro-rated accordingly. For Preventative Maintenance, Inspection Only, Comprehensive, and Repair & Inspect Service Plans, Buyer is responsible to pay for preventative maintenance and inspections that have been performed since the last anniversary of the subscription start date and such services shall not be pro-rated.

Device Inspection Before Acceptance. All devices that are not covered under Physio's Limited Warranty or a current Service Plan must be inspected and repaired (if necessary) to meet specifications at then-current list prices prior to being covered under a Service Plan.

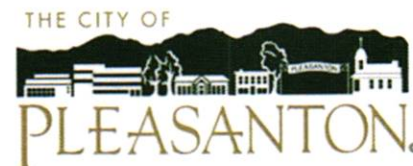
Unavailability of Covered Equipment. If Covered Equipment is not made available at a scheduled service visit, Buyer is responsible to reschedule with the Physio Service Technician, or ship-in the Equipment to a Physio service depot. Physio reserves the right to charge Buyer a surcharge for a return visit. Surcharges will be based on then-current Physio list price of desired services, less 10% for labor and 15% for parts, plus applicable travel costs. The return visit surcharge will be in addition to the subscription price of the Service Plan. To avoid the surcharge, Buyer may ship devices to a Physio service depot. Buyer shall be responsible for round-trip freight for ship-in service.

Unscheduled or Uncovered Services. If Buyer requests services to be performed on Covered Equipment which are not covered by a Service Plan, or are outside of designated Services frequency or hours, Physio-Control will charge Buyer for such services at 10% off Physio-Control's standard rates (including overtime, if appropriate) and applicable travel charges. Repair parts required for such repairs will be made available at 15% off the then-current list price.

Loaners. If Covered Equipment must be removed from service to complete repairs, Physio will provide Buyer with a loaner device, if one is available. Buyer assumes complete responsibility for the loaner and shall return the loaner to Physio in the same condition as received, normal wear and tear exempted, upon the earlier of the return of the removed Covered Equipment or Physio's request.

Cancellation. Buyer may cancel a Service Plan upon sixty (60) days' written notice to Physio. In the event of such cancellation, Buyer shall be responsible for the portion of the designated price which corresponds to the portion of the Service Plan subscription prior to the effective date of termination and the list-price cost of any preventative maintenance, inspections, or repairs rendered after the last anniversary date of the subscription start date.

No Solicitation. During the Service Plan subscription and for one (1) year following its expiration Buyer agrees to not to actively and intentionally solicit anyone who is employed by Physio to provide services such as those described in the Service Plan.



DATE: April 27, 2018

TO: Honorable JPA Board Members

FROM: Joint Executive Directors
Fire Chief

SUBJECT: ADOPT A RESOLUTION APPROVING THE PROPOSED INSURANCE COVERAGE FOR THE LIVERMORE-PLEASANTON FIRE DEPARTMENT JOINT POWERS AUTHORITY FOR FISCAL YEAR 2018/19

SUMMARY

Staff is presenting for the Board's consideration the attached resolution regarding proposed insurance coverage for the Livermore-Pleasanton Fire Department ("LPFD") for FY 2018-19. Staff is recommending the LPFD Joint Powers Authority ("JPA") adopt the attached resolution to apply for membership with the California Joint Powers Risk Management Authority ("CJPRMA") for General Liability Coverage and, if accepted into the pool, commencing General Liability insurance coverage with CJPRMA for the JPA on July 1, 2018. All other insurance coverage (i.e. property, auto etc.) will remain with the partner cities.

RECOMMENDATION

Staff recommends the Board adopt the attached resolution to allow the JPA Executive Directors to A) apply for membership in the CJPRMA insurance pool and, if accepted, B) enter into insurance coverage for the General Liability portion of the JPA's overall insurance.

FISCAL STATEMENT

The quote for General Liability insurance for LPFD from CJPRMA, before any underwriting has occurred, is approximately \$150,000. All other insurance coverages (property, auto etc.) will remain with the cities. The LPFD FY 2018/19 Operating Budget

includes \$300,000 for insurance. Based on prior year billings, a savings of up to \$150,000 may be possible. As this is the first self-insurance the LPFD is seeking, and the quote is prior to any underwriting, and the impact to other insurances held by the cities (i.e. vehicles, facilities, general liability etc.) are not fully known until all the underwriting incorporating this change is completed, staff recommends that no adjustment to the budget be made at this time.

