

ROSS VALLEY FIRE DEPARTMENT

STAFF REPORT

For the meeting of February 15, 2023

To: Fairfax Town Council

From: Jason Weber, Fire Chief

Subject: Presentation of the results from the Governance and Leadership Study

RECOMMENDATION

Receive the report and presentation from Local Motion Solutions on options surrounding future governance and leadership of the Ross Valley Fire Department. Discuss options and provide direction to the Town's representatives on the Ross Valley Fire Board regarding recommended future governance and leadership of the RVFD.

BACKGROUND/DISCUSSION

The Ross Valley Fire Department (RVFD) is a consolidated department protecting lives, property, and the environments of Ross, San Anselmo, Sleepy Hollow, and Fairfax. The Department's history can be traced to the early 1900s, starting with the formation of small volunteer fire departments in the newly formed towns of Ross, San Anselmo, and Fairfax. Built near the wildfire-prone slopes of Mount Tamalpais, these communities were and continue to be acutely aware of the risk of fire.

In 1982, the Fairfax Fire Department and the San Anselmo Fire Department joined forces and became the Ross Valley Fire Services. At the time, Sleepy Hollow was receiving fire protection from the Town of San Anselmo through a service contract. Sleepy Hollow chose not to become a Joint Powers Authority (JPA) member while maintaining a non-voting seat on the Board. In 2010, the JPA expanded to make Sleepy Hollow a full JPA member, ending its contract for service with the Town of San Anselmo.

In 2012, Ross Valley Fire Department's Board of Directors voted to consolidate fire services with the Town of Ross, incorporating the Town of Ross Fire Station 18 into the Ross Valley Fire Department. Therefore, the current aggregate population of the Department's service area is estimated to be 24,785, served from four (4) fire stations with nine (9) suppression personnel on duty daily.

In 2015, RVFD outsourced financial services to the Town of San Anselmo to provide accounting services such as account receivables (AR), account payables (AP), payroll, and other general finance services. In August 2018, the RVFD entered into a Memorandum of Understanding (MOU) with Marin County Fire Department (MCFD) to provide administrative and executive

services. However, the MOU between RVFD and MCFD terminates on June 30, 2023.

The Ross Valley Fire Department has used the services provided by MCFD as outlined in the MOU for “Fire Chief” and other command/leadership since August of 2018. However, the MOU won’t be renewed. Instead, the department is using the opportunity to review options for a path forward for governance and leadership, ensuring the long-term sustainability of Fire and Emergency Services.

The department is seeking options for the succession of the MOU, which could include multiple scenarios that require research and, ultimately, policy options to be presented to the RVFD Fire Board. Therefore, the RVFD proposes a phased approach to gather information, compile and narrow options, and present to the RVFD Board several policy considerations.

The RVFD released a request for proposal after the May Fire Board meeting, soliciting a contractor to complete a leadership and governance study. RVFD received three proposals from well-qualified vendors to complete the study. The RVFD Management Team including a member of the Sleepy Hollow Fire District reviewed the three proposals. The Fire Board selected Local Motion Solutions (LMS) to complete the “Governance and Leadership” study. The attached draft report from LMS and accompanying presentation provides the Council the opportunity to review different options for future department leadership and governance.

The Ross Valley Fire Board received a presentation of the results of the governance and leadership study at their meeting on January 11, 2023.

There are similar presentations and discussions planned with the other member agencies of the Ross Valley Fire Department. It is the goal of staff to make a determination regarding the next steps for governance and leadership of the Ross Valley Fire Department at the March meeting of the Fire Board.

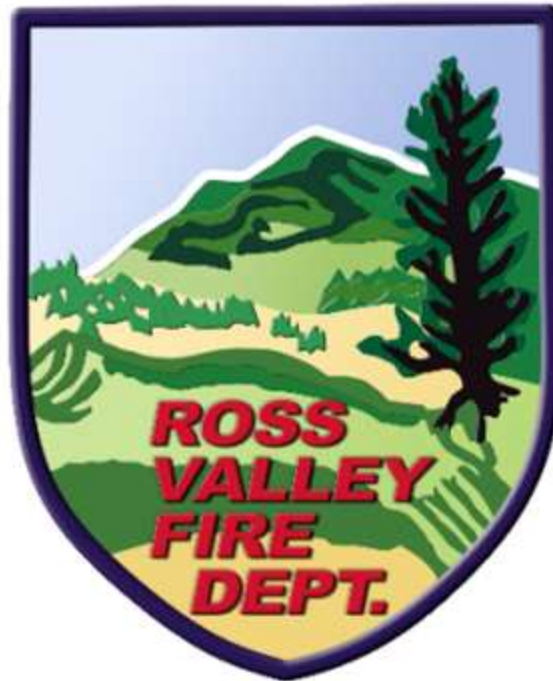
Staff recommends that the Council receive the report and provide direction to the Town’s representatives to the Ross Valley Fire Board regarding recommended future governance and leadership of the RVFD.

FISCAL IMPACT

The receipt of this staff report and Local Motion Solutions presentation has no direct fiscal impact.

ATTACHMENTS

1. Draft report from Local Motion Solutions for Governance and Leadership study
2. Marin County Fire Department MOU for Fire Chief



**Ross Valley Fire Department
Future Governance and Leadership**

January 24, 2023

LMS
Local Motion Solutions

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Overview

This report was developed to assist the Ross Valley Fire Department (RVFD) in evaluating options for managing the agency. This was brought about by the expiration of the contract for services with the Marin County Fire Department. Because Marin County Fire Department has chosen not to renew the contract for services with Ross Valley Fire Department, the Board needs to develop a plan for the management of the agency going forward.

RVFD has requested that Local Motion Solutions provide pros and cons, and other considerations of six potential management solutions for the future.

It should be noted that some of the options may not be implemented by the time the contract with Marin County Fire Department expires. This may require the RVFD to explore short-term options as a bridge to get to the desired model. The MOU for administrative and executive services with the Marin County Fire Department terminates on July 1, 2023.

Although the Ross Valley Fire Department Board had requested the pros and cons of each of the different options, not all the options are mutually exclusive. As an example, RVFD may opt to go with a District model but at the same time rehire a Fire Chief and move forward with a stand-alone Fire Department. Another option is to opt for the district model but choose to enter a Joint Powers Authority.

The Board really has two separate actions that it needs to make in its effort to move forward. The first is determining which governance model to pursue. Because the Ross Valley Fire Department serves four different agencies, there are basically two options, a district or a Joint Powers Authority. Each of these is discussed in greater detail later in this report.

The second is to determine how to manage fire services. This can be a contract for services, Joint Powers Agreement, Joint Powers Authority, or returning to a stand-alone fire chief model. Each of these options is discussed in greater detail later in this report.



History of the Ross Valley Fire Department

Historically, the towns of Fairfax, Ross, and San Anselmo each had their own stand-alone fire department. The Sleepy Hollow Fire Protection District (SHFPD) formed in 1949 and had a long-standing contract with the Town of San Anselmo for fire protection services. The Town of San Anselmo and the Town of Fairfax merged their two departments in 1982 into a joint powers agency, creating the Ross Valley Fire Department. Prior to the JPA, each agency had its own fire chief. The new agency would operate under a single fire chief. Service to Sleepy Hollow continued under the contract with the Town of San Anselmo. In 2010, the JPA was expanded to make SHFPD a full member of the JPA, ending its contract for service with the Town of San Anselmo. In 2012, the Town of Ross, which had been under contract with the Ross Valley Fire Department for Battalion Chief staffing coverage, became a member agency of the Ross Valley Fire Department Joint Powers Agreement.

The Ross Valley Fire Department is governed by an eight-member board that is comprised of two designees from each of the four participating agencies. The Town Councils of Fairfax, San Anselmo, Ross, and the Sleepy Hollow Fire Protection District Board of Directors annually designate two voting members to sit on the RVFD Board. Additionally, each entity has an alternate designated to serve in his/her place in the event of a scheduling conflict.

