

**April 17, 2012, 5:30 p.m.**

Council Chambers, 333 Civic Center Plaza

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1. Call to Order – Chairperson Thoming called the meeting to order at 5:32 p.m.
2. Roll Call – Roll call found Directors Abercrombie, Reece, Rickman and Chairperson Thoming present.
3. Items from the Audience - None.
4. Approval of Minutes – It was moved by Director Abercrombie and seconded by Director Reece to adopt the regular meeting minutes of January 17, 2012. Voice vote found all in favor; passed and so ordered.
5. ACCEPT A REPORT ON THE SOUTH COUNTY FIRE AUTHORITY EMERGENCY RESPONSE PERFORMANCE FOR THIRD QUARTER OF FISCAL YEAR 2011-2012 - Fire Division Chief Steve Hanlon presented the staff report. There were 1,453 incidents in the South County Fire Authority (SCFA) during the third quarter of Fiscal Year 2011/2012. This is an increase of 177 incidents compared to the third quarter of 2010/2011. The distribution of incidents among the jurisdictions of the SCFA remains consistent where the majority of incidents occurred in the City (74%), followed by Tracy Rural Fire District (13.5%), Mountain House Community Services District (5.5%), Freeways (4%), and other areas outside of the SCFA (3%).

During the evaluation period the department responded to a total of 30 structure fires, seven were actual working fires on arrival of fire companies. All of the working fires involved residential structures in the City limits. The most significant of these occurred on February 17, 2012, where three persons suffered burn injuries. Three of the largest dollar loss fires during the period occurred on February 16, 2012, at Whispering Wind Drive - \$118,000; February 26, 2012, at Beverdor Avenue, 22<sup>nd</sup> Street - \$145,000; and March 1, 2012, at Gotland Court - \$20,500 in loss.

The goal of the department is to confine residential structure fires to the room of origin 90% of the time. So far this fiscal year that goal has been met 71% of the time in the City. There were no residential structure fires in the Rural or Mountain House areas during the third quarter.

Since the July 2011 SCFA board meeting staff has presented response time data that looks at the four components of response time, "Call Processing," "Turnout Time," "Travel Time," and the "Total Reflex Time." These times are compared to the desired benchmarks and to the acceptable baselines.

During the third quarter of Fiscal Year 2011/2012, the department responded to 52% of all emergency incidents inside the City limits within the total reflex performance objective of 6.5 minutes. This is an improvement in the City of 1% compared to Fiscal

Year 2010-2011. The 90<sup>th</sup> percentile for all incidents in the City was 8 minutes and 24 seconds (8:24) meaning 90% of all incidents were responded to within 8:24 or less.

In the third quarter of Fiscal Year 2011/2012 the Fire Department responded to 66% of all emergency incidents in the Tracy Rural Fire Protection District (TRFPD) within the total reflex performance objective of 10 minutes. This is down 4% from the previous fiscal year. The 90<sup>th</sup> percentile for all incidents in the rural area was 11 minutes and 25 seconds; 90% of all incidents were responded to within 11:25 or less.

Response performance in the Mountain House Community Services District (MHCSO) was down by 1% during the past quarter compared to Fiscal Year 2010/2011. The department responded to 25% of all emergency incidents within the total reflex performance objective of 6.5 minutes. The 90<sup>th</sup> percentile for all incidents was 9 minutes and 52 seconds (9:52).

Staff recommended the Board of Directors accept the South County Fire Authority Quarterly Response Performance Report for the third quarter of Fiscal Year 2011-2012.

Chairperson Thoming asked if the one minute call processing goal was realistic. Fire Chief Nero responded the one minute call processing time originates from the National Fire Protection Association (NFPA). The goal was created with no analysis. Fire Chief Nero added the NFPA is reassessing the call processing goal because it is not being met anywhere in the country. Fire Chief Nero added the department would like to keep that goal of one minute because it provides a goal to achieve exceptional performance. It also provides the foundation needed to deal with Lifecom in making steady improvement.

It was moved by Director Abercrombie and seconded by Director Reece to accept the South County Fire Authority Quarterly Response Performance Report for third quarter of Fiscal Year 2011-2012. Voice vote found all in favor; passed and so ordered.

6. RECEIVE AND DISCUSS A PRESENTATION REGARDING THE GOVERNANCE MODEL AND OVERVIEW OF THE PROPOSED PROCESS – Fire Chief AI Nero presented the staff report. One of the goals of the South County Fire Authority (SCFA), Tracy Rural, and the City of Tracy is to evaluate the current SCFA governance structure and recommend a structure that streamlines the decision making process and any other related governance barriers to efficient policy implementation of fire services within the SCFA service area.

In July staff will return to the SCFA to request the appointment of a member of the Authority to sit on an oversight committee to be established in the near future.

Fire Chief Nero provided a brief description of the existing governance model. The SCFA was created September 15, 1999, with member agencies being City of Tracy, Tracy Rural Fire District (TRFD), and the Mountain House CSD via a contract with TRFD. The governance of this arrangement is the four member Board of Directors (two City Council members and two TRFD Board directors).

Funding sources are through SCFA revenue derived from three funding sources (Fund 211) City of Tracy General Fund, TRFD and MHCS D. The City has a role as the “Administering Agency”, whereas the City Manager is the Executive Director for the Authority and the City Finance Director is the Treasurer/Controller.

All fire personnel are employees of the City and the partner agencies and the Authority contract back to the City for personnel.

