CALL TO ORDER

INVOCATION by OCFA Chaplain

PLEDGE OF ALLEGIANCE by Director Swift

ROLL CALL

PRESENTATIONS
No items.
PUBLIC COMMENTS

Resolution No. 97-024 established rules of decorum for public meetings held by the Orange County Fire Authority. Resolution No. 97-024 is available from the Clerk of the Authority.

Any member of the public may address the Committee on items within the Committee’s subject matter jurisdiction but which are not listed on this agenda during PUBLIC COMMENTS. However, no action may be taken on matters that are not part of the posted agenda. We request comments made on the agenda be made at the time the item is considered and that comments be limited to three minutes per person. Please address your comments to the Committee as a whole, and do not engage in dialogue with individual Committee Members, Authority staff, or members of the audience.

The Agenda and Minutes are now available through the Internet at www.ocfa.org. You can access upcoming agendas on the Monday before the meeting. The minutes are the official record of the meeting and are scheduled for approval at the next regular Executive Committee meeting.

REPORT FROM THE BUDGET AND FINANCE COMMITTEE CHAIR

REPORT FROM THE HUMAN RESOURCES COMMITTEE CHAIR

MINUTES

1. Minutes from the September 18, 2014, Regular Executive Committee Meeting
   Submitted by: Sherry Wentz, Clerk of the Authority

   Recommended Action: Approve as submitted.

CONSENT CALENDAR

All matters on the consent calendar are considered routine and are to be approved with one motion unless a Committee Member or a member of the public requests separate action on a specific item.

2. Monthly Investment Report
   Submitted by: Patricia Jakubiak, Treasurer

   Recommended Action: Receive and file the report.

3. Internal Control Review on Request for Proposal Process
   Submitted by: Lori Zeller, Assistant Chief/Business Services Department

   Recommended Action: Direct staff to implement the Auditor’s recommendations as stated under OCFA management responses in the report.
4. **Blanket Order Contract Increase and Renewal – Toner Cartridges**  
Submitted by: Lori Zeller, Assistant Chief/Business Services Department  

**Recommended Action:**  
Approve and authorize the Purchasing Manager to extend the Staples Technology Blanket Order contract (B01377) for up to two additional years for a not to exceed amount of $125,000 annually.

5. **Purchase Order Increase - Printing Services**  
Submitted by: Brian Stephens, Assistant Chief/Support Services Department  

**Recommended Action:**  
Approve and authorize the Purchasing Manager to increase P0008460 to Pioneer Business Forms, Inc. to $4,767.12 for printing of the radio channel guide books.

Submitted by: Brian Stephens, Assistant Chief/Support Services Department  

**Recommended Action:**  
Approve and authorize the Purchasing Manager to renew and adjust Blanket Orders for sole source vendors ZOLL Data Systems, Inc., and Deccan International, and for preferred vendors Citrix Online, Leavitt Communications, and GMF Sound.

7. **Award of Contract for Request for Proposal No. MD1935 – Communication Equipment Installation Services**  
Submitted by: Brian Stephens, Assistant Chief/Support Services Department  

**Recommended Actions:**  
1. Approve and authorize the Purchasing Manager to establish a Blanket Order contract with 911 Vehicle for a three year contract period for a not to exceed amount of $959,300.  
2. At the beginning of year two and three, authorize the Purchasing Manager to increase the contract for up to 2% of the remaining contract balance, not to exceed the Consumer Price Index.

8. **Approval to Issue Payment for the Orange County Fire Authority’s 2014/15 Portion of the Partnership Costs for the 800MHz Countywide Coordinated Communications System (CCCS) Next Generation Upgrade Project**  
Submitted by: Brian Stephens, Assistant Chief/Support Services Department  

**Recommended Action:**  
Approve and authorize the Purchasing Manager to issue a Purchase Order to the County of Orange Treasurer–Tax Collector for the amount not to exceed $261,014 for the 2014/15 payment of OCFA’s portion of the Partnership costs for the 800MHz CCCS Next Generation upgrade project.
9. **Contract Increase and Extension - Professional Labor Negotiation Services**  
Submitted by: Jeremy Hammond, Human Resources Director

**Recommended Action:**
1. Approve and authorize the Purchasing Manager to increase the value of the Professional Services Agreement with Peter Brown, of Liebert Cassidy Whitmore, by $100,000 and extend the term through December 31, 2015.
2. Direct staff to submit a request to the Board of Directors with the FY 2014/15 Mid-Year Budget Adjustments to increase General Fund (Fund 121) appropriations by $100,000 for professional labor negotiation services.

END OF CONSENT CALENDAR

DISCUSSION CALENDAR
No items.

REPORTS
No items.

COMMITTEE MEMBER COMMENTS

CLOSED SESSION
No items.

ADJOURNMENT – The next regular meeting of the Executive Committee is scheduled for Thursday, November 20*, 2014, at 6:00 p.m.
AFFIDAVIT OF POSTING
I hereby certify under penalty of perjury under the laws of the State of California, that the foregoing Agenda was posted in the lobby and front gate public display case of the Orange County Fire Authority, Regional Training and Operations Center, 1 Fire Authority Road, Irvine, CA, not less than 72 hours prior to the meeting. Dated this 9th day of October 2014.

Sherry A.F. Wentz, CMC
Clerk of the Authority

UPCOMING MEETINGS:

Claims Settlement Committee Meeting Thursday, October 23, 2014, 5:30 p.m.
Board of Directors Meeting Thursday, October 23, 2014, 6:00 p.m.
Human Resources Committee Meeting Tuesday, November 4, 2014, 12:00 noon
Budget and Finance Committee Meeting Wednesday, November 5**, 2014, 12:00 noon

*=Due to upcoming holiday, this meeting’s agenda business will be included on the Board of Director’s Agenda.
**=This meeting to be move forward by a week, due to the upcoming holiday.
CALL TO ORDER
A regular meeting of the Orange County Fire Authority Executive Committee was called to order on September 18, 2014, at 6:05 p.m. by Chair Murray.

INVOCATION
Chaplain Bob George offered the invocation.

PLEDGE OF ALLEGIANCE
Vice Chair Hernandez led the assembly in the Pledge of Allegiance to our Flag.

ROLL CALL

Present: Gene Hernandez, Yorba Linda
          Noel Hatch, Laguna Woods
          Jeffrey Lalloway, Irvine
          Jerry McCloskey, Laguna Niguel (BFC Chair Alternate)
          Al Murray, Tustin
          David Shawver, Stanton
          Todd Spitzer, County of Orange
          Beth Swift, Buena Park

Absent:  Randal Bressette, Laguna Hills
          Steven Weinberg, Dana Point

Also present were:
          Fire Chief Jeff Bowman
          Deputy Chief Craig Kinoshita
          Assistant Chief Brian Stephens
          Assistant Chief Lori Zeller
          Human Resources Director Jeremy Hammond

          General Counsel David Kendig
          Assistant Chief Lori Smith
          Assistant Chief Dave Thomas
          Clerk of the Authority Sherry Wentz
PRESENTATIONS

No items.

PUBLIC COMMENTS (F: 12.02A3)

Chair Murray opened the Public Comments portion of the meeting. Chair Murray closed the Public Comments portion of the meeting without any comments.

REPORT FROM THE BUDGET AND FINANCE COMMITTEE CHAIR (F: 12.02A6)

As Budget and Finance Committee Chair Bressette was unable to be in attendance, Vice Chair McCloskey reported at the September 10, 2014, meeting the Committee received its monthly status update on the Orange County Employees’ Retirement System, and voted unanimously to send the Monthly Investment Report and the 4th Quarter Financial Newsletter to the Executive Committee for its approval and to send the Rebudget of FY 2013/14 Uncompleted Projects to the Board of Directors for its approval.

REPORT FROM THE HUMAN RESOURCES COMMITTEE CHAIR (F: 12.02A6)

Human Resources Committee Chair Shawver reported at the September 2, 2014, meeting the Committee received and filed the Fourth Quarter Workers’ Compensation Update, discussed and voted unanimously to send the consideration of the Claim Settlement Committee Membership, which requests the Board include the addition of a representative from the Human Resources Committee to participate on the Claims Settlement Committee, to the Board of Directors with the recommendation that the Board approve the item. The Committee also designated the first Tuesday of each month at 12 noon as its regular meeting date/time, and that staff will prepare a staff report for the Board’s consideration to amend the Board Rules of Procedure to include this designation.

MINUTES

1. Minutes from the August 21, 2014, Regular Executive Committee Meeting
   (F: 12.02A2)

   On motion of Vice Chair Hernandez and second by Director Hatch, the Executive Committee voted to approve the redlined version of the Minutes from the August 21, 2014, regular Executive Committee meeting. Directors McCloskey and Spitzer noted abstentions.
CONSENT CALENDAR
(Direction Spitzer pulled Agenda Item No. 6 from the Consent Calendar for separate consideration.)

2. Monthly Investment Reports (F: 11.10D2)

On motion of Director Swift and second by Director Shawver, the Committee voted unanimously to receive and file the reports.

3. Fourth Quarter Financial Newsletter – July 2013 to June 2014 (F: 15.07)

On motion of Director Swift and second by Director Shawver, the Committee voted unanimously to receive and file the report.

4. Contract Amendment Deferral – Communications LAB (F: 17.10C1)

On motion of Director Swift and second by Director Shawver, the Committee voted unanimously to receive and file the report.

5. Annual Contract for Purchase of Fire Hose Invitation for Bid RO1961 (F: 19.09D3)

On motion of Director Swift and second by Director Shawver, the Committee voted unanimously to:
1. Approve and authorize the Purchasing Manager to establish the blanket order contract with Allstar Fire for the initial one-year contract period for a not to exceed amount of $150,000.
2. Approve and authorize two additional contract renewal options for a not to exceed amount of $150,000 per year subject to manufacturer price increases up to four percent annually.

6. Blanket Order Contract Increase and Extension - Radiator Coolant (F:15.09F) (X: 19.09)

Director Spitzer pulled this item from the Consent Calendar for separate consideration to discuss potential cooperative purchase alternatives for radiator coolant and other supplies.

On motion of Director Spitzer and second by Chair Murray, the Committee voted unanimously to approve and authorize the Purchasing Manager to renew the annual blanket order with Ashbury Environmental for OCFA radiator coolant for a term not to exceed one year and an amount not to exceed $8,500.

On motion of Director Swift and second by Director Shawver, the Committee voted unanimously to:

1. Approve and authorize the Purchasing Manager to renew the blanket order (B01390-2) with Mako Door, Inc. for up to two years for an amount not to exceed $95,000 annually.
2. Approve and authorize the Purchasing Manager to renew the blanket order (B01391-2) with Action Door, Inc. for up to two years for an amount not to exceed $65,000 annually.
3. Approve and authorize the Purchasing Manager to renew the blanket order (B01392-2) with Southern California Overhead Door for up to two years for an amount not to exceed $20,000 annually.