The RVFD Board of Directors oversees policy adoption, approving an annual budget, and setting fees for services, among other things. Any of the following changes requires a unanimous vote of the full board; Changes in the member agency's cost-sharing percentage, revision of the adopted budget that results in an increase in the annual member's contribution, any change to fire station service levels, or approval of any single expenditure in excess of 3%.

Management Leadership

RVFD receives administrative oversight from an Executive Officer (currently the Town Manager of San Anselmo). The Executive position is appointed by the Town Managers of Fairfax, San Anselmo, and Ross. The Board of Directors appoints a Fire Chief for operational oversight. The Fire Chief reports to the Board through the Executive Officer.

The current Fire Chief is the Marin County Fire Chief, whose services are currently rendered through a memorandum of understanding (MOU) with the Marin County Fire Department (MCFD).

The MOU also provides the Department with the services (when necessary) of the Deputy Chief-Operations, Deputy Director of Fire, Fire Marshal, Battalion Chief-Wildfire Protection, Battalion Chief (Training), Battalion Chief (EMS), Administrative Services Manager, Administrative Services Associate, and other MCFD staff as determined necessary by the MCFD.

Under this shared services agreement, RVFD pays 30% of the total cost of the Fire Chief's services to the MCFD, as well as varying lesser percentages for the other previously mentioned positions.

Other services provided to RVFD by MCFD include management and oversight for financial services and administration, managing human resource functions, providing management and general oversight of the Department's community risk reduction programs, providing management and general oversight of the Department's Emergency Medical Services (EMS) program, and providing general coordination of the Department's training program.

The current staffing level is 33 Full-Time Equivalent (FTE) employees. The MOU for administrative and executive services with the Marin County Fire Department terminates on July 1, 2023.

The RVFD is seeking options for a succession of the MOU which could include multiple scenarios that require research and ultimately policy options, to be presented to the RVFD Fire Board. The RVFD is proposing a phased approach to gather information, compile and narrow options, and present RVFD Board with several policy considerations.



Summary Of Scope of Work

Ross Valley Fire Department appointed Local Motion Solutions, LLC to conduct a fire and emergency services Governance study to include a high-level assessment of:

1. The existing emergency service levels.
2. The service delivery cost-effectiveness of the six broad approaches to organizing the delivery of fire services and a discussion of the appropriate governance arrangements as alternatives to the present situation:
 - a. Independent District
 - b. Dependent District
 - c. Contract For Services
 - d. Joint Powers Agreement
 - e. Joint Powers Authority
 - f. Stand Alone Fire Department
3. A gap analysis to determine where the existing revenue structure can or cannot support the existing and improved service levels and a summary discussion of available fiscal approaches to closing the fiscal gap.
4. The study was designed to provide options for the parties to consider that will most effectively organize the delivery of fire services and achieve the following objectives:
 - a. Stabilize existing services.
 - b. Maintain what is working well.
 - c. Expand partnerships to gain economies of scale.
 - d. Broadly identify the next steps depending on the policy options chosen.

Executive Summary

It is important to note there are no mandatory federal or state regulations directing the level of fire service a department must provide. What is required is that the Ross Valley Fire Department Board provide fire services with the safety of the firefighters and community as its primary objective. Given this requirement, the Ross Valley Fire Department is now charged to choose a Governance model that meets the goal to staff, train, and equip an effective fire service across four neighboring communities.

Local Motion Solutions finds the costs associated with providing fire services are only rising. The challenges to sustain small Fire Departments are not exclusive to the Ross Valley Fire Department, as it is a challenge most small fire departments are facing statewide. The goals are similar, and that is providing the highest level of fire services based on the financial resources available. Each of the four agencies needs to balance the competing needs of the community with limited financial resources against the fire threat faced year-round.



Revenue and Future Expenses

The current revenue structure should be reviewed as long-range planning continues. The Board is working towards staffing each of the engine companies, so that there are three firefighters on every engine vs the current staffing level of two.

This increase staffing level comes with ongoing expenses. Some of the expense will be absorbed by

the closure of Station #18 in Ross. It is clear, that additional sources of revenue are needed to assure the firefighters are working in safe and operational effective facilities.

There is also a need to address the immediate upgrades to bring the Fire Stations into code and equipped with modern living facilities. Long-range funding needs to be explored to address significant remodeling of the three Fire Stations, each with different upgrades needed at Stations #19, #20, and #21.

The overall General Fund Budget for Ross Valley Fire Department as budget at projected in 2021-22 is \$12,058,636 and the cost allocation per the four agencies is as follows:

Total Budget Allocation Per Agency FY 2021-22:

<u>Agency</u>	<u>Fire Budget</u>	<u>% of Allocation</u>
San Anselmo	\$3,739,735	40.53%
Town of Ross	\$2,183,012	23.37%
Town of Fairfax	\$2,149,921	23.30%
Sleepy Hollow	\$1,181,073	12.80%
Total	\$9,253,741	100%

Marin County Fire Administrative Budget & Allocation Per Agency:

<u>Agency</u>	<u>Fire Budget</u>	<u>% of Allocation</u>
San Anselmo	\$132,865	40.53%
Town of Ross	\$76,611	23.37%
Town of Fairfax	\$76,381	23.30%
Sleepy Hollow	\$41,961	12.80%
Total	\$327,818	100%

Governance vs Leadership/Management

In addition to the normal challenges of providing fire services, the Ross Valley Fire Department must now navigate the transition of separating from the leadership of Marin County Fire and moving to a new leadership structure by July 1, 2023. Local Motion Solutions evaluated all aspects of the six governance options. All options are presented with pros and cons.



It is important to understand that not all options are mutually exclusive. As an example, the Department may opt to go with a district model and opt for a stand-alone Fire Chief model. It may also remain a Joint Powers Authority and enter into a Joint Powers Agreement with other agencies. As a result, the Board has two separate decisions:

Governance

How is it funded and managed politically?

- Independent District
- Dependent District
- Joint Powers Authority (current agencies)
- Joint Powers Authority (additional agencies)

Leadership/Management

How is it managed, led, and organized?

- Contract for Service
- Joint Powers Agreement (shared Services)
- Joint Powers Authority (additional agencies)
- Stand Alone Fire Agency

It should be noted that some of the options may not be implemented by the time the contract with Marin County Fire Department expires. This may require the RVFD to explore short-term options as a bridge to get to the desired model.

In this report, Local Motion Solutions is highlighting what we believe to be the first step in a multi-step process.

Fire Services Governance

There are two fundamental governance models. The first is the creation of or annexation into a single district with a single board of directors. As shared in more detail below this could be with either an Independent District or a Dependent District. This is the most stable form of governance but, not as common because the Town Councils of separate municipalities prefer their communities to maintain local fiscal and policy control. This could be with either an Independent District or a Dependent District.

The second model is a Joint Powers Authority. When local government agencies seek to provide consolidated services and yet want to retain a greater measure of fiscal and operational oversight than a single enlarged district would allow, they usually turn to the creation of a Joint Powers Authority.

Joint Powers Authority vs Special District

	Joint Powers Authority	Special District
Legal Authority:	Section 6500 of the California Government Code	Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Act)
Formation:	Joint exercise of powers agreements	LAFCO approval and Board/Council or voter approval
Governance:	Determined by the JPA's member agencies	Governing board (elected/appointed)
Services:	Any common powers	Only what state law allows

Explanation of Each Governance and Leadership Option

Independent District

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Act) establishes procedures for local government changes of organization, including city incorporations, annexations to a city or special district, and city and special district consolidations.

An Independent Fire District is a financially and politically separate government agency.

"District" or "special district" are synonymous and mean an agency of the state, formed pursuant to general law or special act, for the local performance of governmental or proprietary functions within limited boundaries and in areas outside district boundaries when authorized by the commission pursuant to Section 56133 of Reorganization Act of 2000.

A fire district board may be elected "at large" or elected to represent a geographical area.

