

FIRE CITIZEN COMMITTEE MEETING  
SEPTEMBER 11, 2012 MINUTES

APPROVED 10/29/12

The Fire Citizen Committee of the City of Monterey Park held a meeting in the Friends Room of the Monterey Park Library, 418 ; Monterey Park, California on July 9, 2012 at 6:00 p.m.

**1. CALL TO ORDER**

Chairperson Chan called the meeting to order at 6:00 p.m.

**2. FLAG SALUTE**

Chairperson Chan led the flag salute.

**3. ROLL CALL**

Committee Clerk Bow called roll.

Committee Members Present: Chan, Chandler, Isozaki, Morin, Rubin

Also Present: City Manager Talbot, Fire Chief Birrell, Battalion Chief Khail, Battalion Chief Harper, and Lillian Bow; representatives of Emergency Services Consult International (ESCI): Cameron Phillips, Don Stewart, and Lane Wintermute

**4. ORAL COMMUNICATIONS**

- a. Robert De Rosa, a City of Monterey Park employee, thanked the Ad Hoc Committee for their time on this task.
- b. Nancy Arcuri – spoke on the latest firefighter MOU agreement and the LA Times article regarding LA County’s property tax levy.
- c. Yukio Kawaratani – spoke on the Municipal Code requirements and obtaining a financial analysis or opinion by City staff.
- d. Delario Robinson – spoke on the financial health of the City and avoiding situations like Stockton or San Bernardino.
- e. Terry De Wolf – spoke on the stability of the County Fire situation and the County’s property tax for fire.

**5. APPROVAL OF MINUTES**

Committee Member Chandler made a motion to approve the minutes of July 9, 2012, seconded by Committee Member Morin. Chairperson Chan then called for the vote:

Ayes: Chan, Chandler, Isozaki, Morin, Rubin  
Naes: None

Motion carried and the minutes as presented approved.

**NEW BUSINESS:**

**6. Presentation of Fire Service Analysis by Emergency Services Consulting International, Inc (ESCI)**

Fire Chief Birrell introduced Lane Wintermute, Cameron Phillips and Don Stewart from ESCI who were present to provide an overview or summary of the ESCI report.

Mr. Wintermute explained that ESCI looked at the LA County proposal, compared current conditions, how the Monterey Park Fire Department operates today, and then looked at whether it would be feasible or beneficial to move forward with the LA County proposal. In addition to conducting this evaluation, ESCI also did a fiscal analysis, provided pros and cons, and conclusions and recommendations. Some of the general observations mentioned by ESCI:

Mr. Wintermute mentioned a general observation noted by the members of ESCI was how well operated and efficient the Monterey Park Fire Department was, how committed the employees and well-trained, particularly with a department that is light administratively. They were also very aware that the City is at a financial crossroads with many things to consider.

Some of the Pros:

- A. ESCI recognized that LA County has a depth of resources, equipment, and manpower. Collective bargaining from a City's standpoint becomes the responsibility of LA County. Their organizational structure has all the right pieces in place; all the components that one would expect were there. LA County has an organizational structure that has all the right pieces in place.
- B. LA County has implemented a strategic planning process, which they update on a regular basis. This is a good indicator of a positively management organization.
- C. There will be cost savings operationally as well as internally as well such as HR fees and other indirect costs.
- D. Under the LA County Proposal, the number of responders that will be dispatched to a fire will actually be higher - more units will be dispatched to a fire initially. However, the actual number of firefighters on duty in the City will be less.

Disadvantages:

- A. The City will have less direct control over fire protection, over decision-making.
- B. Operating practices are different. This is not necessarily a disadvantage or con, it just means things are not going to be exactly the same.
- C. With regard to LA County's proposal, there is no indication of Monterey Park being involved in their planning. .
- D. ESCI recommended that Monterey Park obtain, on a regular basis, reporting from LA County Fire to measure response, performance, service delivery, and how effectively they are providing service to your community.
- E. Monterey Park personnel will be required to pass a physical.

ESCI's presentation switched to Mr. Cameron Phillips -

Key points brought up by Mr. Phillips:

- A. Paramedic service will continue with the County and they offer a depth of administrative support, a large staff, logistical staff, and a management structure specifically related to EMS.
- B. Monterey Park staffs are all trained at State level requirements and standards. Monterey Park has a dedicated training tower with the City of Alhambra.
- C. LA County has four training centers in which they coordinate all national, regional, and daily training for all fire staff. LA County provides a 17-week basic firefighter training academy. Monterey Park provides a 12-day rookie orientation with individuals assigned to a truck or engine and trained along the way.
- D. LA County has a well-developed and effective Fire Prevention Program that should continue in addition to maintaining the current inspection program.
- E. Total daily assigned paramedics will drop one paramedic under this proposal.
- F. LA County does not provide medical transportation. This is a separate piece cities have migrated to, and have started and managed on their own. Potential revenue with a private ambulance service is about \$250,000 a year to the City.
- G. Monterey Park's fire trucks and fire rolling apparatus are all in really great condition. The average age is somewhere around seven years and will create a credit of \$254,000. Monterey Park's trucks and engines mirror LA County specifications for design and tools so migration will be easy.
- H. There will be a cost to bring the fire equipment, radios, and computers to LA County standards of \$338,246.
- I. Total Conversion Cost to the City would be \$678,000.
- J. In the event of transition, the Fire Stations will have to go through certain upgrades. There may be certain repairs and infrastructure improvements that are requisite with the LA County proposal. The City will be responsible for hazardous materials assessments and any required mitigation. That will fall under the City's financial responsibility. There is a cost limitation for facility repairs, which will be covered later in the presentation.
- K. Monterey Park has adopted a different Fire Code than LA County and will require another adoption process.
- L. ESCI showed response times for first due units (first arriving units on the scene of an incident) for Fire, Medical, and Service calls. The graphs showed response times at the 90<sup>th</sup> percentile, which Mr. Phillips explained were rates that were occurring 90% of the time. For example, Monterey Park Fire calls show units arriving at 7.31 minutes 90% of the time. It's a little bit longer than medical calls because the firefighters have to put on their gear, protective equipment. A Service call is showing 8.20 minutes, which are calls personnel respond without lights and sirens and must drive through traffic.
- M. Mr. Phillips showed slides showing current staffing and proposed staffing, apparatus placement, and response force.

- N. LA County has a very aggressive move-up and cover program – if a unit responds to a call that will be tied up on that call for 30 minutes or more, the County starts moving units from other areas to cover the open stations.
- O. LA County's staffing proposal doesn't really improve the timeliness of the arrival of an initial unit response. First due response is reduced by two of your response units based in the City.
- P. There will be a delay in the communications system, which can be rectified through a computer connection. Currently, Monterey Park's 911 calls go to the Police Department then to Verdugo. LA County has their own communications center.

Fiscal Analysis –

The LA County fire proposal cost for 2011-2012 provides a total Conversion Cost of \$678,000. Mr. Phillips showed a table that showed the one-time conversion cost, the Fire District's Survey cost of \$24,000 and accrued time off cost of \$1,840,000 and the communication contract. Verdugo requires a six month notice to pull out of the communications package and ESCI figured that would run \$112,000 so the total one-time Conversion cost is \$2.6 million.

Mr. Phillips proceeded to show the cost comparison of Monterey Park's Status Quo versus the LA County Proposal, LA County proposal has a maximum percentage of 5.5% for the first five years and after that, a different calculation is used. He explained the calculations and the factors used in those calculations with a resulting cost savings of between \$10.1 million and \$12.5 million over five years. Other financial factors pointed out during his presentation were:

- A. Cost savings resulting from LA County's purchase of all fire apparatus and equipment, eliminating the City's capital improvement project list by approximately \$1.8 million to 2017.
- B. City retains all buildings and the property.
- C. Monterey Park employees will no longer be in Cal PERS generating future unfunded liabilities.
- D. LA County will pay a maximum of \$25,000 the first year for minor repairs and maintenance to each facility with a maximum amount increase of 5% annually to 2017. In year six, all minor cost repairs will be the responsibility of LA County. The language in this proposal on this point needs to be clarified to protect the City's interest respective to buildings and costs associated with improvements or capital replacements.
- E. LA County will assume all dispatch services in their system.
- F. The proposal does not provide detail on future equipment and apparatus capital purchases, so future equipment and apparatus planning is unknown.
- G. Transferring Monterey Park Fire employees will reduce the total personnel of the City's PERS Public Safety Pool to below 100, which will result in the remaining public safety employees, police, to be put in the State pool at a higher cost of about 4.5%. The accumulated cost to 2017 is \$1.3 million. This has been configured in to their calculations.
- H. The City will have to pay the required conversion costs of \$678,000, inspection fees of \$24,000, and the accrued time off funds that are currently banked by the firefighters, which comes to about \$1.8 million. And as mentioned earlier, Verdugo Communications requires a one-year notice of cancellation.

Mr. Phillips then stated there are a number of conclusions and recommendations in their report. His remaining comments related to the current status of the Monterey Park Fire Department, the staffing, reduction measures Monterey Park Fire Department have undertaken and their final recommendation to transition to LA County Fire.