8. **Approval of Budgeted Purchase of One Compact Track Loader (F: 19.09A)**

On motion of Director Swift and second by Director Shawver, the Committee voted unanimously to approve and authorize the Purchasing Manager to issue a purchase order to Quinn Caterpillar for the purchase of one Compact Track Loader and attachments in an amount not to exceed $137,964.60.

**END OF CONSENT CALENDAR**

**DISCUSSION CALENDAR**

9. **120-Day Action Plan (F: 17.10A)**

Fire Chief Bowman briefed the Committee on the 120-Day Action Plan’s conceptual intent. He noted that there would be a detailed presentation of the Plan to the Board of Directors at its next regular meeting.

A brief discussion ensued regarding the Plan’s foundation documents, (Strategic Plan, Management Partners Action Plan, and Standards of Cover), overlapping objectives, succession planning, and solicitation of input.

On motion of Director McCloskey and second by Director Shawver, the Committee voted unanimously to receive and file the report.
10. **September Legislative Reports** (F: 11.10F1)

Fire Chief Bowman turned to Assistant Chief Stephens to present the report.

Assistant Chief Stephens introduced Legislative Analyst Jay Barkman and OCFA’s State Lobbyist John Moffatt, who presented the 2014 End of Session Legislative Activity Report.

Board discussion ensued regarding various bills including AB 2151 (reimbursement of search and rescue costs) and AB 2493 (expansion of redevelopment bond authorization), and the illegal fireworks disposal budget proposal.

On motion of Director Shawver and second by Vice Chair Hernandez, the Committee voted unanimously to direct staff to solicit input and schedule meetings with interested Directors to gather input and return to the November 20, 2014, Executive Committee meeting with a proposed 2015 Legislative Policy & Guidelines for the full Board’s adoption in January 2015.

**REPORTS** (F: 12.02A7)

There were no items to report.

**COMMITTEE MEMBER COMMENTS** (F: 12.02A4)

Director Lalloway requested a briefing be presented to the Board of Directors regarding OCFA’s actions on the recent Silverado Canyon area fire and thanked Battalion Chief Petro and Division Chief McKeown for keeping him informed throughout the incident.

Director McCloskey thanked and noted his appreciation to OCFA staff for the implementation of the Daily Media Reports.

Director Spitzer related his support of OCFA’s iNotify application for mobile devices, which is software that tracks resources and provides status on all on-going OCFA incidents. He encouraged Board members to utilize this application. He also requested that the OCFA issue Board members appropriate safety gear to allow Directors site access to active incidents.

Director Shawver noted, with the pending approval of the Board of Directors, the Human Resources Committee’s (HRC) has supported Director Hatch as the HRC Chair’s designated representative to the Claims Settlement Committee. He encouraged Directors to visit their local fire stations, noting upon his recent visit he felt there was a calm taking place with field personnel due to the recent appointment of Fire Chief Bowman.

Director Hatch complimented Fire Chief Bowman on his “A Fresh Start” internal memo to the organization in which Chief Bowman highlighted his “Four Fs: Faith, Family, Friends, and Fire Department” decision compass.

Minutes
OCFA Executive Committee Regular Meeting
September 18, 2014  Page - 5
Chair Murray announced his appointment of Director Kelley as a Structural Fire Fund Alternate to the Executive Committee. He thanked OCFA staff for their attendance at the City of Tustin’s 9-1-1 Ceremony and OCFA’s support in the Silverado Canyon area fire incident.

CLOSED SESSION (F: 12.02A5)
No items.

ADJOURNMENT – Chair Murray adjourned the meeting at 7:25 p.m. The next regular meeting of the Executive Committee is scheduled for Thursday, October 16, 2014, at 6:00 p.m.

______________________________
Sherry A.F. Wentz, CMC
Clerk of the Authority
TO: Executive Committee, Orange County Fire Authority

FROM: Patricia Jakubiak, Treasurer

SUBJECT: Monthly Investment Reports

Summary:
This agenda item is submitted to the Committee in compliance with the investment policy of the Orange County Fire Authority and with Government Code Section 53646.

Committee Action:
At its October 8, 2014, meeting, the Budget and Finance Committee reviewed and unanimously recommended approval of this item.

Recommended Action:
Receive and file the reports.

Background:
Attached is the final monthly investment report for the month ended August 31, 2014. A preliminary investment report as of September 19, 2014, is also provided as the most complete report that was available at the time this agenda item was prepared.

Impact to Cities/County:
Not Applicable.

Fiscal Impact:
Not Applicable.

Staff Contact for Further Information:
Patricia Jakubiak, Treasurer
Triciajakubiak@ocfa.org
(714) 573-6301

Attachment:
Final Investment Report – August 2014 / Preliminary Report – September 2014
Orange County Fire Authority
Monthly Investment Report

Final Report – August 2014

Preliminary Report – September 2014
Monthly Investment Report
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Portfolio Details ................................................................................ 5
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Orange County Fire Authority

Final Investment Report

August 31, 2014
EXECUTIVE SUMMARY

Portfolio Activity & Earnings

During the month of August 2014, the size of the portfolio decreased from $173.1 million to $149.5 million. Significant receipts for the month included charges for current services, intergovernmental contract payments and an apportionment of supplemental property taxes totaling $6.0 million. Significant disbursements for the month included three biweekly payrolls, which were approximately $9.0 million each with related benefits. Total August cash outflows for operating expenditures amounted to approximately $30.4 million. The portfolio's balance is expected to decrease slightly further in the following month as there are no major receipts expected for September other than the quarterly cash contract payments.

In August, the portfolio’s yield to maturity (365-day equivalent) increased by 4 basis points to 0.29% from the prior month. The effective rate of return rose by 3 basis points to 0.27% for the month and edged up by 1 basis point to 0.25% for the fiscal year to date. The average maturity of the portfolio lengthened by 9 days to 194 days to maturity.

Economic News

In August 2014, the U.S. economy continued to grow moderately, although economic activity remained mixed. Employment conditions unexpectedly weakened further in August. There were a total of 142,000 new jobs created for the month, a much weaker payroll growth compared to the prior month and what had been expected. The unemployment rate, however, improved by one basis point to 6.1% from 6.2% previously. Both the manufacturing and non-manufacturing sectors continued to advance in August. Industrial production declined slightly while an increase had been expected. Both the University of Michigan Consumer Sentiment and the Conference Board Consumer Confidence measures rose in August. Retail sales improved and grew as expected in August. Inflation stayed low, and the housing sector continued to improve, but activity remained mixed. On September 17, 2014, at the second day of the Federal Open Market Committee’s scheduled meeting, the Committee voted, as expected, to keep the federal funds rate unchanged at a target range of 0 – 0.25%. The Committee’s outlook on the economy stayed largely unchanged. However, it decided to continue reducing its asset purchase program from $25 billion to $15 billion per month beginning in October.
BENCHMARK COMPARISON AS OF AUGUST 31, 2014

3 Month T-Bill: 0.03%  
6 Month T-Bill: 0.05%  
1 Year T-Bill: 0.11%  
LAIF: 0.26%  
OCFA Portfolio: 0.27%

PORTFOLIO SIZE, YIELD, & DURATION

<table>
<thead>
<tr>
<th></th>
<th>Current Month</th>
<th>Prior Month</th>
<th>Prior Year</th>
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</thead>
<tbody>
<tr>
<td>Book Value-</td>
<td>$149,519,487</td>
<td>$173,140,893</td>
<td>$121,225,361</td>
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<td>Yield to Maturity (365 day)</td>
<td>0.29%</td>
<td>0.25%</td>
<td>0.35%</td>
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<tr>
<td>Effective Rate of Return</td>
<td>0.27%</td>
<td>0.24%</td>
<td>0.35%</td>
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<tr>
<td>Days to Maturity</td>
<td>194</td>
<td>185</td>
<td>321</td>
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</tbody>
</table>
## ORANGE COUNTY FIRE AUTHORITY

**Portfolio Management**  
**Portfolio Summary**  
**August 31, 2014**

(See Note 1 on page 9)  
(See Note 2 on page 9)

### Investments

<table>
<thead>
<tr>
<th>Investments</th>
<th>Par Value</th>
<th>Market Value</th>
<th>Book Value</th>
<th>% of Portfolio</th>
<th>Term</th>
<th>Days to Maturity</th>
<th>YTM/C 360 Equiv.</th>
<th>YTM/C 365 Equiv.</th>
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<td>10,750,840.85</td>
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<td>1</td>
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<td>0.256</td>
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<td><strong>Investments</strong></td>
<td>149,084,174.18</td>
<td>149,031,938.35</td>
<td>149,082,943.53</td>
<td>100.00%</td>
<td>375</td>
<td>194</td>
<td>0.281</td>
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### Cash

<table>
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<tr>
<th>Passbook/Checking (not included in yield calculations)</th>
<th>530,710.29</th>
<th>530,710.29</th>
<th>530,710.29</th>
<th>1</th>
<th>1</th>
<th>0.000</th>
<th>0.000</th>
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<tbody>
<tr>
<td><strong>Total Cash and Investments</strong></td>
<td>149,614,884.47</td>
<td>149,562,648.64</td>
<td>149,613,683.82</td>
<td>375</td>
<td>194</td>
<td>0.281</td>
<td>0.285</td>
</tr>
</tbody>
</table>

### Total Earnings

<table>
<thead>
<tr>
<th>Current Year</th>
<th>August 31 Month Ending</th>
<th>Fiscal Year To Date</th>
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</thead>
<tbody>
<tr>
<td>36,097.59</td>
<td>71,388.53</td>
<td></td>
</tr>
</tbody>
</table>

Average Daily Balance  
159,840,375.27  
168,008,381.36  
Effective Rate of Return  
0.27%  
0.25%

"I certify that this investment report accurately reflects all pooled investments and is in compliance with the investment policy adopted by the Board of Directors to be effective on January 1, 2014. A copy of this policy is available from the Clerk of the Authority. Sufficient investment liquidity and anticipated revenues are available to meet budgeted expenditure requirements for the next thirty days and the next six months."