Examples of independent fire districts in Marin

Fire District	Area Served
Kentfield Fire Protection District	Kentfield and unincorporated Greenbrae
Novato Fire Protection District	City of Novato and surrounding unincorporated areas (Ignacio, Black Point, Green Point, Bel Marin Keys, Atherton)
Southern Marin Fire Protection District	City of Sausalito, ¼ Town of Tiburon, Unincorporated area surrounding Mill Valley (Tamalpais Valley, Almonte, Homestead Valley, Alto, Strawberry) Marin Headlands, Fort Cronkhite, Fort Baker, Fort Berry by contract with NPS *There is currently an application to LAFCO for the annexation of the City of Mill Valley into the District

Independent District - Two Options

There are two options for an independent district model for Ross Valley. The first is the creation of a completely new district.

The second option is to use the existing Sleepy Hollow Fire Protection District as the base agency and for each Town to be annexed into the existing District. Either option would require an application to Marin LAFCO (Local Agency Formation Commission).

To create a Ross Valley Fire District, each town council would have to vote to move forward with the application process for the formation of a new district or to be annexed into the Sleepy Hollow Fire Protection District.

While not optimal, it is possible to create a district without all the current members of the RVFD being in the new district. This would require renegotiation and rewriting of the existing JPA. This would have to include a plan for dealing with retirement liabilities and OPEB (Other Post-retirement Employee Benefits).

The expansion or creation of any district would have to be approved by LAFCO. The application to LAFCO can be a lengthy process and would likely not be concluded by the end date of the contract with the Marin County Fire Department. The application would include a pre-application meeting with LAFCO to discuss the process and required components of the application. The process would include the application itself, plan for services, legal boundary description, potentially GIS data, CEQA compliance (likely to be CEQA exempt), fiscal impact report, illustrative maps, a sphere of influence amendment, and application fees.

The plan for services would have to include how the new district would be funded. The only realistic option would be a tax transfer from the existing towns to the new fire district. The amount of the tax-transfer would be approximately the current cost borne by the agencies.

Towns would no longer be responsible for fire protection.

Pros

- The ability of the Fire District to address its own responsibilities and remain autonomous.
- Elected representatives make up the Board of Directors.
- Budget is independent and no longer part of the Town budgets.
- Property Tax shift is negotiated.
- Current “islands” in the Ross Valley Area could be included.
- Future cost is no longer a strain on the Town budgets.

Cons

- Lack of Town Council Oversight (loss of local control).
- The shift of Property Tax (most stable Town revenue).
- Disconnected from individual Town services.
- Focus on the creation of a district may distract from the pursuit of other models that may provide a greater immediate financial benefit.

Cost

- The cost for a dependent district is directly tied to the type of leadership Model that the future RVFD employs.
- Given a specific leadership model, the cost to maintain the current governance versus a district will likely be very similar.

Dependent Fire District

A dependent fire district is financially separate but politically subservient.

A dependent special district includes any special district that has a legislative body that consists, in whole or part, of ex officio members who are officers of a county or another local agency.

All the same laws (Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000) apply to a dependent district, just as an independent district.

The creation of a dependent district would also follow the same LAFCO procedure.

Dependent District – Examples of Dependent Districts in Marin

District	Area Served/Board Makeup
Marin/Sonoma Mosquito Abatement District	Marin County, Sonoma County, every city or town in Marin or Sonoma Counties. Supervisors and town/city council members
Golden Gate Bridge District	San Francisco, Marin County, Sonoma County, Napa County, Mendocino County, and Del Norte County. Combination of Board of Supervisors and Appointees.
Marin County Open Space District	Marin County Board of Supervisors serves as the MCOSD Board.
CSA 19 (Unincorporated islands, San Rafael)	Marin County Board of Supervisors
CSA 31 (Unincorporated islands, Marin)	Marin County Board of Supervisors

There are no dependent districts in Marin that are true fire agencies. There are two County Service Areas that provide funding to existing fire agencies.

The process for creating a dependent district is the same as in an independent district, A plan for services would have to include how the new district would be funded. Again, the only realistic option would be a tax transfer from the existing towns to the new fire district. The amount of the tax-transfer would be approximately the current cost borne by the agencies.

The District Board would be appointed by the individual agencies.

Fire examples: Contra Costa County Fire, Alameda County Fire, Santa Clara County Fire, and South Santa Clara County Fire.

Pros

- Ability of the Fire District to address its own responsibilities and remain autonomous.
- Elected representatives make up the Board of Directors.
- Budget is independent and no longer part of the Town budgets.
- Property Tax shift is negotiated.
- Current “islands” in the Ross Valley Area could be included.
- Future cost is no longer a strain on the Town budgets.
- Council appoints Board representatives.

Cons

- Board focus is not independent of the individual agencies.
- The shift of Property Tax (most stable Town revenue).
- Disconnected from individual Town Services.
- Focus on the creation of a district may distract from the pursuit of other models that may provide a greater immediate financial benefit.

Cost

- The cost for a dependent district is directly tied to the type of leadership Model that the future RVFD employs.
- Given a specific leadership model, the cost to maintain the current governance versus a district will likely be very similar.

JPA's - Joint Powers Agreements or Joint Powers Authority

Section 6500 of the California Government Code allows public agencies to enter into joint powers agreements and joint powers authorities.

Joint Powers Agreement

A Joint powers agreement consists of two or more agencies sharing or exercising common powers. Each agency continues to maintain independence for providing the service. Employees continue to work for the original agency. This should not be confused with a joint powers authority, such as the Ross Valley Fire Department.

Joint powers agreements may also be referred to as simply *shared services* or a *shared services agreement*. This enables agencies to share any services that both can provide legally. This allows the agencies to utilize personnel or resources to greater advantage by eliminating duplication of services.

This differs from a contract for service in that both agencies put resources or services into the agreement. As an example, one agency may put in management services while another agency puts in battalion chief coverage. It's up to the two agencies to determine what is fair and equitable between them. Sometimes it may also involve payment to cover an imbalance in resources put into the joint powers agreement. Examples of this are many and varied throughout Marin (see below).

One of the difficulties in shared services agreements or joint powers agreements is that there is not a single governing body overseeing the provision of service. Direction often relies on a committee with limited authority or *ad hoc* agreements between the two agencies. Over time, these understandings between the two agencies can drift or change. Because the agencies are separate, it can be difficult to focus on long-range planning and long-range capital outlay. Each agency still maintains its own budget, employees, and policies. Because employees work for separate agencies, there may be misunderstandings about the chain of authority, priorities, allegiances, and the mission of the organization. This can lead to difficulties with employee discipline, collective bargaining, working conditions, and benefits.

Joint powers agreements are good for sharing a single service or function within an organization, or as a bridge to get to another governance model, such as annexation, a full contract for service, or a joint powers authority. Joint powers agreements should not be used as a permanent replacement for any of those.

Examples of Joint Powers Agreements in Marin

Agencies	Services Shared
Southern Marin fire protection District City of Mill Valley	<p>Currently, the SMFPD and the MVFD operate a single fire department under a Joint Powers Agreement.</p> <p>As noted earlier in this report, the City of Mill Valley and the Southern Marin Fire Protection District currently have an application with LAFCO for the annexation of the City of Mill Valley into the Fire District.</p>
Central Marin Fire Authority Kentfield Fire Protection District	The CMFA and the KFPD share battalion Chief coverage for the two service areas with CMFA covering two shifts and KFPD covering one shift.
City of San Rafael Marinwood Community Services District (Marinwood Fire Department)	<p>SRFD and MCSD share initial response resources with Marinwood providing first-due response to city areas and San Rafael providing Battalion Chief Coverage.</p> <p>*Under separate agreements, San Rafael provides a Fire Chief and Fire Prevention services.</p>

Joint Powers Agreements

Pros

- Joint Powers Agreements are flexible and easy to form.
- Joint Powers Agreements are effective for sharing limited services or as a bridge to get to a more permanent agreement.
- Any government agency can participate in a Joint Powers Agreement.
- Member agencies may negotiate their levels of commitment.
- It allows agencies to essentially trade services or resources.
- It's up to the agencies to determine what is fair and equitable between them.
- Sometimes it may also involve payment to cover an imbalance in resources put into the Joint Powers Agreement.
- Joint Powers Agreements may be canceled without significant unwinding.