Fire Chief Nero stated a tighter governance model is needed that is preferred by Local Agency Formation Commission (LAFCo). That may affect how annexations are approved in the future. Fire Chief Nero indicated last year the City reviewed many applications for annexations of rural land into the City’s boundaries. Those geographic areas while annexed into the City, did not detach from the RFP District. This was done for financial reasons. There was a better financial arrangement relative to tax sharing with the County and with the State that made it more attractive rather than being detached. Fire Chief Nero further stated LAFCo had a problem with this process. After a few hearings before the commission, LAFCo agreed to give the City until April 2013, to tighten the governance model to meet all of the needs.

The existing SCFA JPA Governance Model, while it is effective for what it was intended to do, it is very complex. A more streamlined governance model could improve efficiency and may reduce overall operating costs because it will act as one entity rather than three overseen by one. It also provides an opportunity for continued expansion to surrounding communities in this region.

There are several stakeholders that need to be taken into account – residents in the community, elected officials, City staff, labor representatives, SCFA Partners, TRFD and MHCS D. While MHCS D is a contractor with the Rural District, they need to be part of the process to determine what will happen with the governance. Employee Labor Organization also needs to be a part of the process.

There are other boards and commissions that operate within the service area. The plan is to establish an Oversight Committee which will include representatives from SCFA, Tracy City Council, Tracy Fire Rural Board, Mountain House Board, Labor Organization and the Community. The Oversight Committee’s role will be to ensure progress is being made and oversee the work of a Task Force. The Oversight Committee will also recommend the model that is presented to LAFCO, based on information provided by the Task Force

The plan is also to develop a Task Force consisting of a facilitator and subject matter experts in all areas from not only fire personnel, but the City Attorney’s Office, and the Finance Department. The Task Force will analyze options and provide recommendations to the Oversight Committee. Meetings will be scheduled not only in the City of Tracy but also in Mountain House and adjacent rural areas to give members of the community the opportunity to have any concerns addressed.

Fire Chief Nero stated there are a variety of models that can be employed. To determine a governance model staff will look at the financial structure to make sure it will be able to pay for itself over the long term without being an undue burden on the tax payer and recipient of the services. Fire Chief Nero added there are political issues to

deal with to enable all entities within the service area to have their say and end up with an ultimate Authority.

Additional components of the process will include conducting a long-term financial analysis to reduce costs and increase efficiency. Ownership of the existing assets such as fire stations and apparatus will need to be reviewed. The City Attorney's office will need to conduct a legal analysis to ensure compliance with all codes and ordinances (e.g. Tracy Muni Code, MOU's, LAFCo, etc). Labor contracts also need to be reviewed. Human Resources/Personnel/Finance for the Authority is currently being provided by the City of Tracy. With the adjustment in the governance model, responsibility of these types for support functions will need to be determined.

The focus should remain "the greatest good for the greatest number". The goal is to provide an efficient and effective service to the 104,000 people within the 204 square mile service area at the best cost. It must make long term financial sense and result in maintaining or improving service delivery. With proper planning there will be fewer layers, more efficient governance and reduced overhead costs. Proper planning will also increase purchasing power and fix annual operational expenditures for the City, Rural and Mountain House.

The long range picture of success is to operate a top notch service and to expand to other agencies within the region. The Lathrop-Manteca Fire Protection District is interested in looking at entering into agreements with a neighboring agency. There also may be opportunities with other cities in South San Joaquin County, such as Manteca and Ripon. An incremental or phased approach would be beneficial with the first phase being the existing member organizations within our service area.

Fire Chief Nero stated that the full governance change could be completed by the April 2013 deadline to meet LAFCo's requirements.

Staff recommended that the Board of Directors of the Authority accept the report on a governance model and overview of the proposed process.

Director Abercrombie asked how many people would be on the Oversight Committee. Fire Chief Nero responded the Oversight Committee would consist of five or seven members.

Director Abercrombie asked whether the five or seven members would be on the Oversight Committee or on the governing board. Fire Chief Nero responded there would be five or seven members on the Oversight Committee. After the analysis is complete, the governing board will be determined.

Director Abercrombie asked if the Oversight Committee will follow the Brown Act guidelines. Bill Sartor, Assistant City Attorney, responded yes.

Director Abercrombie stated three members from the SCFA board could be on the committee. Mr. Sartor responded that situation could work as long as it was noticed correctly. Mr. Sartor added there could not be three members of the board on an Adhoc Committee. That could fall outside of the Brown Act rules. One of the advantages of having a larger board is if the board consists of seven members, three members could work on a task as long as the task was able to be completed within a

certain time and was a one time task. Many of the tasks for the Oversight Committee will be one time tasks. A larger body would be better for an Oversight Board but not necessarily for the Governing Board. Mr. Sartor recommended that the three people not be comprised of a body of another body. Meetings would still need to be noticed.

Director Abercrombie asked if the rural debt would be addressed. Fire Chief Nero responded the City and the Board have an agreement in place regarding the debt. That will be a part of the Task Force's job.

Director Reece asked how long it would take to establish the Oversight Committee. Fire Chief Nero responded that he would provide the same presentation at the next Council, Rural, and MHCSD meetings. The SCFA will be the last to provide their members. The committee is expected to be established by the middle of July.

Chairperson Thoming stated it would be interesting to see how all of the existing and proposed agreements between the City and Rural District are affected when a change in agencies is being contemplated. Chairperson Thoming indicated there had been comments regarding Mountain House's situation and there are existing agreements with Mountain House and Rural that the Authority is sensitive to also.

7. Items from the Audience - None
8. Adjournment – It was moved by Director Abercrombie and seconded by Director Reece to adjourn. Voice vote found all in favor; passed and so ordered. Time: 6:05 p.m.

The above are summary minutes. The above agenda was posted at Tracy City Hall on April 12, 2012.

Attest:

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Chairperson

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Secretary