Patricia Jakubisk, Treasurer  
9/5/14

---

**Cash and Investments with GASB 31 Adjustment:**

1. **Book Value of Cash & Investments before GASB 31 (Above)**  
   $149,613,653.82

2. **GASB 31 Adjustment to Books (See Note 3 on page 9)**  
   $-(94,166.47)

**Total**  
$149,519,487.35
# ORANGE COUNTY FIRE AUTHORITY
## Portfolio Management
### Portfolio Details - Investments
#### August 31, 2014

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<tr>
<th>CUSIP</th>
<th>Investment #</th>
<th>Issuer</th>
<th>Average Balance</th>
<th>Purchase Date</th>
<th>Par Value</th>
<th>Market Value</th>
<th>Book Value</th>
<th>Stated Rate</th>
<th>YTMIC 365</th>
<th>Days to Maturity</th>
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<td>Money Mkt Mutual Funds/Cash</td>
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<td>SYS528</td>
<td>528</td>
<td>High Mark 100% US Treasury MMF</td>
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<td>Commercial Paper Disc. -Amortizing</td>
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<td>36959JKA0</td>
<td>820</td>
<td>GEN ELEC CAP CRP</td>
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<td>39</td>
<td>10/10/2014</td>
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<td>Subtotal and Average</td>
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<td>0.112</td>
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<tr>
<td>Federal Agency Coupon Securities</td>
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<td>Federal Agency Disc. -Amortizing</td>
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<td>313589N58</td>
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<td>Subtotal and Average</td>
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<td>Local Agency Investment Funds</td>
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<td>SYS336</td>
<td>336</td>
<td>Local Agency Invsmt Fund</td>
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<tr>
<td>Subtotal and Average</td>
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<td>Investment #</td>
<td>Issuer</td>
<td>Average Balance</td>
<td>Purchase Date</td>
<td>Par Value</td>
<td>Market Value</td>
<td>Book Value</td>
<td>Stated Rate</td>
<td>YTM/C 365</td>
<td>Days to Maturity</td>
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<td>Aging Interval</td>
<td>(From - To)</td>
<td>Maturities</td>
<td>Payments</td>
<td>Maturity Par Value</td>
<td>Percent of Portfolio</td>
<td>Current Book Value</td>
<td>Current Market Value</td>
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<tr>
<td>0 days</td>
<td>(09/01/2014 - 09/01/2014)</td>
<td>6</td>
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<td>61,296,488.64</td>
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<td>1 - 30 days</td>
<td>(09/02/2014 - 10/01/2014)</td>
<td>2</td>
<td>0</td>
<td>14,000,000.00</td>
<td>9.36%</td>
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<td>31 - 60 days</td>
<td>(10/02/2014 - 10/31/2014)</td>
<td>2</td>
<td>0</td>
<td>18,000,000.00</td>
<td>12.03%</td>
<td>17,998,132.50</td>
<td>17,998,200.00</td>
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<tr>
<td>61 - 91 days</td>
<td>(11/01/2014 - 12/01/2014)</td>
<td>1</td>
<td>0</td>
<td>9,000,000.00</td>
<td>6.01%</td>
<td>8,998,995.00</td>
<td>8,999,280.00</td>
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<tr>
<td>92 - 121 days</td>
<td>(12/02/2014 - 12/31/2014)</td>
<td>0</td>
<td>0</td>
<td>0.00</td>
<td>0.00%</td>
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<tr>
<td>122 - 152 days</td>
<td>(01/01/2015 - 01/31/2015)</td>
<td>1</td>
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<td>8,996,602.50</td>
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<tr>
<td>153 - 183 days</td>
<td>(02/01/2015 - 03/03/2015)</td>
<td>0</td>
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<td>0.00</td>
<td>0.00%</td>
<td>0.00</td>
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<tr>
<td>184 - 274 days</td>
<td>(03/04/2015 - 06/02/2015)</td>
<td>0</td>
<td>0</td>
<td>0.00</td>
<td>0.00%</td>
<td>0.00</td>
<td>0.00</td>
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<tr>
<td>275 - 365 days</td>
<td>(06/03/2015 - 09/01/2015)</td>
<td>0</td>
<td>0</td>
<td>0.00</td>
<td>0.00%</td>
<td>0.00</td>
<td>0.00</td>
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<tr>
<td>366 - 1095 days</td>
<td>(09/02/2015 - 08/31/2017)</td>
<td>4</td>
<td>0</td>
<td>29,333,333.33</td>
<td>19.60%</td>
<td>29,329,332.94</td>
<td>29,302,520.00</td>
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<tr>
<td>1096 - 1825 days</td>
<td>(09/01/2017 - 08/31/2019)</td>
<td>1</td>
<td>0</td>
<td>9,000,000.00</td>
<td>6.02%</td>
<td>9,099,398.07</td>
<td>8,988,500.00</td>
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<tr>
<td>1826 days and after</td>
<td>(09/01/2019 - )</td>
<td>0</td>
<td>0</td>
<td>0.00</td>
<td>0.00%</td>
<td>0.00</td>
<td>0.00</td>
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<td>Total for</td>
<td>Investments</td>
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<td>100.00</td>
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<td>149,613,653.82</td>
<td>149,582,648.64</td>
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</tbody>
</table>
NOTES TO PORTFOLIO MANAGEMENT REPORT

Note 1: Market value of the LAIF investment is calculated using a fair value factor provided by LAIF. The MUFG Union Bank (formerly Union Bank) Trust Department provides market values of the remaining investments.

Note 2: Book value reflects the cost or amortized cost before the GASB 31 accounting adjustment.

Note 3: GASB 31 requires governmental entities to report investments at fair value in the financial statements and to reflect the corresponding unrealized gains/(losses) as a component of investment income. The GASB 31 adjustment is recorded only at fiscal year end. The adjustment for June 30, 2014 includes an increase of $14,938 to the LAIF investment and a decrease of $(109,104) to the remaining investments.

Note 4: The Highmark money market mutual fund functions as the Authority’s sweep account. Funds are transferred to and from the sweep account to/from OCFA’s checking account in order to maintain a target balance of $1,000,000 in checking. Since this transfer occurs at the beginning of each banking day, the checking account sometimes reflects a negative balance at the close of the banking day. The negative closing balance is not considered an overdraft since funds are available in the money market mutual fund. The purpose of the sweep arrangement is to provide sufficient liquidity to cover outstanding checks, yet allow that liquidity to be invested while payment of the outstanding checks is pending.
Local Agency Investment Fund (LAIF)

As of August 31, 2014, OCFA has $50,000,000 invested in LAIF. The fair value of OCFA’s LAIF investment is calculated using a participant fair value factor provided by LAIF on a quarterly basis. The fair value factor as of June 30, 2014 is 1.00029875. When applied to OCFA’s LAIF investment, the fair value is $50,014,938 or $14,938 above cost. Although the fair value of the LAIF investment is higher than cost, OCFA can withdraw the actual amount invested at any time.

LAIF is included in the State Treasurer’s Pooled Money Investment Account (PMIA) for investment purposes. The PMIA market valuation at August 31, 2014 is included on the following page.
State of California  
Pooled Money Investment Account  
Market Valuation  
8/31/2014

<table>
<thead>
<tr>
<th>Description</th>
<th>Carrying Cost Plus Accrued Interest Purch.</th>
<th>Fair Value</th>
<th>Accrued Interest</th>
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<td>Bills</td>
<td>$11,337,702,416.48</td>
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<td>Notes</td>
<td>$20,963,749,276.64</td>
<td>$20,979,492,500.00</td>
<td>$17,255,748.00</td>
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<td><strong>Federal Agency:</strong></td>
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<tr>
<td>SBA</td>
<td>$574,538,034.57</td>
<td>$571,141,911.05</td>
<td>$525,162.18</td>
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<td>MBS-REM Cs</td>
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<td>$122,656,458.65</td>
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<td>Debentures</td>
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<td>Discount Notes</td>
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<td>$1,419,718,800.00</td>
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<td>GNMA</td>
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<tr>
<td><strong>Supranational Debentures</strong></td>
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<td>Bank Notes</td>
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<td>$123,694.44</td>
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<td><strong>Corporate:</strong></td>
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<td>Bonds FR</td>
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<td>Repurchase Agreements</td>
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<td>Reverse Repurchase</td>
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<td>Time Deposits</td>
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<td>AB 55 &amp; GF Loans</td>
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<td>$978,969,721.22</td>
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<td><strong>TOTAL</strong></td>
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<td>$54,884,590,942.01</td>
<td>$28,639,060.43</td>
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</table>

Fair Value Including Accrued Interest $54,913,230,002.44

Repurchase Agreements, Time Deposits, AB 55 & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).
Orange County Fire Authority

Preliminary Investment Report

September 19, 2014
## ORANGE COUNTY FIRE AUTHORITY
### Portfolio Management
#### Portfolio Summary
September 19, 2014

(See Note 1 on page 18)  
(See Note 2 on page 18)

<table>
<thead>
<tr>
<th>Investments</th>
<th>Par Value</th>
<th>Market Value</th>
<th>Book Value</th>
<th>% of Portfolio</th>
<th>Term</th>
<th>Days to Maturity</th>
<th>YTM/C 360 Equiv.</th>
<th>YTM/C 365 Equiv.</th>
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<td>8,704,896.47</td>
<td>8,704,896.47</td>
<td>5.76</td>
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<td>Commercial Paper Disc.-Amortizing</td>
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<td>8,999,450.00</td>
<td>5.98</td>
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<td>20</td>
<td>0.110</td>
<td>0.112</td>
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<tr>
<td>Federal Agency Coupon Securities</td>
<td>38,333,333.33</td>
<td>38,130,450.00</td>
<td>38,338,705.51</td>
<td>25.38</td>
<td>1,285</td>
<td>654</td>
<td>0.666</td>
<td>0.675</td>
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<tr>
<td>Federal Agency Disc.-Amortizing</td>
<td>45,000,000.00</td>
<td>44,998,470.00</td>
<td>44,994,870.00</td>
<td>29.79</td>
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<td>59</td>
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<td>0.063</td>
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<td>Local Agency Investment Funds</td>
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<td>50,014,937.50</td>
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<td>1</td>
<td>0.256</td>
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<td><strong>151,037,921.98</strong></td>
<td><strong>100.00%</strong></td>
<td><strong>371</strong></td>
<td><strong>185</strong></td>
<td><strong>0.279</strong></td>
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<table>
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<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Passbook/Checking (not included in yield calculations)</td>
<td>1,569,316.43</td>
<td>1,569,316.43</td>
<td>1,569,316.43</td>
<td>1</td>
<td>1</td>
<td></td>
<td>0.000</td>
<td>0.000</td>
</tr>
<tr>
<td><strong>Total Cash and Investments</strong></td>
<td><strong>152,607,546.23</strong></td>
<td><strong>152,417,530.40</strong></td>
<td><strong>152,607,238.41</strong></td>
<td><strong>371</strong></td>
<td><strong>185</strong></td>
<td><strong>0.279</strong></td>
<td><strong>0.283</strong></td>
<td></td>
</tr>
</tbody>
</table>

### Total Earnings

<table>
<thead>
<tr>
<th></th>
<th>September 19 Month Ending</th>
<th>Fiscal Year To Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Year</td>
<td>22,402.60</td>
<td>93,791.13</td>
</tr>
<tr>
<td>Average Daily Balance</td>
<td>150,544,965.34</td>
<td>163,912,024.52</td>
</tr>
<tr>
<td>Effective Rate of Return</td>
<td>0.29%</td>
<td>0.26%</td>
</tr>
</tbody>
</table>

"I certify that this investment report accurately reflects all pooled investments and is in compliance with the investment policy adopted by the Board of Directors to be effective on January 1, 2014. A copy of this policy is available from the Clerk of the Authority. Sufficient investment liquidity and anticipated revenues are available to meet budgeted expenditure requirements for the next thirty days and the next six months."