Joint Powers Agreements

Cons

- There is not a single governing body overseeing the provision of service.
- Direction often relies on a committee with limited authority or ad hoc agreements between agencies.
- Over time, understandings between the two agencies can drift or change.
- Each agency still maintains its own budget, employees, and policies.
- Because the agencies are separate, it can be difficult to focus on long-range planning and long-range capital outlay.
- Because employees work for separate agencies, there may be misunderstandings about the chain of authority, priorities, allegiances, or the mission of the organization. This can lead to difficulties with employee discipline, collective bargaining, working conditions, and benefits



Central Marin Fire

Central Marin Fire has expressed interest in a joint powers agreement as a potential bridge to a joint powers authority. No other agency expressed an interest in participating in a joint powers agreement.

A joint powers agreement or authority with Central Marin Fire presents the only opportunity which is either cost-neutral or a potential opportunity for savings.

Central Marin Fire and Ross Valley Fire are similar agencies, both agencies are joint powers authorities serving small municipalities. Each agency has four stations and a similar management structure.

We have worked with the management staff of Ross Valley Fire and Central Marin Fire to create a possible organizational structure and potential cost for the structure.

It should be noted that this is a hypothetical structure and costs represent a high-level look at potential costs.

Current Staffing RVFD and CMFD vs Potential Staffing of a Combined Agency

Position	CMFD	RVFD	Combined	Combined Agency
Fire Chief	1		1	1
Dep Chief		1	1	1
Batt Chief (Shift)	2	2	4	2*
Batt Chief (Admin)	1		1	3*
Total Chief Officers	4	3	7	7
Inspector	1	2	3	3
Wildfire Hazard Spec II	1	1	2	2
Wildfire Hazard Spec I		1	1	1
Emergency Prep Coord	1	1	2	2
Total Prevention/Preparedness	3	5	8	8

*Currently CMFD participates in a JPA with Kentfield Fire for a Shift Battalion Chief. Whether this makes sense in the long-term should be evaluated. Admin B/Cs would include a Training Officer, Fire Marshall, and possibly an EMS Officer.

Cost

Because the proposed organizational structure uses existing personnel reassigned to eliminate duplication and focus on more strategic needs, the cost would likely be approximately or possibly slightly less than the current cost.

Joint Powers Authority or Agency

A joint powers authority is distinct from the member authorities; they have separate operating boards of directors. These boards can be given any of the powers inherent in all the participating agencies. The authorizing agreement states the powers the new authority will be allowed to exercise. The term, membership, and standing orders of the board of the authority must also be specified. The joint authority may employ staff and establish policies independently of the constituent authorities.

A joint powers agency or joint powers authority (JPA) is a new, separate government organization created by the member agencies, but is legally independent from them.

Like a joint powers agreement (in which one agency administers the terms of the agreement), a joint powers agency shares powers common to the member agencies, and those powers are outlined in the joint powers agreement.

Joint powers authorities receive existing powers from the creating government agencies.

Examples of Joint Powers Authorities or Agencies in Marin

Agency	Area Served
Ross Valley Fire Department	Town of Fairfax, Town of Ross, Town of San Anselmo, and Sleepy Hollow Fire Protection District
Central Marin Fire Authority	Town of Corte Madera and City of Larkspur
Central Marin Police Authority	Town of Corte Madera, City of Larkspur and Town of San Anselmo

The Joint Powers Authority model with Central Marin Fire presents an opportunity which is either cost neutral or possibly presents an opportunity for savings. We have worked with the management staff of Ross Valley Fire and Central Marin Fire to create a possible organizational structure and potential cost for the structure. It should be noted that this is a hypothetical structure and costs represent a high level estimate of the anticipated costs.

Pros

- Joint Powers Authorities are flexible.
- A Joint Powers authority may be more efficient than separate governments.
- Joint Powers Authorities allow local agencies to join forces and tackle issues together.

- A Joint Powers Authority can use the personnel, expertise, equipment, and property of each agency, promoting economy and efficiency.
- A Joint Powers Authority can work on regional solutions.

Cons

- It is unlikely that a Joint Powers Authority could be completed before the termination of the contract with MCFD.
- A Joint Powers Authority requires that all employee benefits be brought into alignment.
- All employees must be transferred to the new agency.
- Cost-sharing formulas need to account for existing unfunded retirement liabilities and OPEB (Other Post-Employment Benefits).
- Joint Powers Authorities can be difficult to unwind (unfunded retirement liabilities and OPEB).
- Larger Joint Powers Authorities may have a large Board of Directors.
- Because Directors represent individual agencies, Board focus may not be independent of the Cities and Towns

Cost

- Because the proposed organizational structure uses existing personnel reassigned to eliminate duplication and focus on more strategic needs, the cost would likely be approximately or possibly slightly less than the current cost.

Contract for Service

A contract for service is one agency paying another to provide a service or a portion of service.

Contracts can be for management services, fire prevention, shift battalion chief coverage, or for the provision of all emergency response.



Contracts for Service Examples

Agencies	Services
Marin County/Ross Valley	Overhead services: Fire Chief, Deputy Chief, Fire Marshall
Tiburon Fire, City of Belvedere	Tiburon provides all fire services to Belvedere
San Rafael, Marinwood	San Rafael provides Fire Chief and Prevention services
Southern Marin, National Park Service	Southern Marin provides all emergency response but, does not provide fire prevention.

Pros

- Quick to initiate, good short-term solution.
- Can be easy to negotiate.
- Focused contract responsibilities.
- Cost-effective.
- Can provide experienced leadership.

Cons

- The contract agency may not get the same level of attention as the contractor agency.
- It may place heavier or competing workloads on contractor employees.
- Expectations may not always be clear.
- Lines of authority are not always clear.
- The contractor may have to hire additional personnel to meet expectations (this creates long-term obligations).
- Costs may be more volatile.
- Not always a long-term solution.

Contract for Service - Possibilities

Unfortunately, none of the surrounding agencies were interested in pursuing a contract for services for overhead. This included providing a fire chief or a deputy chief acting as the primary administrator for Ross Valley.

Marin County did express an interest in a contract for providing all fire services in a long-term contract (all employees under the County contract).

Because of differences in compensation packages, the increased cost to Ross Valley would likely be in excess of \$1 million.

A full contract for service polled very unfavorably with Board and Council members.

LMS did not pursue this option in detail.

Stand Alone model – Hire Fire Chief and Management Team

Ross Valley Fire Department historically has had a single fire chief who oversaw administration, operations, and fire prevention.

The fire service has become more complex with greater demands placed on fire service managers. Most modern fire agencies of Ross Valley's size have separate managers assigned to these three functions.

Fire service leaders who are overworked cannot provide mentorship and leadership for their agencies. Mentorship programs are essential in building future fire service leaders.

Ross Valley would likely have to hire/promote not only a fire chief but likely a deputy chief and possibly a fire marshal.

Pros

- Maintains local control.
- Ross Valley Fire Department would be the chief's sole focus.
- Simple and maintains the status quo.

Cons

- Will increase costs.
- A small pool of candidates internally.
- Hiring from the outside can bring unknown qualities.
- Duplicates services of adjacent agencies

Cost

- The cost to return to a stand-alone fire chief model will be dependent on the management structure employed. Below is an estimate of the likely costs.

Stand-Alone Fire Management vs Current Cost	
Current Cost with Marin County	\$ 327,000
Projected Cost Stand-Alone RVFD	
Fire Chief	\$ 291,000
Deputy Chief	\$ 280,000
Fire Marshall	\$ 269,000
Total	\$ 840,000
Projected Increase	\$ 513,000

Next Steps

This report summarizes a high-level overview of each of the options available to the Ross Valley Fire Department.