BACKGROUND

The Amended and Restated LPFD JPA agreement approved by the JPA Board in January 2018 and adopted by both City Councils in February 2018 allows the LPFD JPA to “acquire and maintain insurance of all types”. In support of this authority, staff from both partner cities and the LPFD sought information from the current insurance providers for both cities; A) the process and timeline in order to be admitted to their respective pools for insurance starting July 1, 2018 (the start of the new fiscal year) and B) quotes for insuring the LPFD in line with current coverages being received by the cities. Both insurers, CJPRMA for Livermore and Bay Cities Joint Powers Insurance Authority (BCJPIA) for Pleasanton, responded to these requests.


DISCUSSION

The LPFD is currently fully insured by both partner cities. This cost was \$278,00 in FY 2017/18. The Amended and Restated LPFD JPA, approved February 12, 2018, allows for the LPFD JPA to hold its own insurance, eliminating the need for both cities to carry coverage, potentially reducing the cost by half. Both city insurers, CJPRMA and BCJPIA, provided staff from LPFD and both partner city’s quotes to insure the LPFD at comparable levels to current protections. Staff completed a comparative analysis and determined the CJPRMA quote provided the best value to the LPFD (Attachment 2). The rate noted in the last column of Attachment 1 is an industry value-comparison figure. It compares the premium being charged against the value being insured. The lower the rate, the higher the value being received. The quote from CJPRMA compares favorably to the quote from BCJPIA.

The quotes received from both insurance agencies included General Liability, Employment Practices, Property Damage and Auto Damage. While the Amended and Restated JPA Agreement allows for the LPFD JPA to “acquire, hold, own, operate, maintain, lease.....equipment and light duty vehicles, fire trucks, and other vehicles”, staff determined the process for the LPFD JPA to fulfill this is not in place at this time. Based on this determination, staff is recommending that only the General Liability portion of the insurance coverage be assumed by the LPFD JPA while the other portions, such as property and auto damage, be retained by the respective cities. The CJPRMA quote includes Employment Practices coverage in the General Liability it provides.

Staff is recommending the Board adopt the attached resolution allowing the JPA Executive Directors to apply for membership in the CJPRMA insurance pool and, if accepted, enter into General Liability coverage for the LPFD JPA.

Submitted by:



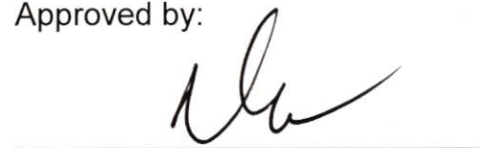
Ruben Torres
Fire Chief
Livermore-Pleasanton Fire Department

Approved by:



Marc Roberts
City Manager, City of Livermore

Approved by:



Nelson Fialho
City Manager, City of Pleasanton

ATTACHMENT

1. Resolution
2. Pool Contribution Self-Insured Retention Comparison.

RESOLUTION NO. LPFD 2018-

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LIVERMORE-
PLEASANTON FIRE DEPARTMENT JOINT POWERS AUTHORITY
APPROVING THE APPLICATION FOR MEMBERSHIP TO THE CALIFORNIA
JOINT POWERS RISK MANAGEMENT AUTHORITY AND ACQUIRING
INSURANCE FROM THE CALIFORNIA JOINT POWERS RICK MANAGEMENT
AUTHORITY FOR 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 on January 11, 2018; and

WHEREAS, the Amended and Restated Livermore-Pleasanton Fire Department Joint Powers Authority Agreement was approved by the Pleasanton City Council on February 6, 2018 and the Livermore City Council on February 12, 2018; and

WHEREAS, the Amended and Restated Livermore-Pleasanton Fire Department Joint Powers Authority Agreement allows for the Livermore-Pleasanton Fire Department Joint Powers Authority to acquire and maintain insurance of all types.

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

Section 1: Submission of an application for membership in the California Joint Powers Risk Management Authority by the Livermore-Pleasanton Fire Department Joint Powers Authority Executive Directors.

Section 2: Acquisition of insurance from the California Joint Powers Risk Management Authority should the application be accepted.

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 April 27, 2018.

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 27th day of April 2018, by the following vote:

- Ayes:
- Noes:
- Absent:
- Abstain:

Karen Diaz, Secretary

APPROVED AS TO FORM:

Jason Alcala, Legal Counsel

Attachment 2

Pool Contribution Self-Insured Retention Comparison

Program	SIR (deductible)	BCJPIA	CJPRMA	Rate
Liability	25,000	493,875		0.0002418
	50,000	438,235		0.0002145
	10,000	368,432		0.0001804
	250,000	275,067		0.0001347
	500,000		150,755	0.0000738
Employment Practice	75,000	75,113		
	500,000		-	(included in GL)
Property	10,000	43,680		0.0000087
	25,000		14,228	0.0000028
Auto Physical Damage	1,000/5,000	85,927		
	10,000		29,612	

BCJPIA	CJPRMA
479,787	194,595