[Signature]

Patricia Jakubiak, Treasurer

---

**Cash and Investments with GASB 31 Adjustment:**

- **Book Value of Cash & Investments before GASB 31 (Above)**: $152,607,238.41
- **GASB 31 Adjustment to Books (See Note 3 on page 18)**: $(94,166.47)$
- **Total**: $152,513,071.94
## ORANGE COUNTY FIRE AUTHORITY
### Portfolio Management
#### Portfolio Details - Investments
**September 19, 2014**

### Money Mkt Mutual Funds/Cash

<table>
<thead>
<tr>
<th>CUSIP</th>
<th>Investment #</th>
<th>Issuer</th>
<th>Average Balance</th>
<th>Purchase Date</th>
<th>Par Value</th>
<th>Market Value</th>
<th>Book Value</th>
<th>Stated Rate</th>
<th>YTM/IC</th>
<th>Days to Maturity</th>
<th>Maturity Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>SYS529</td>
<td>528</td>
<td>High Mark 100% US Treasury MMF</td>
<td></td>
<td></td>
<td>8,704,898.47</td>
<td>8,704,898.47</td>
<td>8,704,898.47</td>
<td>0.001</td>
<td>0.001</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal and Average</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>10,056,448.89</strong></td>
<td><strong>8,704,898.47</strong></td>
<td><strong>8,704,898.47</strong></td>
<td><strong>0.001</strong></td>
<td><strong>0.001</strong></td>
<td><strong>1</strong></td>
<td><strong>1</strong></td>
</tr>
</tbody>
</table>

### Commercial Paper Disc. - Amortizing

<table>
<thead>
<tr>
<th>CUSIP</th>
<th>Investment #</th>
<th>Issuer</th>
<th>Average Balance</th>
<th>Purchase Date</th>
<th>Par Value</th>
<th>Market Value</th>
<th>Book Value</th>
<th>Stated Rate</th>
<th>YTM/IC</th>
<th>Days to Maturity</th>
<th>Maturity Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>36959JKA0</td>
<td>829</td>
<td>GEN ELEC CAP CRP</td>
<td></td>
<td></td>
<td>9,000,000.00</td>
<td>8,999,450.00</td>
<td>8,999,450.00</td>
<td>0.110</td>
<td>0.112</td>
<td>20</td>
<td>10/10/2014</td>
</tr>
<tr>
<td><strong>Subtotal and Average</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>8,999,202.50</strong></td>
<td><strong>8,999,450.00</strong></td>
<td><strong>8,999,450.00</strong></td>
<td><strong>0.112</strong></td>
<td><strong>20</strong></td>
<td><strong>10/10/2014</strong></td>
<td><strong>10/10/2014</strong></td>
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</table>

### Federal Agency Coupon Securities

<table>
<thead>
<tr>
<th>CUSIP</th>
<th>Investment #</th>
<th>Issuer</th>
<th>Average Balance</th>
<th>Purchase Date</th>
<th>Par Value</th>
<th>Market Value</th>
<th>Book Value</th>
<th>Stated Rate</th>
<th>YTM/IC</th>
<th>Days to Maturity</th>
<th>Maturity Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>3133ECMV6</td>
<td>809</td>
<td>Federal Farm Credit Bank (Callable anytime)</td>
<td>04/25/2013</td>
<td></td>
<td>9,000,000.00</td>
<td>8,984,430.00</td>
<td>8,996,654.04</td>
<td>0.400</td>
<td>0.424</td>
<td>580</td>
<td>04/22/2016</td>
</tr>
<tr>
<td>31338Q4V6</td>
<td>787</td>
<td>Fed Home Loan Bank (Callable anytime)</td>
<td>08/09/2012</td>
<td></td>
<td>6,000,000.00</td>
<td>5,973,060.00</td>
<td>6,000,000.00</td>
<td>1.000</td>
<td>0.981</td>
<td>1,054</td>
<td>08/06/2017</td>
</tr>
<tr>
<td>3133813R4</td>
<td>800</td>
<td>Fed Home Loan Bank (Callable 10-9-14)</td>
<td>12/20/2012</td>
<td></td>
<td>9,000,000.00</td>
<td>8,869,680.00</td>
<td>9,009,242.52</td>
<td>1.000</td>
<td>0.966</td>
<td>1,146</td>
<td>11/09/2017</td>
</tr>
<tr>
<td>3133820C4</td>
<td>803</td>
<td>Fed Home Loan Bank (Callable anytime)</td>
<td>03/15/2013</td>
<td></td>
<td>5,333,333.33</td>
<td>5,321,280.00</td>
<td>5,332,808.95</td>
<td>0.470</td>
<td>0.477</td>
<td>534</td>
<td>03/07/2016</td>
</tr>
<tr>
<td>3133A2MX1</td>
<td>833</td>
<td>Fed Home Loan Bank (Callable 10-29-14)</td>
<td>07/29/2014</td>
<td></td>
<td>9,000,000.00</td>
<td>8,892,000.00</td>
<td>9,000,000.00</td>
<td>0.550</td>
<td>0.550</td>
<td>39</td>
<td>07/29/2016</td>
</tr>
<tr>
<td><strong>Subtotal and Average</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>38,338,717.59</strong></td>
<td><strong>38,333,333.33</strong></td>
<td><strong>38,130,450.00</strong></td>
<td><strong>38,338,705.51</strong></td>
<td><strong>0.676</strong></td>
<td><strong>654</strong></td>
<td></td>
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</table>

### Federal Agency Disc. - Amortizing

<table>
<thead>
<tr>
<th>CUSIP</th>
<th>Investment #</th>
<th>Issuer</th>
<th>Average Balance</th>
<th>Purchase Date</th>
<th>Par Value</th>
<th>Market Value</th>
<th>Book Value</th>
<th>Stated Rate</th>
<th>YTM/IC</th>
<th>Days to Maturity</th>
<th>Maturity Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>313389N58</td>
<td>831</td>
<td>Fed Natl Mort Assoc</td>
<td>07/01/2014</td>
<td></td>
<td>9,000,000.00</td>
<td>8,999,820.00</td>
<td>8,999,280.00</td>
<td>0.060</td>
<td>0.062</td>
<td>48</td>
<td>11/07/2014</td>
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<tr>
<td>313339BF8</td>
<td>832</td>
<td>Freddie Mac</td>
<td>07/01/2014</td>
<td></td>
<td>9,000,000.00</td>
<td>8,999,100.00</td>
<td>8,997,030.00</td>
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<td>0.093</td>
<td>132</td>
<td>01/20/2015</td>
</tr>
<tr>
<td>313365H33</td>
<td>828</td>
<td>Fed Home Loan Bank</td>
<td>08/19/2014</td>
<td></td>
<td>9,000,000.00</td>
<td>9,000,000.00</td>
<td>8,999,925.00</td>
<td>0.050</td>
<td>0.051</td>
<td>6</td>
<td>08/26/2014</td>
</tr>
<tr>
<td>313365L79</td>
<td>830</td>
<td>Fed Home Loan Bank</td>
<td>07/01/2014</td>
<td></td>
<td>9,000,000.00</td>
<td>8,999,910.00</td>
<td>8,999,490.00</td>
<td>0.090</td>
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<td>34</td>
<td>01/24/2014</td>
</tr>
<tr>
<td>313365R99</td>
<td>834</td>
<td>Fed Home Loan Bank</td>
<td>09/11/2014</td>
<td></td>
<td>9,000,000.00</td>
<td>8,999,540.00</td>
<td>8,999,145.00</td>
<td>0.045</td>
<td>0.046</td>
<td>78</td>
<td>12/20/2014</td>
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<tr>
<td><strong>Subtotal and Average</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>43,152,596.36</strong></td>
<td><strong>45,000,000.00</strong></td>
<td><strong>44,998,470.00</strong></td>
<td><strong>44,994,870.00</strong></td>
<td><strong>0.663</strong></td>
<td><strong>69</strong></td>
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</table>

### Local Agency Investment Funds

<table>
<thead>
<tr>
<th>CUSIP</th>
<th>Investment #</th>
<th>Issuer</th>
<th>Average Balance</th>
<th>Purchase Date</th>
<th>Par Value</th>
<th>Market Value</th>
<th>Book Value</th>
<th>Stated Rate</th>
<th>YTM/IC</th>
<th>Days to Maturity</th>
<th>Maturity Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>SYS336</td>
<td>336</td>
<td>Local Agency Invstmt Fund</td>
<td></td>
<td></td>
<td>50,000,000.00</td>
<td>50,014,937.50</td>
<td>50,000,000.00</td>
<td>0.260</td>
<td>0.260</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal and Average</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>50,000,000.00</strong></td>
<td><strong>50,014,937.50</strong></td>
<td><strong>50,000,000.00</strong></td>
<td><strong>0.260</strong></td>
<td><strong>1</strong></td>
<td><strong>1</strong></td>
<td><strong>1</strong></td>
</tr>
</tbody>
</table>

**Total and Average:** **150,544,965.34** | **151,038,229.80** | **150,848,213.97** | **151,037,921.98** | **0.283** | **185** | |
## ORANGE COUNTY FIRE AUTHORITY
### Portfolio Management
#### Portfolio Details - Cash
#### September 19, 2014

<table>
<thead>
<tr>
<th>CUSIP</th>
<th>Investment #</th>
<th>Issuer</th>
<th>Average Balance</th>
<th>Purchase Date</th>
<th>Par Value</th>
<th>Market Value</th>
<th>Book Value</th>
<th>Stated Rate</th>
<th>YTM/C 365</th>
<th>Days to Maturity</th>
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</thead>
<tbody>
<tr>
<td>SYS10104</td>
<td>10104</td>
<td>American Benefit Plan Admin</td>
<td></td>
<td>07/01/2014</td>
<td>15,000.00</td>
<td>15,000.00</td>
<td>15,000.00</td>
<td>0.000</td>
<td>1</td>
<td></td>
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<tr>
<td>SYS10033</td>
<td>10033</td>
<td>Revolving Fund</td>
<td></td>
<td>07/01/2014</td>
<td>20,000.00</td>
<td>20,000.00</td>
<td>20,000.00</td>
<td>0.000</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>SYS4</td>
<td>4</td>
<td>Union Bank of California</td>
<td></td>
<td>07/01/2014</td>
<td>1,284,316.43</td>
<td>1,284,316.43</td>
<td>1,284,316.43</td>
<td>0.000</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>SYS361</td>
<td>361</td>
<td>CORVEL</td>
<td></td>
<td>07/01/2014</td>
<td>250,000.00</td>
<td>250,000.00</td>
<td>250,000.00</td>
<td>0.000</td>
<td>1</td>
<td></td>
</tr>
</tbody>
</table>