It is recommended that Town Council members review the staff report, receive this report, ask questions of the Fire Chief and/or the consultant regarding the options presented and provide direction to the Town's representatives on the Ross Valley Fire Department Board of Directors



**ROSS VALLEY FIRE DEPARTMENT
STAFF REPORT**

ITEM 3 - ATTACHMENT 2

For the meeting of: July 11, 2018

To: Board of Directors
From:  Roger Meagor, Acting Fire Chief
Subject: Fire Chief and Administrative Services Agreement

RECOMMENDATIONS:

That the Board authorizes the Board President to execute the agreement for the Marin County Fire Department to provide Fire Chief and administrative services for Ross Valley Fire Department.

BACKGROUND

In September, Ross Valley Fire began exploring options to fill the vacant Fire Chief position. The options included conducting a traditional Fire Chief recruitment or entering into an agreement with another fire agency to provide a Fire Chief and administrative services. In November the Department held a public workshop to receive input from the Board, Department staff, and public. At the December Board meeting, Marin County Fire Chief Jason Weber gave a presentation outlining the basic concept of a shared service option. Following the presentation, in consideration of the discussions to date, the Board directed staff to continue to explore both options, traditional fire chief recruitment and a shared service agreement with the Marin County Fire Department.

At the regular April meeting the Board reviewed the candidate pool for Fire Chief. A week later, at a special meeting of the Board, the Board received the Executive Summary for Marin County Fire Department to provide Fire Chief and administrative services for the Department. At the May meeting, the Board voted unanimously to suspend the traditional fire chief recruitment and to direct staff work with legal counsel to develop an agreement for Marin County Fire Department to provide Fire Chief and administrative services for Ross Valley Fire Department.

DISCUSSION:

At the June meeting the Board reviewed the draft agreement for the Marin County Fire Department to provide Fire Chief and administrative services for Ross Valley Fire Department. At the Board's request the following changes have been made to the draft agreement:

- Added two additional deliverables in Appendix C, after Bullet 5 (year one & ongoing).
 - "Complete a 5-year financial projection"
 - "Develop options for an enhanced defensible space inspection program"

- Added the following to the Dispute Resolution Process Section (Section 15):
 - “The arbitrator shall be a retired judge with at least 10 years’ total experience serving on California and/or Federal trial and appellate court(s).”
- Legal counsel reviewed the agreement and added page numbers, cleaned up the formatting, and made changes in Section 1 and Appendix D for an August 1, 2018 start date.

Staff submitted the draft agreement to CalPERS for review. We asked CalPERS to confirm that the agreement represents a contract for service and does not create an employee/employer relationship between Ross Valley Fire Department and Marin County employees. It is anticipated CalPERS will complete its review prior to the Board meeting.

Attachment: Draft MOU between the County of Marin Fire Department and the Ross Valley Fire Department for shared services from the Marin County Fire Department to the Ross Valley Fire Department.

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE COUNTY OF MARIN FIRE DEPARTMENT AND
THE ROSS VALLEY FIRE DEPARTMENT FOR SHARED SERVICES
FROM THE MARIN COUNTY FIRE DEPARTMENT TO THE ROSS
VALLEY FIRE DEPARTMENT**

August 1, 2018

MEMORANDUM OF UNDERSTANDING

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RVFD – MCFD Agreement
 August 1, 2018

Memorandum of Understanding

This **Memorandum of Understanding** (hereinafter referred to as **MOU and/or Agreement**) is entered into and is effective August 1, 2018 (the "Effective Date") by and between the ROSS VALLEY FIRE DEPARTMENT (RVFD) and the COUNTY OF MARIN/MARIN COUNTY FIRE DEPARTMENT (MCFD) for fire executive management and administrative services provided by MCFD to RVFD as set forth herein.

RECITALS

A. Ross Valley Fire Department was formed pursuant to a Joint Powers Agreement, currently in the form of an Amended and Restated Joint Powers Agreement, as further amended, between the Town of Fairfax, the Town of San Anselmo, Sleepy Hollow Fire Protection District and the Town of Ross, as a separate public agency under the Joint Exercise of Powers Act, commencing at Government Code Section 6500.

B. The County of Marin is a political subdivision of the State of California and a general law county. The Marin County Fire Department is a sub-division and department of the County of Marin. Marin County Fire Department is not a separate public or legal entity.

C. The RVFD has a vacancy in the permanent position of Fire Chief and has explored options for traditional staffing and for securing equivalent functions through a contract for services.

D. The Parties have discussed a contract proposal for Executive Management Shared Services where equivalent fire chief services will be provided to RVFD by the MCFD. Administrative support functions traditionally provided by the Fire Chief will be provided to RVFD by MCFD under the supervision and direction of the MCFD Fire Chief utilizing MCFD sworn and civilian staff with expertise in the applicable areas of fire administration and operations. At its May 16, 2018 meeting, the RVFD Board of Directors authorized preparation of this formal agreement based on the concept in the proposal presented in the Staff Report (with supplemental PowerPoint presentation) for the meeting of April 18, 2018.

NOW THEREFORE, the purpose and intent of this Agreement is to set forth the current terms, conditions, requirements and procedures that shall govern and control the provision of services by MCFD to RVFD as authorized by the Joint Exercise of Powers Act (Government Code Sections 6500, et seq.) and/or Government Code Section 54981 which expressly permits the parties to contract for such services with each other.

MEMORANDUM OF UNDERSTANDING/AGREEMENT

RVFD and MCFD, in consideration of the mutual promises, covenants, terms and conditions set forth below, hereby agree as follows:

SECTION 1. Term of AGREEMENT

This Agreement shall commence on the above-stated Effective Date and shall continue in full force and effect until June 30, 2023, unless sooner terminated, as provided in this Agreement.

SECTION 2. No Separate Entity Created

The parties do not intend to create a separate public agency through this Agreement.

SECTION 3. MCFD As Independent Contractor

MCFD at all times and for all purposes under this Agreement is an independent contractor and shall not be deemed an agent, servant or employee of RVFD, nor is this Agreement to be construed as a partnership, joint venture or association by MCFD with RVFD.

SECTION 4. Employees of Each Party

The employees of each party are intended to remain exclusively employees of the applicable party. Nothing in this Agreement is intended to change the employment relationship or to establish a joint employment or co-employment relationship. Each party will continue to be responsible for all compensation provided to its employees.

SECTION 5. Terms Defined

The "Board of Directors," "President" or "Board President," "Executive Officer" and "RVFD Management Committee" are those bodies or officials as established under the RVFD joint powers agreement, as amended from time to time.

Reference to MCFD includes the County of Marin.

SECTION 6. Services To Be Rendered

MCFD will provide the executive management and administration services described in Appendix "A." RVFD will continue to provide the staff and support services outlined in Appendix "B." Deliverables for year one and for years two through five are listed in Appendix "C." The deliverables may be further refined in writing with details

and deadlines. Any agreed refinement will be signed by the MCFD Fire Chief and the RVFD Executive Officer and may not alter the underlying terms of this Agreement.

SECTION 7. Compensation For Services Rendered

The terms and conditions for compensation to MCFD for its support services provided under this Agreement are set forth in Appendix "D."

SECTION 8. Performance Review

RVFD reserves the right at any time to review MCFD's performance under this Agreement and agrees to provide to MCFD the results of its review. MCFD agrees to cooperate with any and all requests for information and documents related to any such review.

SECTION 9. Health & Safety Concerns

If any provisions of this Agreement are violated by MCFD in a manner that presents a possible or potential danger to the public health and safety, RVFD's Executive Officer shall notify MCFD's Fire Chief of the alleged violation by telephone and in writing, with a copy of such notification sent to County's Chief Administrative Officer. If MCFD fails to correct the violation within fourteen (14) days after receipt of written notice, RVFD may suspend this Agreement until such violation has been corrected. The decision of RVFD as to the existence of a contract violation and its resolution shall be final, but MCFD shall be permitted to present its response to the RVFD's Board of Directors either in writing or orally or both before any such final decision is rendered.

