REPORT/RECOMMENDATION TO THE BOARD OF DIRECTORS OF SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT AND RECORD OF ACTION

September 24, 2024

<u>FROM</u>

DAN MUNSEY, Fire Chief/Fire Warden, San Bernardino County Fire Protection District

SUBJECT

Memorandum of Understanding with Fontana Fire Protection District for Equipment Use and Other Consideration

RECOMMENDATION(S)

Acting as the governing body of the San Bernardino County Fire Protection District, approve a **Memorandum of Understanding No. 24-954**, including non-standard terms, with the Fontana Fire Protection District for the extended use of Fontana Fire Protection District's equipment, use of classrooms and classroom resources within Fontana Fire Protection District's Training Facility, as well as for other consideration identified in the Memorandum of Understanding, in the amount of \$24,861,298, effective retroactively July 1, 2024, through June 30, 2034. (Presenter: Dan Munsey, Fire Chief/Fire Warden, 387-5779)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner. Provide for the Safety, Health and Social Service Needs of County Residents. Pursue County Goals and Objectives by Working with Other Agencies and Stakeholders.

FINANCIAL IMPACT

Approval of this Memorandum of Understanding (MOU) will not result in the use of Discretionary General Funding (Net County Cost). The total cost of this MOU will be funded by property taxes and other sources in the Valley Regional Service Zone.

The San Bernardino County Fire Protection District (SBCFPD) shall pay Fontana Fire Protection District (FFPD) for the use of their equipment, use of classrooms and classroom resources within Fontana Fire Protection District Training Facility, as well as the parties' agreement to other consideration identified in the MOU. SBCFPD will pay FFPD via a flat rate credit deductions from the annual payment SBCFPD receives from FFPD, under Agreement No. 18-354, for fire protection and medical services. This deduction will occur during the first month of service for each year, with the first year's deduction applied in the first month following approval of the MOU, as indicated below:

Year	Annual Amount Due
2024-25	\$2,050,000
2025-26	\$2,150,000
2026-27	\$2,250,000
2027-28	\$2,350,000
2028-29	\$2,450,000

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\$2,861,298
\$2,800,000
\$2,750,000
\$2,650,000
\$2,550,000

No budget adjustments are requested at this time. Any budget adjustments, if necessary, will be submitted to the Board of Directors (Board) for approval at a later date.

BACKGROUND INFORMATION

SBCFPD has numerous mutual aid agreements with local, state, and federal agencies to assist each other in the suppression of fires and in the provision of emergency medical services.

SBCFPD has been providing fire protection and emergency medical services to FFPD since 2008. Most currently, on June 26, 2018 (Item No. 80), the Board approved Agreement No. 18-354 (Agreement), for SBCFPD to provide fire protection and emergency medical services to FFPD for the period of July 1, 2018, through June 30, 2038. The 20-year Agreement also permits SBCFPD to use certain FFPD equipment outside FFPD limits for up to 12 hours, within any 24-hour period, or on a non-repetitive basis.

SBCFPD may occasionally need to utilize FFPD equipment for an extended period, when responding to mutual aid fire and/or Advanced Life Support/Paramedic incidents outside of FFPD's jurisdiction. The Agreement currently limits SBCFPD's extended or repetitive use of FFPD's equipment outside of FFPD's jurisdiction. FFPD is in the process of building a fire training facility (Training Facility) in the City of Fontana, and SBCFPD may require the use of the classrooms and classroom resources within FFPD's Training Facility.

Approval of the MOU will provide FFPD an annual flat rate credit deducted from the payment SBCFPD receives from FFPD under the Agreement in consideration for: 1) SBCFPD's use of FFPD equipment that exceeds what is allowed in Section 2 of the Agreement through the term of the MOU; 2) SBCFPD's use of classrooms, including resources within the classrooms, within FFPD's Training Facility through the term of the MOU; 3) clarifying Section 3 and 7.A of the Agreement as it relates to costs (which clarification shall survive the termination of the MOU); and 4) resolving any and all disputes between FFPD and SBCFPD over amounts billed by SBCFPD and/or paid by FFPD under Agreement Nos. 08-805 and 18-354, approved by the Board on July 22, 2008 (Item No. 62) and June 26, 2018 (Item No. 80) respectively, through the effective date of this MOU.