| Average Balance | 0.00 |

| Total Cash and Investments | 150,544,985.34 | 152,607,546.23 | 152,417,530.40 | 152,607,238.41 | 0.283 | 185 |
(This Page Intentionally Left Blank)
<table>
<thead>
<tr>
<th>Aging Interval: 0 days</th>
<th>09/20/2014 - 09/20/2014</th>
<th>6 Maturities</th>
<th>0 Payments</th>
<th>Maturity Par Value</th>
<th>Percent of Portfolio</th>
<th>Current Book Value</th>
<th>Current Market Value</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>60,274,212.90</td>
<td>39.50%</td>
<td>60,274,212.90</td>
<td>60,289,150.40</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aging Interval: 1 - 30 days</td>
<td>09/21/2014 - 10/20/2014</td>
<td>2 Maturities</td>
<td>0 Payments</td>
<td>18,000,000.00</td>
<td>11.79%</td>
<td>17,999,375.00</td>
<td>17,999,460.00</td>
</tr>
<tr>
<td>Aging Interval: 31 - 60 days</td>
<td>10/21/2014 - 11/19/2014</td>
<td>2 Maturities</td>
<td>0 Payments</td>
<td>18,000,000.00</td>
<td>11.79%</td>
<td>17,998,770.00</td>
<td>17,999,730.00</td>
</tr>
<tr>
<td>Aging Interval: 61 - 91 days</td>
<td>11/20/2014 - 12/20/2014</td>
<td>1 Maturities</td>
<td>0 Payments</td>
<td>9,000,000.00</td>
<td>5.90%</td>
<td>8,999,145.00</td>
<td>8,999,640.00</td>
</tr>
<tr>
<td>Aging Interval: 92 - 121 days</td>
<td>12/21/2014 - 01/19/2015</td>
<td>0 Maturities</td>
<td>0 Payments</td>
<td>0.00</td>
<td>0.00%</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Aging Interval: 122 - 152 days</td>
<td>01/20/2015 - 02/19/2015</td>
<td>1 Maturities</td>
<td>0 Payments</td>
<td>9,000,000.00</td>
<td>5.90%</td>
<td>8,997,030.00</td>
<td>8,999,100.00</td>
</tr>
<tr>
<td>Aging Interval: 153 - 183 days</td>
<td>02/20/2015 - 03/22/2015</td>
<td>0 Maturities</td>
<td>0 Payments</td>
<td>0.00</td>
<td>0.00%</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Aging Interval: 184 - 274 days</td>
<td>03/23/2015 - 06/21/2015</td>
<td>0 Maturities</td>
<td>0 Payments</td>
<td>0.00</td>
<td>0.00%</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Aging Interval: 275 - 365 days</td>
<td>06/22/2015 - 09/20/2015</td>
<td>0 Maturities</td>
<td>0 Payments</td>
<td>0.00</td>
<td>0.00%</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Aging Interval: 366 - 1095 days</td>
<td>09/21/2015 - 09/19/2017</td>
<td>4 Maturities</td>
<td>0 Payments</td>
<td>29,333,333.33</td>
<td>19.22%</td>
<td>29,329,462.99</td>
<td>29,260,770.00</td>
</tr>
<tr>
<td>Aging Interval: 1096 - 1825 days</td>
<td>09/20/2017 - 09/19/2019</td>
<td>1 Maturities</td>
<td>0 Payments</td>
<td>9,000,000.00</td>
<td>5.90%</td>
<td>9,009,242.52</td>
<td>8,889,680.00</td>
</tr>
<tr>
<td>Aging Interval: 1826 days and after</td>
<td>09/20/2019 -</td>
<td>0 Maturities</td>
<td>0 Payments</td>
<td>0.00</td>
<td>0.00%</td>
<td>0.00</td>
<td>0.00</td>
</tr>
</tbody>
</table>

Total for 17 Investments 0 Payments 100.00 152,607,238.41 152,417,530.40
NOTES TO PORTFOLIO MANAGEMENT REPORT

Note 1: Market value of the LAIF investment is calculated using a fair value factor provided by LAIF. The MUFG Union Bank Trust Department provides market values of the remaining investments.

Note 2: Book value reflects the cost or amortized cost before the GASB 31 accounting adjustment.

Note 3: GASB 31 requires governmental entities to report investments at fair value in the financial statements and to reflect the corresponding unrealized gains/ (losses) as a component of investment income. The GASB 31 adjustment is recorded only at fiscal year end. The adjustment for June 30, 2014 includes an increase of $14,938 to the LAIF investment and a decrease of $(109,104) to the remaining investments.

Note 4: The Highmark money market mutual fund functions as the Authority’s sweep account. Funds are transferred to and from the sweep account to/from OCFA’s checking account in order to maintain a target balance of $1,000,000 in checking. Since this transfer occurs at the beginning of each banking day, the checking account sometimes reflects a negative balance at the close of the banking day. The negative closing balance is not considered an overdraft since funds are available in the money market mutual fund. The purpose of the sweep arrangement is to provide sufficient liquidity to cover outstanding checks, yet allow that liquidity to be invested while payment of the outstanding checks is pending.
TO: Executive Committee, Orange County Fire Authority

FROM: Lori Zeller, Assistant Chief
Business Services Department

SUBJECT: Internal Control Review on Request for Proposal Process

Summary:
This agenda item is submitted to present the independent accountants’ Agreed-Upon Procedures report of OCFA’s internal control review on the Request for Proposal (RFP) process.

Committee Action:
At its October 8, 2014, meeting, the Budget and Finance Committee reviewed and unanimously recommended approval of this item.

Recommended Action:
Direct staff to implement the Auditor’s recommendations as stated under OCFA management responses in the report.

Background:
At the March 14, 2012, Budget and Finance Committee meeting, the Committee approved the selection of Lance, Soll & Lunghard, LLP (LSL) as the auditing firm to complete a comprehensive review of OCFA’s financial internal controls over the next three years. At the February 5, 2014, Budget and Finance Committee meeting, the Committee approved the scope of work for the second year of the comprehensive internal control review. The scope included the following areas:

1. Capital Assets and Inventory Control
2. Request for Proposals (RFP) Process
3. Advanced Life Support (ALS) Controlled Medications Accountability

Review of Internal Controls on Purchasing/Procurement:
LSL has completed their test work and compiled a report of the observations noted during their review. The results of the audit confirmed that the Authority has strong controls and transparency in the RFP process. Included in the report are recommendations by the auditors to further enhance the process based on their observations. LSL submitted the report to OCFA management for inclusion of the appropriate responses to the recommendations. A copy of the report, along with OCFA’s management responses, is included as an attachment to this staff report. All suggestions for RFP process improvements stated in the Management’s Responses of the Independent Auditors’ Report of Internal Controls will be implemented by staff.
Historically, internal control review reports are presented to the Budget and Finance Committee (that also serves as the OCFA audit committee) for discussion and approval. Due to the recent concerns raised by members of the public and the media regarding public sector procurement practices, staff felt it was important to also present this report to the Executive Committee which is responsible for approving all purchases and contracts (except public works) that exceed $100,000 aggregate as modified in the OCFA Roles/Responsibilities/Authorities matrix effective July 1, 2014.

Impact to Cities/County:
Not Applicable

Fiscal Impact:
None

Independent Auditor (Lance, Soll & Lunghard, LLP) Contact for Further Information:
Bryan Gruber, CPA
bryan.gruber@lslcpas.com
(714) 672-0022

Staff Contact for Further Information:
Jim Ruane, Finance Manager/Auditor
Business Services Department
jimruane@ocfa.org
(714) 573-6304

Attachment:
Agreed-Upon Procedures Review on the RFP process with OCFA Management Responses
ORANGE COUNTY FIRE AUTHORITY

Independent Accountants’ Report on Applying
Agreed-Upon Procedures on the Request for Proposal Process

August 25, 2014
INDEPENDENT ACCOUNTANTS’ REPORT
ON APPLYING AGREED-UPON PROCEDURES

Jim Ruane, Finance Manager / Auditor
Orange County Fire Authority
Irvine, California

We have performed the procedures enumerated in the sections below, which were agreed to by the Orange County Fire Authority, solely to assist you with respects to the Request for Proposal process of the Orange County Fire Authority’s Purchasing Department. The agreed-upon period, in which was examined, was from January 1, 2011 to August 22, 2014. Orange County Fire Authority’s management is responsible for the policies and procedures of the Request for Proposal process in the Purchasing Department. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of Orange County Fire Authority. Consequently, we make no representations regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

OVERALL RESULTS

We would like to commend Orange County Fire Authority in taking the necessary steps in ensuring that the dynamics of its Request for Proposal process is robust and comprehensive and that address key weaknesses. We were able to observe that the Authority has strong controls and processes, in which information was readily available for us. As part of our review, we obtained an understanding of the Authority’s policies and procedures, interviewed personnel, sampled RFP’s, sampled Sole Source requisitions, and sampled Purchase Orders. The sample included four Requests for Proposals, one Bid, two Sole Source Acquisitions, and twenty-five Purchase Orders. Overall, the results of our test work confirmed that the Authority has strong controls and processes. The Authority always solicited its RFP’s and bids on Planet Bids, which is a transparent and accessible portal for requisition of goods and services. The Authority always allowed sufficient time for vendors to bid on Planet Bids to provide open and fair procurement practices. However, the results of our procedures and sample did identify certain areas of improvement that merit bringing attention to the Authority. Below are observations we had based on our test work and our recommendations as a result.

REQUEST FOR PROPOSAL

1. We obtained copies of policies and procedures and conducted interviews with personnel surrounding the RFP and Bidding process, in order to gain an understanding of OCFA processes and controls.

Policy and Procedures

Observation 1(a): In our interviews and inquiry of OCFA employees to obtain an understanding of the procedures, it is noted that the Authority does not have formal established and adopted Request for Proposal policies and procedures.
Evaluation: The Authority has unofficial policies and procedures relating to the Request for Proposal process. Having a formal and adopted set of Policies and Procedures provides a framework to support any public scrutiny regarding the process. It also provides continuity within the Authority amongst the departments. The formal policies and procedures should include a section devoted to the bid Appeal Process to define the process. This would further deter any confusion amongst the vendors who desire to pursue the Appeal Process.

Best Practice: We recommend that the Authority adopt a formal set of Policies and Procedures in regards to the Request for Proposal process.

Authority’s Response: We agree with the auditor’s recommendation to adopt a formal set policies and procedures specific to the Request for Proposal (RFP) process. As recommended in the Procurement audit performed September 17, 2013, staff is working on the development of a more comprehensive Purchasing Ordinance based on the Model Procurement Code. Once the Ordinance is finalized and adopted, staff will create Policies and Procedures specific to the RFP process, which complement and comply with the revised Purchasing Ordinance.

Observation 1(b): In our interviews and inquiry of OCFA employees to obtain an understanding of the procedures, it is noted the Departments outside of the Purchasing Section lack a certain understanding of the Request for Proposal process due to changing requirements and processes.

Evaluation: The Authority is changing its requirements and dollar threshold amounts in order to improve its Request for Proposal and Purchasing processes to best practices. The changes should be communicated to the individual departments to establish continuity between the departments and the Purchasing department. This would promote a best practice environment in order to achieve optimal requisition performance and putting taxpayer dollars to its best use.