SECTION 10. Agreement Not for Benefit of Third Parties

This Agreement shall not be construed as or deemed to be an agreement for the benefit of any third party or parties, and no third party or parties shall have any right of action hereunder for any cause whatsoever.

SECTION 11. Hold Harmless & Indemnification

RVFD and MCFD each agree to defend, indemnify and hold harmless the other, and the other's officers, agents and employees, against any and all liabilities, injuries or damages caused by the intentional or negligent acts, errors or omissions of their own respective employees, agents or representatives in connection with their performance and duties under the terms and provisions of this Agreement. The duty to indemnify and hold harmless shall include the duty to defend as set forth in California Civil Code Section 2778. In the event of concurrent negligence or liability of the parties, liability

shall be apportioned between RVFD and MCFD under the doctrine of comparative fault as established under California law.

SECTION 12. Insurance

MCFD shall carry at its own expense during the full term of this Agreement the insurance coverages specified in Appendix "E." MCFD is self-insured and has insurance coverage over and above the self-insurance amount and also has umbrella coverage. MCFD shall provide a current endorsement of such coverages (on the general liability endorsement form attached hereto as Appendix "F") to RVFD within ten (10) days of the Effective Date of this Agreement. RVFD agrees to accept MCFD's self-insurance program in lieu of the applicable portions of the required commercial insurance coverage.

SECTION 13. Conflict of Interest

Both RVFD and MCFD warrant and covenant that they presently have no interest in, nor shall any interest be hereinafter acquired, in any matter which will render the services required under the provisions of this Agreement a violation of any applicable state, local or federal law. RVFD and MCFD further warrant that no officer or employee of theirs has influenced or participated in a decision to award this Agreement which has or may confer a benefit, pecuniary or otherwise, in a manner which would violate State law. In the event that any conflict of interest or violation of this section should nevertheless hereafter arise, that party shall promptly notify the other of the existence of the conflict such that all appropriate action immediately may be undertaken.

SECTION 14. Assignability

MCFD shall not assign all or any portion of this Agreement. With the prior written consent of the Executive Officer, MCFD may use a qualified outside vendor or consultant to assist with the preparation of studies, standards or plans, but may not assign any of MCFD's related duties under this Agreement.

SECTION 15. Dispute Resolution Process

Should any disagreement or dispute between RVFD and MCFD arise concerning interpretation, implementation and/or enforcement of any of the terms or subject matter of this Agreement, the parties will attempt to resolve such dispute informally by a meeting with representatives of each party. If, after a good faith attempt by both parties to resolve the dispute informally, no resolution can be reached, the parties shall submit such dispute to mandatory mediation before an agreed upon mediator, each party to pay an equal share of the mediation fees and each party to pay its own attorneys' fees and legal costs. Should RVFD and MCFD be unable to agree upon a mediator, they

RVFD – MCFD Agreement
August 1, 2018

shall agree upon a mediation service and shall have that service select a mediator for them. Should mediation be unsuccessful, then RVFD and MCFD each agree that they shall submit their dispute to binding arbitration before a mutually-agreeable arbitrator. If they cannot agree upon an arbitrator, they shall select an arbitration service which shall select an arbitrator for them. The arbitrator shall be a retired judge with at least 10 years' total experience serving on California and/or Federal trial and appellate court(s). RVFD and MCFD each shall pay an equal portion of the arbitration fees and each party shall pay its own attorneys' fees and legal costs and it is hereby agreed that the arbitrator shall have no authority to award attorneys' fees or costs to any prevailing party. RVFD and MCFD hereby expressly waive any and all rights to have disputes under this Agreement decided by court action, court trial, jury trial or any other legal action of any kind or type, other than the mandatory mediation and binding arbitration process specified above. However, in emergency or extraordinary circumstances, each or both parties may seek equitable or injunctive relief to preserve the status quo pending occurrence of the mediation/arbitration process herein specified. It is the express intent of both RVFD and MCFD to have any and all disputes under this Agreement resolved by the above-specified mediation/arbitration process and in as timely and economical manner as possible.

SECTION 16. Default

Subject to any extensions of time by mutual consent of the parties in writing, any failure of either party to timely perform any material obligation of this Agreement shall constitute an event of default as to that party, if (i) such defaulting party does not cure such failure within thirty (30) days following receipt of written notice of default from the other party, where such failure is of a nature that can be cured within such thirty (30) day period, or (ii) if such failure is not of a nature which can be cured within a thirty (30) day period, the allegedly defaulting party does not, within said thirty (30) day period, commence substantial efforts to cure such failure or thereafter does not, within a reasonable period of time, prosecute to completion with diligence and continuity the curing of the failure. The time to cure may be extended in writing at the discretion of the party giving notice. Any notice of default given hereunder shall be served on the other party and shall specify in detail the nature of the failure(s) in performance which the noticing party claims constitutes the event of default and the manner in which such default may be satisfactorily cured in accordance with the terms and conditions of this Agreement. Failure of a party to timely cure or commence and diligently prosecute to completion the cure of a material default of this Agreement shall entitle the non-defaulting party to terminate this Agreement in accordance with the termination provisions set forth herein and/or to pursue all other remedies available under the dispute resolution process set forth in Section 15 above.

SECTION 17. Equal Opportunity & Non-Discrimination

MCFD and all its employees while performing under this Agreement shall comply with the equal opportunity and non-discrimination provisions of all applicable federal, state and local laws, statutes and ordinances. MCFD and its employees shall not discriminate on the basis of race, color, national origin, ancestry, religion, sex, sexual preference, marital status, age, physical or mental disability, or any other status protected by law, in any matters related to access to or provision of services or related to employment.

SECTION 18. Termination

This Agreement may be terminated prior to the end of its stated term (see Section 1) by one year written notice given by either party to the other party.

SECTION 19. Amendments

This Agreement shall not be further amended or modified at any time and in any respect whatsoever except in writing and by both parties hereto. RVFD and MCFD each agrees that it will make no claim at any time that this Agreement has been orally amended or modified, and each agrees that no oral waiver, amendment or modification shall be effective for any purpose.

SECTION 20. Breach & Enforcement

This Agreement may be pleaded as a full and complete defense to, and may be used as the basis for a petition/motion against, any action, suit or other proceeding which may be instituted, prosecuted or maintained in breach of this Agreement, including but not limited to a petition/motion to compel mediation and/or arbitration.

SECTION 21. Severability

Should any provision of this Agreement be determined by any court to be illegal or invalid, the validity of the remaining parts, terms or provisions shall not be affected thereby, and said illegal or invalid part, term or provision shall be deemed not to be part of this Agreement.

SECTION 22. Governing Law

This Agreement is made and entered into within the State of California, and shall in all respects be interpreted, enforced and governed under the laws of the State of California, with venue agreed to be within the County of Marin. The language of all parts

of this Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against either RVFD or MCFD.

SECTION 23. Parties' Representations

RVFD and MCFD each represent and acknowledge that, in executing this Agreement, they do not rely, and have not relied, upon any representation or statement made by any of their agents, representatives or attorneys with regard to the subject matter, basis or fact of this Agreement or otherwise.

SECTION 24. Binding Upon Successors

This Agreement shall be binding upon the parties and their administrators, representatives, executors, successors and assigns, and shall inure to the benefit of the parties, and each of them, and their administrators, representatives, executors, successors and assigns.

SECTION 25. Headings

The section headings and titles contained in this Agreement are for convenience and reference only and are not intended to define, limit, or describe the scope of any provision of this Agreement.

SECTION 26. Consent

Whenever any consent or approval is required by this Agreement, such consent or approval shall not be unreasonably withheld, conditioned, or delayed, except as otherwise specifically set forth herein.

SECTION 27. Designated Representatives

The Executive Officer of RVFD is its designated representative and will administer this Agreement on its behalf. MCFD's Fire Chief is its designated representative. Changes in designated representatives shall occur by advance written notice to the other party.