Questions from the Audience and Committee:

- A. Ms. Rita Miller asked about the continuance of the \$50 subscription program if the City transitions to the County, to which Mr. Phillips replied this would require negotiations with the City's ambulance provider.
- B. Mr. Julius Furhrman spoke about the City's current dispatch system and the one minute delay and ambulance response times. Mr. Phillips responded that ESCI report does not configure in response times of an ambulance, but other communities who have transitioned to the County have had reasonable success.
- C. Chairperson Chan read one of the questions from the audience - any changes in pension when the City transitions to the County? Mr. Phillips said the employees would become County employees and placed in their system.

Mr. Delario Robinson asked the City won't be in Cal PERS? Mr. Phillips said they will not; they become the responsibility of the County.

- D. Mr. Yukio Kawaratani commented on pensions being a major issue among cities and their financial difficulties and he wondered if it changed it to the good or bad? Mr. Phillips said there will still be on-going encumbrances as far as the police and other City employees. In the LA County proposal, there is a cost, but it's in the contract cost.

At this time, City Manager Talbot provided a brief summary of the City's pension tax, pension costs, how much general fund is supplementing the cost of the pension and the impact if the City transitions to the County on the City's pension costs.

Related to the pension issue, Mr. Kawaratani asked if the amount of the pension tax after transition to the County decreases. City Manager Talbot explained that the amount of pension tax would remain the same; however, the amount of people the revenue is expended would decrease. He would have to get the exact numbers.

- E. Committee Member Morin asked for clarification on the PERS retirement and the City's cost, to which City Manager Talbot said it's built into the contract. He added the City is still fully responsible for any unfunded portion that is on the books for firefighters working and retire.
- F. Mr. Kawaratani asked about the increased cost of \$1.8 million more to PERS each year. City Manager Talbot explained the cost difference when transitioning to the County and the State pool costs as well as the impact resulting from police and fire picking up their share of PERS.
- G. Ms. Rita Miller stated that we would be losing a lot of employees, to which the City Manager said all the fire employees.
- H. Chairperson Chan asked if all the financial costs that were analyzed by ESCI was everything and there were no extra costs? Mr. Phillips said that was everything.
- I. Committee Member Rubin said some things ESCI mentioned needed additional negotiations. Mr. Phillips restated their recommendations on clarifying some language and that there could possibly be costs associated with them.

- J. Mr. Kawaratani asked a question pertaining to facilities and future requirements, to which Mr. Wintermute responded the proposal isn't specific enough. He added there is a \$4 million capital improvement project for a new station; however, the actual decision to spend that money is with the Council.
- K. Chairperson Chan asked another question from the submittals, what kind of recommendations or issues could ESCI give the City of Monterey Park that Monterey Park could provide input after the transition? Mr. Phillips said that would have to be negotiated and language strengthened. There are about 30 – 40 recommendations in the ESCI report that they are providing to the City.
- L. The next question asked by Chairperson Chan was if there would be a fire tax implemented if the City transitioned to the County? Mr. Wintermute responded no. Monterey Park would be contracting with the Council, not being annexed into the County.
- M. Chairperson Chan then asked if ESCI conducted a comparison of LA County salaries and Monterey Park Firefighters. Mr. Stewart said it's in the report but not broken out separately as a cost for one firefighter. You will see that the County provides the cost by company, staff, overtime is calculated in, etc.
- N. Chairperson Chan stated that the ambulance revenue in the report is different than what was stated tonight. Refer to the Executive Summary, page seven, it says annual revenue of \$700,000 - \$800,000 annually and today Mr. Phillips said \$250,000. Mr. Phillips responded the difference was between gross revenue and net revenue. Mr. Wintermute added that gross ambulance revenue was close to \$1 million.
- O. Committee Member Rubin asked if this was part of ESCI's calculations, to which both Mr. Phillips and Mr. Stewart said no. These are issues that are contingent upon City management and City Council determinations. This information was broken out in the report but not included in the numbers for overall comparison. Committee Member Rubin then asked if the amount of revenue that the City currently receives is included in the report? Mr. Phillips and Mr. Stewart said there is a financial section for just ambulance. He also stated the ambulance service is costing the City more than the revenues.
- P. Chairperson Chan asked about the different response times that are stated in the summary as there were two different times. Mr. Phillips responded that one is an average response time and the other is the 90<sup>th</sup> percentile.
- Q. Chairperson Chan asked what percentage of this study was accomplished and paid by the firefighters? Mr. Phillips said our client is the City. City Manager Talbot then provided a brief history as to the request for proposal process and how much the firefighters union paid. Mr. Phillips explained the extent of involvement by the firefighters, which essentially were the stakeholder interviews.
- R. Chairperson Chan asked about the response times and responding units, why Montebello was shown, not the County? Mr. Phillips explained it is due to distance and time.
- S. Mr. Kawaratani restated the issue saying it's not clear why you show the responding units on the map. Nothing is shown from Montebello, but things farther away than Montebello are shown. Mr. Phillips stated that in the back of the report, in the appendices, there's a resource matrix that shows a number of different types of incidents from basic house fire to something very complex. There is a list of units and list of agencies that are involved in those and how it grows over time as the incident gets more complex.