Best Practice: We recommend the Authority to create and implement a training program to promote continuity between the departments. This will enable the Authority to establish a line of communication between the departments and provide best practice guideline set forth by the Authority.

Authority’s Response: Management agrees with the auditor’s recommendation. Staff has created, scheduled, and begun training with the departments to address the recent changes in the Roles and Responsibilities effective July 1, 2014. Additional Business Services training relating to purchasing and finance procedures is being finalized and will be provided to the departments in an effort to educate them on all Business Services processes.
2. We selected a sample of Sole Source acquisitions to determine validity of the acquisitions by reviewing the request memo’s for proper authorization from the Fire Chief and Purchasing, as well as the reasoning as to why the Sole Source purchase was needed.

Observation 2(a): In our interviews and inquiry of OCFA employees to obtain an understanding of the procedures and sampling of Sole Source acquisitions, it was determined, that the Sole Source acquisitions memo is insufficient in detail and did not provide reasoning for the services as a Sole Source acquisition.

Evaluation: The Authority has Sole Source acquisitions where they feel materials, equipment or services are available from only one known supplier as the result of unique performance capabilities, manufacturing process, compatibility requirement, or mark conditions. Due to the nature of the Authority, it will inherently have unique items to purchase but it is in the best interest of the Authority to provide a fully transparent acquisition process. The Authority has the departments prepare a Memo explaining the reasoning for the Sole Source acquisition and has the Fire Chief approve them up to $50,000. Any acquisition over $50,000 is required to be approved by the Executive Committee. The departments determine if it’s a Sole Source Acquisition. [Note: The Sole Source threshold for approval by the Fire Chief was reduced from $50,000 to $25,000 to be effective July 1, 2014, after the period of time under review.]

Best Practice: We recommend the Authority create a uniform Sole Source Acquisition form. The form would provide greater detail of the Sole Source acquisition describing the process and due diligence put forth by the requestors and approvers of the Sole Source.

Authority’s Response: We agree with the auditor’s recommendation. Staff is in the process of finalizing a sole source request form that will reflect the changes effective July 1, 2014, requiring all sole source requests over $25,000 be approved by the Executive Committee.

3. We gained an understanding of the Authority’s processes to ensure that RFP and Invitations to bid are transparent and easily accessible to the public.

Observation 3(a): Upon inspection of the Authority website, it was determined the access to Planet Bids is not clearly indicated on the Purchasing home page.

Evaluation: The Authority has a Purchasing webpage which provides great information for prospective vendors who desire to do business with the Authority but the webpage lacks apparent indication on where the potential opportunities are located.

Best Practice: We recommend the Authority engineer their Purchasing website to allow potential vendors the most transparent Request for Proposal process possible. This would promote a clear and open process and could possibly solicit new vendors not previously aware of the opportunities.
Authority’s Response: We agree with the auditor’s recommendation. Staff has submitted a request to the Information Technology department for an update to the OCFA website that will provide additional options for vendors to reach bidding opportunities. The changes have been implemented, effective July 31, 2014.

Observation 3(b): In our interviews and inquiry of OCFA employees to obtain an understanding of the procedures and sampling of Request for Proposal, it was determined; the Authority has the capability to perform the evaluation process electronically on Planet Bids.

Evaluation: The Request for Proposal evaluation process can require copious amounts of paper by printing the bids for each evaluator. In efforts to promote green procurement processes, the Authority should make it mandatory for bids that are submitted electronically to be evaluated in the same fashion.

Best Practice: As a best practice, it is noted that Green Procurement is a leading topic and practice in today’s work environment. We recommend the Authority to implement best practices in regards to Green Procurement and to implement an Environmentally Preferable Purchasing Policy.

Authority’s Response: We agree with the auditor’s assessment. Staff has utilized SharePoint technology in the evaluation process of many RFPs since March 2013. This year staff will be implementing the evaluation module through the online bid software once testing and training is completed.

4. We selected a sample of RFP’s to gain an understanding of the Authority’s RFP evaluation process and identify any process improvement.

Observation 4(a): In our interviews and inquiry of OCFA employees to obtain an understanding of the procedures and sampling of Request for Proposal, it was determined; the Authority is responsible for obtaining, filing and updating insurance policies from the chosen vendors.

Evaluation: As part of the Request for Proposal process, the Authority is required to obtain insurance policies from the chosen vendors. Due to the large amount of vendors contracted with the Authority, this is an arduous task in filing and maintaining up to date insurance policies.

Best Practice: We recommend the Authority consider contracting with a third party vendor to act a custodian for the insurance policies for contracted vendors.

Authority’s Response: We agree with the auditor’s assessment and will work with OCFA’s Risk Management Department to research potential vendors.
5. We obtained the Statement of Economic Interest (Form 700) from July 1, 2011 through June 30, 2014 for all OCFA Board Members and key OCFA Management personnel. Based on the information provided on the form, we cross-referenced any related party disclosures that were included on the form to the OCFA’s vendor file (listing of OCFA vendors) and purchase order lists for the period of July 1, 2011 through August 22, 2014. For related party disclosures that were identified through the cross-referencing process, we reviewed the vendor files to ensure that the contracts were properly bid and awarded through the OCFA RFP process, a conflict of interest form was completed and signed by each proposal review panel member; and the form was reviewed by the Purchasing staff responsible for the proposal.

Observation 5: Based on the procedure performed above, we did not identify any related party transactions that existed between OCFA, OCFA Key Management personnel and OCFA Board members.

Evaluation: All related party transactions should be properly documented, monitored and disclosed to the public in documents such as the Annual Financial Reports.

Best Practice: We recommend that OCFA monitor related party transactions and 700 forms of key personnel on a periodic basis.

Authority’s Response: We agree with the auditor’s recommendation. We will monitor related party transactions and 700 forms of key personnel on a periodic basis.

We were not engaged to, and did not; conduct an audit, the objective of which would be the expression of an opinion on the internal controls of Orange County Fire Authority related to the Request for Proposal process. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of Orange County Fire Authority and is not intended to be, and should not be, used by anyone other than the specified party.

Brea, California
August 25, 2014
TO: Executive Committee, Orange County Fire Authority

FROM: Lori Zeller, Assistant Chief
      Business Services Department

SUBJECT: Blanket Order Contract Increase and Renewal – Toner Cartridges

Summary:
Due to the changes in the Roles and Responsibilities Matrix effective July 1, 2014, this agenda item seeks approval of a blanket order contract increase and renewal with Staples Technology for a not to exceed amount of $125,000.

Recommended Action:
Approve and authorize the Purchasing Manager to extend the Staples Technology blanket order contract (B01377) for up to two additional years for a not to exceed amount of $125,000 annually.

Background:
Following a bid process in 2011 for the purchase of toner cartridges, a blanket order contract was issued to Staples Technology, the lowest responsive responsible bidder. The initial blanket order contract was issued for a one year contract for $100,000 with the option of four one-year renewals. The Service Center budget provides funding for the purchase of printer toner for the entire organization. Staff is requesting an increase of $25,000 to the initial blanket order contract to cover anticipated toner needs, due to hardware changes throughout the organization and the increased requests for Geographic Information System mapping projects. It is anticipated that this demand will be sustained for the remaining two optional years of this pricing contract. The pricing provided by Staples Technology for Hewlett Packard original equipment manufacturer toner cartridges includes a 36% discount off list price for laser cartridges and a 24% discount off inkjet cartridges.

Impact to Cities/County:
Not Applicable.

Fiscal Impact:
Sufficient funds are authorized in the FY 2014-15 Budget.

Staff Contact for Further Information:
Debbie Casper, Purchasing and Materials Manager
Business Services Department
debbiecasper@ocfa.org
(714) 573-6641

Attachments:
None.
TO: Executive Committee, Orange County Fire Authority

FROM: Brian Stephens, Assistant Chief
Support Services Department

SUBJECT: Purchase Order Increase - Printing Services

Summary:
This agenda item seeks approval for a purchase order (PO) increase greater than 15% as required by the Roles and Responsibilities Matrix.

Recommended Action:
Approve and authorize the Purchasing Manager to increase P0008460 to Pioneer Business Forms, Inc. to $4,767.12 for printing of the radio channel guide books.

Background:
Earlier this year, three informal quotes were requested from vendors to print radio channel guide books, which are used for emergency reference materials for interoperable communications, failure modes, and frequency identification used state-wide by multiple agencies. Based on the quotations, a PO in the amount of $3,526.21 was issued to Pioneer Business Forms, Inc., the company providing the lowest quote.

Due to changes required to the guidebooks being more significant than originally anticipated, the cost of the services exceeded the original PO amount, and therefore, an increase is requested.

Impact to Cities/County:
Not Applicable.

Fiscal Impact:
Funding is available in the FY 2014/15 Budget, General Fund 121.

Staff Contact for Further Information:
David Paschke, Senior Communications Supervisor
Support Services Department
davidpaschke@ocfa.org
(714) 573-6552

Attachments:
None
TO: Executive Committee, Orange County Fire Authority

FROM: Brian Stephens, Assistant Chief
Support Services Department


Summary:
Due to the changes in the Roles and Responsibilities Matrix effective July 1, 2014, this agenda item seeks approval to renew and adjust sole source Blanket Orders for the Orange County Fire Incident Reporting System (OCFIRS), the Fire/EMS/CAD Analysis and planning software, and preferred vendor renewals for Web Conferencing and Training services, Pager repairs, and Audio/Visual (A/V) equipment rental.

Recommended Action:
Approve and authorize the Purchasing Manager to renew and adjust Blanket Orders for sole source vendors ZOLL Data Systems, Inc., and Deccan International, and for preferred vendors Citrix Online, Leavitt Communications, and GMF Sound.

Background:
For each of the following providers, service can only be provided by that company, and therefore is in compliance with sole source requirements of the OCFA Purchasing Ordinance. Contract dates and values are included on the attachment and information regarding the purpose of each contact is listed below.

**ZOLL Data Systems, Inc.** – *Orange County Fire Incident Reporting System (OCFIRS) software maintenance agreement*
OCFIRS is the system used by OCFA emergency personnel for emergency incident reporting. This system will be replaced by the future RMS system that is part of the Public Safety Systems Replacement Project.

**Deccan International** – *Fire/EMS/CAD Analysis annual software licensing and maintenance agreement*
The OCFA Strategic Services Section uses Deccan International’s software products to analyze OCFA emergency response performance, determining optimum locations for new Fire Stations and emergency apparatus, and for “What if?” questions regarding future deployment scenarios of OCFA resources.
Citrix Online – GoToMeeting and web-based training
The OCFA uses GoToMeeting web-hosting licenses for online meetings and training for OCFA employees. Citrix Online may be replaced by other web-based meeting and training services when the RFP process to replace the Board and Training Rooms Audio/Video (A/V) systems and capabilities is completed.