SECTION 28. Notices

All notices and demands of any kind which either party may require or desire to serve on the other in connection with this Agreement must be served in writing either by personal service or by registered or certified mail, return receipt requested, and shall be deposited in the United States Mail, with postage thereon fully prepaid, and addressed to the parties to be served as follows:

RVFD – MCFD Agreement
August 1, 2018

If to RVFD:

President of the Board of Directors
Ross Valley Fire Department
777 San Anselmo Ave,
San Anselmo, CA 94960

If to MCFD:

Fire Chief, County of Marin
PO Box 518
Woodacre, CA 94973

Each party shall provide the other with telephonic and written notice of any change of address as soon as practicable. Notices given by personal delivery or acknowledged shall be effective immediately.

SECTION 29. Appendices

The following appendices to this Agreement are attached hereto and incorporated by reference as though fully set forth herein:

- Appendix A MCFD EXECUTIVE MANAGEMENT AND ADMINISTRATIVE SERVICES
- Appendix B CONTINUING RVFD ADMINISTRATIVE SERVICES
- Appendix C DELIVERABLES
- Appendix D COMPENSATION
- Appendix E STANDARD INSURANCE REQUIREMENTS
- Appendix F GENERAL LIABILITY ENDORSEMENT FORM

SECTION 30. Execution In Counterparts

This Agreement may be executed on behalf of the parties in one or more counterparts, all of which collectively shall constitute one document and Agreement.

SECTION 31. Effective Date

The effective date of this Agreement is the date set forth in the first paragraph hereof, once this Agreement is fully executed by each of the parties' representatives set forth below.

RVFD – MCFD Agreement
August 1, 2018

IN WITNESS WHEREOF the parties hereto have entered into and executed this Agreement as follows:

MARIN COUNTY FIRE DEPARTMENT

Attest:

Clerk, BOS

By: _____
Damon Connolly, President, BOS

ROSS VALLEY FIRE DEPARTMENT

Attest:

Administrative Assistant, RVFD

By: _____
President, Board of Directors

RVFD – MCFD Agreement
August 1, 2018

APPENDIX A

MCFD EXECUTIVE MANAGEMENT AND ADMINISTRATIVE SERVICES

Scope of Services:

MCFD will utilize the following staff members to provide services as defined by this Agreement - Fire Chief, Deputy Chief-Operations, Deputy Director of Fire, Fire Marshal, Battalion Chief-Wildfire Protection, Battalion Chief-Training, Battalion Chief-EMS, Administrative Services Manager, Administrative Services Associate, and other MCFD staff as determined necessary by the MCFD. Where required by law or RVFD rules or requirements, MCFD will designate individuals to serve in specified functions or positions, but such individuals shall continue to be under control of and report to MCFD.

The MCFD will provide the following services:

Executive Management: MCFD will provide the following Fire Chief services: Under general direction of the Executive Officer, Management Committee and the Board of Directors will direct, lead, manage, and oversee the activities and operations of the Department including general administration, finance, fire prevention, suppression, training, fire investigation, emergency medical services and public education. Services will include on-call duty on a regular, routine basis for consultation and actual response beyond the normal business hours.

Essential Functions:

- Attend all RVFD Board of Directors meetings in person, unless otherwise excused.
- Attend all RVFD Management Committee meetings, unless otherwise excused.
- Directs and oversees the activities of the Fire Department
- Plans, implements, and reviews departmental short and long-range goals.
- Develops general policies for the administration of the Department.
- Evaluates needs and makes recommendations for construction/renovation of fire stations and the purchase of apparatus and equipment.
- Develops annual budget and controls expenditures.
- Represents the Department at meetings with elected officials and outside agencies; explain and interpret Department programs, policies, activities, budget, and operations.

- Negotiate on sensitive issues and issues involving but not limited to: budgeting, Department direction, employee issues and resolutions, equipment, supplies tools, operational methods and implementation.
- Develops recommendations for the protection of life and property within the jurisdiction of the Department.
- Demonstrates continuous effort to improve operations, streamline work processes, and work cooperatively and jointly to provide quality seamless customer service.
- Identify opportunities for improvement; direct the implementation of changes, maintain an efficient and cost effective emergency response system.
- Maintain discipline and ethical standards set forth within Department.
- Assumes command of all Department operations, as needed, during emergency and non-emergency events as appropriate.
- Formulates and supervises the development and implementation of minimum standards, technical competency, training standards, safety compliance, inspections, fire prevention, education, emergency medical unless otherwise excused.
- Performs contract negotiations with other agencies both private and public for cooperative and financial agreements.

Finance: MCFD will provide management and oversight for financial services and administration, including preparing the annual operating budget, controlling expenditures, conducting long-term financial planning, recommend financial policies, purchasing and contract administration.

Human Resources: MCFD will manage human resource functions including benefit administration, performance management, labor law requirements, employee hiring and development, and health and wellness.

Community Risk Reduction: MCFD will provide management and general oversight of the Department's community risk reduction programs, including fire prevention and public education. MCFD will provide Fire Marshal services to include fire code development and enforcement. Interpret and apply laws, regulations, ordinance, and codes for specific applications as the Fire Marshal for the Department.

Emergency Medical Services (EMS): MCFD will provide management and general oversight of the Department's EMS program.

Training: MCFD will provide general coordination of the Department's training program. Ensure compliance with State and Federal requirements.

APPENDIX B

CONTINUING RVFD ADMINISTRATIVE SERVICES

Administrative Assistant: The RVFD Administrative Assistant will continue to support finance, human resources, public information, and other general administrative functions.

Department Training Officer: A RVFD Battalion Chief will continue to serve as the Department training officer.

Fire Inspectors: RVFD personnel will continue to meet the day-to-day fire inspection needs of the Department.

Basic Financial and Payroll Services: RVFD will continue to provide for basic financial services, including accounts receivable/payable and payroll processing for RVFD employees. These services are currently provided by agreement with the Town of San Anselmo.

APPENDIX C

DELIVERABLES

The following items have been identified as key deliverables to implement the executive management and administrative transition and begin to address the current priorities of the Department. It is understood that many of these items will require routine updates and attention of MCFD. These items are derived from public meetings and the concept proposal presented at the Ross Valley Fire Department Board of Directors meeting on April 18, 2018. The PowerPoint presentation and staff report are available for reference under public record with Ross Valley Fire Department. In the event of a conflict between the concept proposal and this Agreement or this Appendix, the Agreement or this Appendix will take precedence, in that order.

Year One and/or ongoing:

- Ensure the Department will continue to respond to the needs of the community's citizens and visitors and to deliver the best possible public service attainable.
- Review and gain an understanding of the Department's administrative functions, programs, policies, procedures, etc.
- Develop and maintain relationships with the communities, community leaders and elected officials ensuring the Department is well represented to stakeholders and constituents.
- Develop and maintain strong working relationships with Department Heads within the three towns.
- Conduct a review of the Department's current policies and procedures and implement the Lexipol policy management software.
- Complete a 5-year financial projection.
- Develop options for an enhanced defensible space inspection program.
- Complete the integration of the finance agreement with the Town of San Anselmo, including best practice cross checks and audit trail information.
- Implement employee performance management system.
- Evaluate the Department's infrastructure and capital assets needs.

Two to five-year deliverables:

- Develop a 5-year Strategic Plan.
- Development of Department wide Community Wildfire Protection Plan.
- Update RVFD Standards of Cover.
- Complete policy and procedure update.
- Long-term financial outlook and options for sustainability.
- Work with Towns to develop a capital facility (fire stations) master plan for long term major rehab, code compliance and, if needed, eventual replacement.

APPENDIX D

COMPENSATION

For the first year of service, RVFD will pay MCFD \$295,583 for services under this Agreement, inclusive of all compensation, costs, expenses and fees. The amount will be prorated and paid twice yearly, in arrears. MCFD will issue the initial invoice six months after the Effective Date, with subsequent invoices each half year (six months) for service during the preceding six months. RVFD will make payment for all undisputed sums within 30 days of receiving the invoice.