- T. Chairperson Chan asked if the reduction in staff, the 17 to 12, is a violation of Measure J? Mr. Phillips responded that he was not familiar with Measure J. City Manager Talbot added that is a decision the Committee has to determine and that ESCI wasn't tasked to analyze Measure J.
- U. Chairperson Chan asked what are the estimated costs after 2017? Mr. Wintermute said for years six through 10, the formula is the previous four years' average cost plus 1%. The first five years, there is a 5.5% cap. Beyond the 10 years, it wasn't calculated as that would require a new contract.
- V. Chairperson Chan said this is the last question from the audience, can you explain the La Habra ambulance model? This question was referred to Chief Birrell, who then provided an overview of La Habra's program.
- W. Mr. Julius Fuhrman asked what the differences are between EMT and paramedics to which Chief Birrell essentially explained a paramedic delivers advanced life support and an EMT delivers basic life support. He also stated the same amount of people respond on scene and possibly more if transitioned to the County due to the engine company, paramedic squad, and an ambulance.
- X. Ms. Rita Miller asked why there are no paramedics on theirs, EMTs. Mr. Talbot and Chief Birrell then provided an explanation as to how the County EMS program operates.

Committee Member Isozaki commented on the time and the need to address Agenda Item No. 7. After further comments between Chairperson Chan and Committee Member Isozaki, Chairperson Chan stated that he had some additional questions for ESCI before they left.

- Y. Chairperson Chan asked ESCI if they did a comparative analysis if the City made the same reductions from 17 to 12, what would the cost savings be? Mr. Phillips responded they didn't look at any other models that Monterey Park might want to entertain to change the bottom line, whether it be in-city or within the region. Those are other questions City administration and Council would have to determine.
- Z. Committee Member Rubin asked if ESCI considered steps the City might take to reduce cost.  
  
Mr. Wintermute provided an explanation of how the financial analysis was done – using the City's budget as a base and rolling them forward using a 10-year average CPI, which included how that CPI average was determined, for non-wage costs and an estimated wage cost. Calculations did not include the 9% contribution by the firefighters.
- AA. Chairperson Chan asked with the transition to the County, he said you'll have paramedics but no ambulance so will the time from the site to the hospital be the same or would there be a difference? Mr. Phillips said this is a question they don't know the answer. It was not part of the report. However, he stated that you can go back and look at what other cities are doing, perhaps look at a model like La Habra. He stated that's where your due diligence goes back to those agencies and ask questions. How is that provider doing service for you? Ask them to show you their records on how they're doing.  
  
Chief Birrell indicated as mentioned in the La Habra model, the EMTs are responding out of the same stations and those response times are going to be the same, if the Council elects to go that route.
- BB. Chairperson Chan asked a question regarding the number of people who respond to an incident, to which Ms. Rita Miller stated she thought there was a requirement of having a certain number of people per vehicle. Chief Birrell provided an explanation of coverage standards.

Chair Chan asked if there were any other questions? No further questions, Chairperson Chan thanked ESCI.

## **7. Report of Findings from Other Cities**

The Committee members reported on the meetings they had with cities that has previously transferred services to the County. These cities were Pomona, Covina, and El Monte. These meetings were essentially with city administration and their finance directors. The Committee Members were all told that services with the County were the same as City services. Service quality was good and so were response times. Issues of concern had to do with trying to reduce fiscal budgets – administration could work with all the remaining departments, but not County fire; teamwork and camaraderie between departments, and community involvement and support. Some cities mentioned that if they did not transfer, other measures would have to be considered such as closing a station (Pomona). It was also reported that the cities could not go back to providing city fire services as the cost makes it prohibitive.

City Manager Talbot, who attended all the meetings with fire staff, provided further details, particularly in reference to financial savings, contract increases, and the difficulties cities face in good times and bad. This was followed by comments and discussion between committee members on the Measure J tasks, ambulance service and other impacts to Monterey Park if transitioned to the County, such as response protocol.

After further discussion and comments by Committee Members and audience members, City Manager Talbot gave his thoughts on what the Committee needed to do next, to determine their actions and recommendations. He stated that whatever the Committee determined, that they need to come to a conclusion. So the next meeting would be a working meeting. The Committee has all the information required, with the exception of the pension information requested tonight.

## **CC.Future Meeting Schedule**

After reviewing calendars, it was determined that Committee Member Morin would let Lillian know her dates of availability for the next meeting and that they were targeting October 23<sup>rd</sup> or 30<sup>th</sup>.

## **DD.Adjourn**

Chair Chan adjourned the meeting at 8:27 p.m.