Leavitt Communications – Repairs for non-warranty OCFA 900MHz pagers
The OCFA uses 900MHz pagers to alert personnel to respond to emergency incidents. Leavitt Communications repairs the OCFA 900MHz pagers not covered under warranty. Staff is researching other paging solutions as the current paging system that is hosted by the Orange County Sheriff’s Communications and Technology Department is reaching its end of life. Staff will bid-out the repair contract for pagers when the current paging system is replaced.

GMF Sound – A/V equipment rental
The OCFA is currently renting core system equipment from GMF Sound to keep existing Board Room A/V equipment (microphones, amplifiers, mixers, speakers, video camera) functioning until the system is replaced. Staff is in the process of writing the RFP to replace the Board and Training Rooms’ A/V equipment and upgrade the systems capabilities. Due to other urgent projects impacting staff resources, it is taking longer than anticipated to write the RFP and it requires that the current equipment rental purchase be renewed and the amount increased in order to keep the Board Room A/V equipment functioning. The equipment rental cost is $2,120 per month.

Impact to Cities/County:
Not Applicable.

Fiscal Impact:
The requested renewals have been anticipated and are available in the FY 2014/15 Budget, General Fund 121 and CIP Fund 124.

Staff Contact for Further Information:
Joel Brodowski, Information Technology Manager
Support Services Department
joelbrodowski@ocfa.org
(714) 573-6421

Attachment:
Schedule of Blanket Orders and Purchase Orders Proposed for Renewal
# Orange County Fire Authority

## Blanket and Purchase Order Contracts – Information Technology Services & Supplies

### Proposed Renewals and Adjustments

<table>
<thead>
<tr>
<th>Vendors &amp; Blanket Orders</th>
<th>Contract End Dates for Annual Renewal Options</th>
<th>Original BO Amount</th>
<th>Proposed Adjustment</th>
<th>New Annual Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ZOLL Data Systems, Inc.</strong>&lt;br&gt;<em>OCFIRS Software Maintenance &amp; Support</em>&lt;br&gt;BO1012-8</td>
<td>10/31/2014</td>
<td>80,000.00</td>
<td>-16,000.00</td>
<td>64,000.00</td>
</tr>
<tr>
<td><strong>Deccan International</strong>&lt;br&gt;<em>Annual Maintenance &quot;CAD Analyst&quot; and &quot;ADAM&quot;, programs for Fire/EMS analysis and strategic planning</em>&lt;br&gt;BO1147-5</td>
<td>10/31/2014</td>
<td>47,660.00</td>
<td>-860.00</td>
<td>46,800.00</td>
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<tr>
<td><strong>Citrix Online / GoToMeeting</strong>&lt;br&gt;<em>GoToMeeting – 22 user; GoToTraining – 5 user; GoToWebinar - 2 user software license fees</em>&lt;br&gt;BO1043-7</td>
<td>10/31/2014</td>
<td>12,516.00</td>
<td>1,176.00</td>
<td>13,692.00</td>
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<tr>
<td><strong>Leavitt Communications</strong>&lt;br&gt;<em>Repair and maintenance for non-warranty pagers</em>&lt;br&gt;BO1316-3</td>
<td>10/31/2014</td>
<td>10,000.00</td>
<td>0.00</td>
<td>10,000.00</td>
</tr>
<tr>
<td><strong>GMF Sound</strong>&lt;br&gt;<em>Rental of core Audio/Visual Systems components</em>&lt;br&gt;PO 008484 issued June 26, 2014</td>
<td>10/31/2014</td>
<td>10,000.00</td>
<td>10,000.00</td>
<td>20,000.00</td>
</tr>
</tbody>
</table>

If approved, IT staff will utilize the additional time to prepare specifications and coordinate with purchasing staff for issuance of new solicitations.
TO: Executive Committee, Orange County Fire Authority

FROM: Brian Stephens, Assistant Chief
Support Services Department

SUBJECT: Award of Contract for Request for Proposal No. MD1935 – Communication Equipment Installation Services

Summary:
This agenda item is submitted for the approval of a three year blanket order contract for communications equipment installation services to 911 Vehicle, the top ranked firm in the Request for Proposal (RFP) process, in the amount of $959,300 for three years.

Recommended Actions:
1. Approve and authorize the Purchasing Manager to establish a Blanket Order contract with 911 Vehicle for a three year contract period for a not to exceed amount of $959,300.
2. At the beginning of year two and three, authorize the Purchasing Manager to increase the contract for up to 2% of the remaining contract balance, not to exceed the Consumer Price Index.

Background:
The Information Technology Section (IT), Communication Services Unit is responsible for the installation and maintenance of all mobile radio and computer equipment installed in the fleet, and for power management for that equipment. The OCFA has an ongoing replacement plan for its fleet of vehicles. As vehicles and apparatus are purchased, communications equipment must be installed. Additionally, as technology changes, equipment needs to be replaced or upgraded. This solicitation was issued as a routine process to replace the prior blanket order contracts established five years ago. The annual usage of this service contract will vary due to vehicle/apparatus replacement plans and vehicle delivery schedules. The contract amount requested is based on the new vehicle installation CIP budget in fiscal years 14/15, 15/16, and 16/17.

RFP Preparation
On June 25, 2014, an RFP was issued to solicit proposals from firms that provide communications equipment installation services; 653 firms were notified. A mandatory pre-proposal meeting was held at the Regional Fire Operations and Training Center on July 10, 2014; seven firms attended. The proposal due date was August 7, 2014, and three proposals were received. A committee consisting of Fleet and Communications staff reviewed the proposals and determined that bid pricing was incomplete and inconsistent.
**Negotiations & Results**

The evaluation committee recommended entering into concurrent negotiations with all three firms; 911 Vehicle, Emergency Vehicle Group, Inc., and Johnson Equipment to include a request for additional clarifications on the components for each class/vehicle type. Purchasing staff conducted negotiations with all three firms. The requests for best and final offers (BAFOs) with clarifications were sent to all three vendors. 911 Vehicle was the only firm that submitted the BAFO by the due date and time. While the other two vendors did submit BAFOs neither vendor provided them by the required deadline, and even when all three BAFOs were reviewed, 911 Vehicle offered the best pricing in its submittal. See Attachment for evaluation criteria, scoring and pricing comparisons.

The Purchasing and Materials Manager confirms that the proposal and evaluation process was conducted in accordance with the OCFA’s Purchasing Ordinance and all applicable rules and regulations. Based upon the evaluation committee’s recommendation, staff is recommending contract award to 911 Vehicle.

**Impact on Cities/County:**
Not Applicable.

**Fiscal Impact:**
Funds for this contract are included in the FY 2014/15, 2015/16 and 2016/17 CIP budget.

**Staff Contacts for Further Information:**
Kathy Ballantyne, Assistant Information Technology Manager
Support Services Department
kathyballantyne@ocfa.org
(714) 573-6422

Debbie Casper, Purchasing Manager
Business Services Department
debbiecasper@ocfa.org
(714) 573-6641

**Attachment:**
RFP MD1935 Communication Equipment Installation Services Evaluation Results
# ORANGE COUNTY FIRE AUTHORITY
## MD1935 - Communication Installation Services

<table>
<thead>
<tr>
<th>Cost Proposal</th>
<th>EVG</th>
<th>JOHNSON</th>
<th>911 VEHICLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Evaluators</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>A. Method of Approach (55)</td>
<td>53</td>
<td>45</td>
<td>46</td>
</tr>
<tr>
<td>B. Qual. &amp; Experience (5)</td>
<td>5</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>C. Comm. &amp; Resources (10)</td>
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<td>8</td>
</tr>
<tr>
<td>D. Value-Added (5)</td>
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<td>4</td>
<td>4</td>
</tr>
<tr>
<td>E. Proposed Costs (25)</td>
<td>12.75</td>
<td>12.75</td>
<td>12.75</td>
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<tr>
<td>Sum of Proposal Scores</td>
<td>82.75</td>
<td>74.75</td>
<td>74.75</td>
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<tr>
<td>Ranking</td>
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<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Sum Ranking</td>
<td>9</td>
<td>6</td>
<td>3</td>
</tr>
</tbody>
</table>

**Revised Scores with Updated Pricing from BAFO**

<table>
<thead>
<tr>
<th>Cost Proposal (BAFO)</th>
<th>911 VEHICLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Evaluators</td>
<td>1</td>
</tr>
<tr>
<td>A. Method of Approach (55)</td>
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<td>B. Qual. &amp; Experience (5)</td>
<td>5</td>
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<tr>
<td>C. Comm. &amp; Resources (10)</td>
<td>9</td>
</tr>
<tr>
<td>D. Value-Added (5)</td>
<td>5</td>
</tr>
<tr>
<td>E. Proposed Costs (25)*</td>
<td>25</td>
</tr>
<tr>
<td>Sum of Proposal Scores</td>
<td>97</td>
</tr>
<tr>
<td>Ranking</td>
<td>1</td>
</tr>
<tr>
<td>BAFO Sum of Ranking</td>
<td>3</td>
</tr>
</tbody>
</table>

*Increase due to clarifications of components during BAFO

*Adjusted to reflect change in BAFO pricing

***Cost proposal***
TO: Executive Committee, Orange County Fire Authority

FROM: Brian Stephens, Assistant Chief
Support Services Department

SUBJECT: Approval to Issue Payment for the Orange County Fire Authority’s 2014/15 Portion of the Partnership Costs for the 800MHz Countywide Coordinated Communications System (CCCS) Next Generation Upgrade Project

Summary:
This item is submitted to approve payment to the County of Orange Treasurer–Tax Collector for the Orange County Fire Authority’s 2014/15 portion of the Partnership costs for the 800MHz CCCS Next Generation upgrade project.

Recommended Action:
Approve and authorize the Purchasing Manager to issue a Purchase Order to the County of Orange Treasurer–Tax Collector for the amount not to exceed $261,014 for the 2014/15 payment of OCFA’s portion of Partnership costs of the 800MHz CCCS Next Generation upgrade project.

Background:
On January 23, 2014, OCFA signed a Letter of Agreement from the Orange County Sheriff-Coroner Department (OCSD), which was the official concurrence to fund the FY14/15 portion of the 5-year 800MHz CCCS Next Generation upgrade project, and to authorize the OCSD’s Communications and Technology Division to proceed accordingly.

OCFA’s total cost of the project is divided between its Partnership costs of $7,528,294 (Items 1, 2, 3, and 5 in the table below), and Subscriber costs of $9,476,650 (Items 4, 6, and 7 in table below). OCFA’s 5-year Partnership and Subscriber total cost of the project is $17,004,944.