If the Agreement is not effective at the start of the 7/1/18-6/30/19 fiscal year, the initial term of compensation will be prorated and the first invoice will be adjusted accordingly. For example, if the Effective Date is August 1, 2018, compensation for the initial term of service will be 11/12 of the full amount, or \$270,951.08. The initial invoice will be issued five months after the Effective Date (\$123,159.58), subsequent invoices will be issued each half year (six months; \$147,791.50 for the second invoice). The compensation terms will revert to the six month invoicing and annual compensation terms after the initial short invoice period and term of compensation.

The method for determining the first year fee and its breakdown is summarized in the table below. The fee will be adjusted for each fiscal year following the 2018/2019 fiscal year, based on the methodology used in the table and subject to MCFD labor costs associated with the identified positions. Regardless of the calculated increase, the maximum increase that will apply year-to-year is 3% during the term of this Agreement.

As part of the annual performance evaluation, the parties may mutually agree to changes in the percentage allocation of personnel in the table below based on actual experience. However, agreement to a percent change in allocation does not change the 3% maximum annual limit on increases.

The identification of positions is intended to identify services and functions rather than individuals. This methodology is used to provide a convenient and reproducible process that can be used for future fee adjustments. It is not intended to designate specific individuals or control the methods or means by which MCFD achieves the results required under the Agreement.

APPENDIX D
COMPENSATION

Position	Salary	Full Cost	RVFD %	Year 1
Fire Chief	\$ 214,968	\$ 395,541	30%	\$ 118,662
Deputy Fire Chief	\$ 189,987	\$ 349,576	10%	\$ 34,958
Deputy Director of Fire	\$ 155,979	\$ 246,447	15%	\$ 36,967
Fire Marshal	\$ 178,443	\$ 328,335	10%	\$ 32,834
Veg Mngt / WF Protection BC	\$ 178,443	\$ 328,335	7%	\$ 22,983
EMS	\$ 178,443	\$ 328,335	3%	\$ 8,208
Training	\$ 178,443	\$ 328,335	5%	\$ 16,417
Administrative Services Assoc.	\$ 82,875	\$ 130,943	12%	\$ 15,713
Administrative Services Manager	\$ 111,904	\$ 176,808	5%	\$ 8,840
Total				\$ 295,583

APPENDIX E

STANDARD INSURANCE REQUIREMENTS

Prior to rendering services provided by the terms and conditions of this Agreement, MCFD "Contractor or its subcontractor" for purposes of these insurance requirements, shall acquire and maintain during the term of this Agreement, insurance coverage, through and with an insurer acceptable to RVFD, naming the RVFD and its officials, employees, and volunteers as additional insured, (hereinafter referred to as "the insurance"). The limits of insurance herein shall not limit the liability of the Contractor hereunder.

1. Except for professional liability coverage said policies shall be in effect until final acceptance of contractor's work by RVFD and shall provide that they may not be canceled without first providing RVFD with thirty (30) days written notice of such intended cancellation. If Contractor fails to maintain the insurance provided herein, RVFD may, but is not required to, secure such insurance and deduct the cost thereof from any funds owing to Contractor.
2. Minimum Scope of Insurance. Contractor shall procure insurance covering general liability, automobile liability, and worker's compensation. Coverage shall be at least as broad as:
 - a) Insurance Services Office (ISO) Commercial General Liability Occurrence form number CG 0001 or equivalent ISO form. A non-ISO form must be reviewed by the RVFD prior to acceptance of the Agreement.
 - b) Except as otherwise provided in (e)(ii)(bb) Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, Code 1 "any auto" and Endorsement CA 0029.
 - c) Workers' Compensation insurance as required by the Labor Code of the State of California and Employers Liability insurance.
 - d) Professional Errors and Omissions Liability Insurance, coverage form subject to RVFD Approval.
3. Other Insurance Provisions. The policies are to contain, or be endorsed to contain, the following provisions:
 - a) General Liability and Automobile Liability Coverages. RVFD and its officials, employees and volunteers are to be covered as insureds as respects: liability arising out of activities performed by or on behalf of the Contractor; products and completed operations of the Contractor; premises owned, leased or used by the Contractor; or

automobiles owned, leased, hired or borrowed by the Contractor. The coverage shall contain no special limitations on the scope of protection afforded to the RVFD, its officials, employees or volunteers.

- i) The Contractor's insurance coverage shall be primary insurance as respects the RVFD, its officials, employees and volunteers and any other insureds under this contract. Any insurance or self-insurance maintained by the RVFD, its officials, employees and volunteer or other insureds shall be excess of the Contractor's insurance and shall not contribute with it.
 - ii) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the RVFD, its officials, employees and volunteers or other insureds under this contract.
 - iii) Coverage shall state that the Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- b) Worker's Compensation and Employers Liability Coverage.
 - c) Professional Errors and Omissions insurance.
 - i) Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the RVFD.
4. Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A-VII if admitted. A non-admitted insurer shall have a Best's rating of no less than A-X.
5. Minimum Limits of Insurance. Contractors shall maintain limits no less than:
- a) Commercial General Liability: One Million Dollars (\$1,000,000) combined single limit per occurrence for bodily injury, personal injury and property damage with a general aggregate limit of \$2,000,000.
 - b) Automobile Liability: Subject to the option of the RVFD either: (aa) \$1,000,000 combined single limit per accident for bodily injury or

property damage or; (bb) Personal Automobile liability coverage of \$500,000 bodily injury and property damage.

- c) Workers' Compensation and Employers Liability: Workers' compensation limits as required by the Labor Code of the State of California and Employers Liability limits of One Million Dollars (\$1,000,000) per accident.
 - d) Professional Errors and Omissions Liability: Policy limits of not less than One Million Dollars (\$1,000,000) per incident and One Million Dollars (\$1,000,000) annual aggregate, with deductible or self-insured portion not to exceed Two Thousand Five Hundred Dollars (\$2,500). Coverage may be made on a claims-made basis with a "Retro Date" either prior to the date of the Contract or the Beginning of the Contract work. If claims-made, coverage must extend to a minimum of twelve (12) months beyond completion of project. If coverage is canceled or non-renewed, and not replaced with another claims made policy form with a "Retro Date" prior to the contract effective date, the Contractor must purchase "extended reporting" coverage for a minimum of twelve (12) months after completion of contract work.
6. [Reserved.]
7. Deductibles and Self-Insured retentions. Except as otherwise provided in this Agreement, any deductibles or self-insured retentions must be declared to and approved by the RVFD. At the option of the RVFD either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the RVFD, its officials and employees; or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
8. Verification of Coverage. Contractor shall furnish the RVFD with Certificate(s) of Insurance and with original endorsement(s) affecting coverage required by this clause. The certificate(s) and endorsement(s) for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificate(s) and endorsement(s) are to be on forms provided by the RVFD or on forms received and approved by the RVFD before work commences. The RVFD reserves the right to require complete, certified copies of all required insurance policies, at any time.
9. Contractor shall not render services under the terms and conditions of this Agreement unless each type of insurance coverage and endorsement is in effect and Contractor has delivered the certificate(s) of insurance and endorsement(s) to RVFD as previously described. If Contractor shall fail to

procure and maintain said insurance, RVFD may, but shall not be required to, procure and maintain the same, and the premiums of such insurance shall be paid by Contractor to RVFD upon demand. The policies of insurance provided herein which are to be provided by Contractor shall be for a period of not less than one year, it being understood and agreed that thirty (30) days prior to the expiration of any policy of insurance, Contractor will deliver to RVFD a renewal or new policy to take the place of the policy expiring.

10. RVFD shall have the right to request such further coverages and/or endorsements on the insurance as RVFD deems necessary, at Contractor's expense. The amounts, insurance policy forms, endorsement(s) and insurer(s) issuing the insurance shall be satisfactory to RVFD in its sole and absolute discretion.

**APPENDIX F
GENERAL LIABILITY ENDORSEMENT FORM**

[Attach Form.]