<table>
<thead>
<tr>
<th>Item</th>
<th>Fiscal Year</th>
<th>Description of 800MHz CCCS Upgrade Costs</th>
<th>Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2014/15</td>
<td>OCFA Portion of Shared Partnership Costs - Northwest &amp; Southwest Cells</td>
<td>$261,014.00</td>
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<tr>
<td>2</td>
<td>2015/16</td>
<td>OCFA Portion of Shared Partnership Costs - North &amp; Laguna Cells</td>
<td>$429,005.00</td>
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<td>3</td>
<td>2016/17</td>
<td>OCFA Portion of Shared Partnership Costs - South &amp; Countywide Cells</td>
<td>$1,122,080.00</td>
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<td>4</td>
<td>2016/17</td>
<td>OCFA Costs - Purchase 902 new P25 Compatible 800MHz radios to replace obsolete radios</td>
<td>$5,412,000.00</td>
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<tr>
<td>5</td>
<td>2017/18</td>
<td>OCFA Portion of Shared Partnership Costs - Remaining Backbone</td>
<td>$5,716,195.00</td>
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<tr>
<td>6</td>
<td>2017/18</td>
<td>OCFA Costs - Upgrade costs for 991 P25 Compatible 800MHz radios</td>
<td>$1,139,650.00</td>
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<tr>
<td>7</td>
<td>2018/19</td>
<td>OCFA Costs - Purchase 18 new Dispatch Consoles</td>
<td>$2,925,000.00</td>
</tr>
</tbody>
</table>

Estimated OCFA Total project cost $17,004,944.00
Impact to Cities/County:
Not Applicable.

Fiscal Impact:
The requested costs have been anticipated and are available in Fund 124 in the FY 2014/15 Budget, and future year costs have been included in the Five-year Plan Capital Improvement Program.

Staff Contact for Further Information:
Joel Brodowski, Information Technology Manager
Support Services Department
joelbrodowski@ocfa.org
(714) 573-6421

Attachments:
1. City Manager’s Association Meeting dated January 8, 2014, CCCS Next Generation project description
3. 800 MHz CCCS Next Generation Budget Estimates All Agencies Summary
Background and the Road Ahead

- Current system expected end of life = 2015
- Equipment becoming obsolete and unsustainable
- Complete system & subscriber replacement originally estimated to be $250,000,000
- Partnership deemed this unattainable due to high cost
- New approach = replace obsolete equipment in strategic phases culminating in P25 upgrade

Backbone System Life Extension

- System Upgrade Agreement (SUA) 7.13 completed November 14, 2013
- Systematically replace end of life Quantar base radios with GTR-8000 base radios that will operate on current system and are upgradable to operate on a future P25 system
  - FY 15/16—Northwest & Southwest Cell Quantar replacement
  - FY 16/17—North & Laguna Cell Quantar replacement
  - FY 17/18—Countywide & South Cell Quantar replacement
- Upgrade/replace remaining backbone equipment to P25 compliance

Subscriber Radios

- Older radios are not P25 capable and are not upgradable (ie...Spectra mobile, XTS-3000 portable)
- 75% of radios in use today are still original radios which are obsolete and not upgradable to P25
- Newer radios can be software upgraded to P25 compliance at a cost of up to $1150/radio.
- Recommend agencies wait until FY 16/17 to purchase replacement radios in an Orange County bulk purchase
  - Possible bulk purchase discount
  - Assure purchasing the latest model of radio & software
- All law hot-red radios will need to be replaced prior to 2018
  - Current hot-red radios are obsolete
  - Motorola is working on new replacement hot-red radio package which is expected to be available in FY 14/15

Law Dispatch Consoles

- Law dispatch consoles will need replacing prior to P25 upgrade to maintain dispatch console priority
  - Motorola has provided each law agency with a quote for console replacement
  - Quote does not include control stations or logging recorders
  - Motorola can only do 3 - 6 dispatch center upgrades in a year
- All non-law dispatch consoles will function on P25 system but will be obsolete in 2018 and will eventually need replacement
### 800 MHz CCCS Next Generation Planning Timeline

<table>
<thead>
<tr>
<th>FY 13/14</th>
<th>FY 14/15</th>
<th>FY 15/16</th>
<th>FY 16/17</th>
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<th>FY 18/19</th>
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<tr>
<td>System Planning</td>
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<tr>
<td>Agencies upgrade law dispatch consoles (3 - 6 agencies per year)</td>
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<tr>
<td>Agencies replace non-P25 radios as needed to maintain fleet</td>
<td>Bulk purchase of remaining non-P25 radios</td>
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<td>Install SUA 7.13</td>
<td>Install SUA 7.14</td>
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<tr>
<td>Collect funds/purchase equipment for backbone enhancements – Base Radio (BR) replacement</td>
<td>Collect funds for P25 Upgrade</td>
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<td>Purchase Annual SMA</td>
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<tr>
<td>Purchase BRs for NW &amp; SW</td>
<td>Install BRs for NW &amp; SW</td>
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<tr>
<td>Purchase BRs for Lag &amp; North</td>
<td>Install BRs for Lag &amp; North</td>
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<tr>
<td>Purchase BRs for South &amp; CW</td>
<td>Install BRs for South &amp; CW</td>
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<tr>
<td>Develop P25 templates</td>
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<td>Implement P25 upgrade</td>
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SUA = System Upgrade Agreement
BR = Base Radio
NW = Northwest Cell
SW = Southwest Cell
SMA = Software Maintenance Agreement

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CCCS Coverage by Cell

Northwest
Southwest
North
South
Laguna
Countywide

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OCSD/Communications & Technology, CCCS Next Generation Project Manager
Marten Miller—(714) 704-7917  Marten.Miller@comm.ocgov.com
Letter of Agreement to proceed with 800 MHz CCCS Next Generation Project

This letter is a follow-up to the January 2014 Orange County City Manager Association meeting in which OCSD/Communications & Technology Division presented information regarding the plan to extend the life of the aging 800 MHz Countywide Coordinated Communications System (CCCS). This information was also presented to each city in personal meetings arranged by OCSD/Communications & Technology during the last quarter of 2013. Key points of this plan are as follows:

- **Backbone Equipment** – Replace end of life Quantar radios with new GTR-8000 radios over three fiscal years culminating in the final upgrade to a P25 system in 2018. *(Partnership funded)*
- **Subscriber Equipment** – Each city will replace obsolete portable and mobile radios and upgrade those that are capable of upgrade prior to P25 upgrade in 2018. *(City funded)*
- **Dispatch Consoles** – Cities with law enforcement dispatch consoles will need to replace these consoles prior to P25 upgrade in 2018 in order to maintain console priority feature. *(City funded)*

As discussed in the January 2014 City Manager Association meeting, we are at the point where we need official concurrence from each City, Participating Agency and the County, regarding this plan and each City’s commitment to provide the necessary funding to proceed. We are specifically asking for each City to sign and return this letter agreeing to provide the funding needed in FY 14/15 to move forward with the replacement of Quantar base radios for the Northwest and Southwest radio cells. The required funding amount for FY 14/15 is identified in the 800 MHz CCCS Next Generation – Budget Estimates document provided at the January meeting and included with this letter.

The success of this plan will require the participation of all 34 Cities as well as the County and our Participating Agencies. Your signature on this letter will signify your City’s agreement to provide the funding for the FY 14/15 portion of the plan and will authorize OCSD/Communications & Technology to proceed accordingly. We will provide an update at the January 2015 Orange County City Manager Association meeting and will follow that meeting with a request for another Letter of Agreement for the FY 15/16 dollar amount. Please direct any questions to 800 MHz CCCS Next Generation Project Manager Marten Miller at (714) 704-7917, e-mail marten.miller@comm.ocgov.com or OCSD/Communications & Technology Director Robert Stoffel at (714) 704-7919, e-mail robert.stoffel@comm.ocgov.com.

Respectfully,

Matt Fertal
City Manager, City of Garden Grove
Chair, 800 MHz CCCS Governance Committee

Keith Richter, Fire Chief, Orange County Fire Authority

[Signature]

Date: 1/23/14

Please sign and return this letter by January 20, 2014 to:

Robert Stoffel, OCSD/Communications & Technology Director, 840 N. Eckhoff St., Suite 104, Orange, CA 92868-1021

OCSD/COMMUNICATIONS & TECHNOLOGY DIVISION, 840 N. ECKHOFF STREET, SUITE 104; ORANGE, CA 92868-1021
## 800 MHz CCCS Next Generation- Budget Estimates

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- It is recommended that the Partnership co-ordinate a bulk equipment purchase in FY 16-17.

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TO: Executive Committee, Orange County Fire Authority

FROM: Jeremy Hammond
Human Resources Director

SUBJECT: Contract Increase and Extension – Professional Labor Negotiation Services

Summary:
This item is submitted for approval to increase the value and extend the term of the contract for professional labor negotiation services.

Recommended Actions:
1. Approve and authorize the Purchasing Manager to increase the value of the Professional Services Agreement with Peter Brown, of Liebert Cassidy Whitmore, by $100,000 and extend the term through December 31, 2015.
2. Direct staff to submit a request to the Board of Directors with the FY 2014/15 Mid-Year Budget Adjustments to increase General Fund (Fund 121) appropriations by $100,000 for professional labor negotiation services.

Background:
At its December 11, 2013, meeting, the Board of Directors appointed Peter Brown of Liebert Cassidy Whitmore to serve as OCFA’s professional labor negotiator. The professional services agreement was approved for an initial total of $100,000, plus an approved contingency of $50,000 to be used, if needed, in the event negotiations required more hours of service than initially anticipated. This initial contract value was estimated primarily for negotiations with the Orange County Professional Firefighters Association, Local 3631 (OCPFA), which had a Memorandum of Understanding (MOU) scheduled for expiration on June 30, 2014.

Since December 2013, the Board authorized an extension of OCPFA’s MOU through October 31, 2014, to allow more time for completion of negotiations for a successor MOU. In addition, the Board authorized Mr. Brown to initiate negotiations with the Orange County Employees Association (OCEA) for a successor MOU on behalf of the General and Supervisory Unit employees. OCEA’s current MOU will expire on December 18, 2014.

From December 2013 through October 2014, Mr. Brown has attended monthly meetings with the OCFA Board of Directors, and numerous planning and strategy meetings with OCFA Executive Management. In addition, he has led approximately 15 negotiation meetings with OCPFA, and three meetings with OCEA, most of which were either half-day or full-day meetings. Although current negotiations with both represented groups are progressing well, the Board has provided additional direction to Mr. Brown regarding negotiation activities that they want him to pursue over the following year.
To-date, we have spent $114,013 against the existing contract value of $150,000. Staff is requesting to increase the contract value by $100,000 and to extend the term through December 31, 2015, to provide time and funding for completion of the additional negotiation activities, as directed by the Board.

**Impact to Cities/County:**
Not Applicable.

**Fiscal Impact:**
The proposed increase in the contract value was not anticipated in the FY 2014/15 Budget; therefore, a budget adjustment is required to fund this contract. The budget adjustment will be requested with the mid-year adjustments that will be submitted to the Board of Directors in March 2015.

**Staff Contact for Further Information:**
Jeremy Hammond, Human Resources Director
jeremyhammond@ocfa.org
(714) 573-6018

**Attachment:**
Original Professional Services Agreement (On file in the office of the Clerk and available upon request.)