The MOU was negotiated by the parties and contains non-standard contract terms or omits certain SBCFPD standard contract terms as follows:

- 1. The term of the MOU is from July 1, 2024, through June 30, 2034.
 - SBCFPD's standard contract has a five-year term.
 - <u>Potential Impact</u>: Unless the MOU terminates early, the term of the MOU is from July 1, 2024, through June 30, 2034. The impact is that unless the MOU terminates early, SBCFPD shall receive the benefits of being able to use FFPD equipment that exceeds what is allowed in Section 2 of the Agreement and use classrooms, including resources within the classrooms, within FFPD's Training Facility for 10 years, versus five years.

- 2. SBCFPD is required to indemnify and hold harmless FFPD and its officers, agents, employees, and volunteers from any and all claims, including, but not limited to, injuries of FFPD personnel related to SBCFPD's use of FFPD's equipment, employment related claims, losses, or damages and/or liability, and actions, arising out of SBCFPD's negligent acts or omissions which arise from SBCFPD's performance obligations under this MOU. FFPD is required to indemnify and hold harmless SBCFPD and its officers, agents, employees, and volunteers from any and all claims, including, but not limited to, injuries of SBCFPD's arising out of FFPD's willful or grossly negligent acts or omissions which arise from FFPD's performance of its obligations under this MOU.
 - County Policy No. 11-07SP does allow SBCFPD to agree to indemnify and hold harmless landlords for use agreements. SBCFPD's standard contract for other services would require the contractor to indemnify, defend, and hold SBCFPD harmless for contractor's acts under the agreement.
 - <u>Potential Impact</u>: The MOU is broader than a use agreement, as the MOU also clarifies Sections 3 and 7.A of the Agreement, as it relates to costs and resolves any and all disputes between FFPD and SBCFPD over amounts billed by SBCFPD and/or paid by FFPD under Agreement Nos. 08-805 and 18-354. SBCFPD will be contractually required to comply with its indemnity and hold harmless obligations to FFPD as identified in the MOU and FFPD's indemnity and hold harmless obligations to SBCFPD are limited to FFPD's willful or grossly negligent acts or omissions which arise from FFPD's performance of its obligations under this MOU.
- 3. The MOU does not include all of the standard SBCFPD insurance requirements and requires SBCFPD, in utilizing FFPD's equipment beyond that which is allowed in the Agreement, to provide vehicle collision and comprehensive coverage in the full replacement value through its insurance or self-insurance program.
 - SBCFPD's standard contract requires contractors to carry certain insurance coverage as determined by the County's Department of Risk Management, and for contractors to add SBCFPD as an insured in their policies and to waive the right to subrogation.
 - <u>Potential Impact</u>: The MOU does not require FFPD to carry all of the standard SBCFPD required insurance policies and does not include any of the standard SBCFPD insurance provisions. This means that SBCFPD has no assurance that FFPD will be financially responsible for claims that may arise from the MOU, which could result in expenses to SBCFPD that exceed the total contract amount of the MOU. In addition, SBCFPD is contractually obligated to provide vehicle collision and comprehensive coverage in the full replacement value through its insurance or selfinsurance program in utilizing FFPD's equipment beyond that which is allowed in the Agreement.
- 4. This MOU shall terminate when/if the Agreement terminates. In the event the Agreement terminates early, this MOU shall also terminate on the same date as the Agreement.
 - SBCFPD standard contract provides that either party may terminate the contract with 30 days written notice.
 - Potential Impact: The MOU will only terminate when/if the Agreement terminates.

Notwithstanding the non-standard provisions, SBCFPD is recommending that the Board approve the MOU with FFPD, as the MOU will enable SBCFPD to continue to participate in mutual aid service requests, and provide fire protection and emergency medical services, to areas outside of FFPD's jurisdiction, as well as provide additional training classrooms and

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classroom resources to SBCFPD. This MOU will also clarify terms of the Agreement and resolve any payment disputes between the parties, under the Agreement or Agreement No. 08-805, through the effective date of the MOU. The MOU serves a fire protection district purpose and provides for the safety, health, and social service needs of SBCFPD, FFPD, and county residents, by enhancing the emergency response capabilities of SBCFPD.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Rick Luczak, Deputy County Counsel, and Scott Runyan, Principal Assistant County Counsel, 387-5455) on September 20, 2024; Risk Management (Greg Ustaszewski, Staff Analyst II, 386-8623) on September 17, 2024; Finance (Ivan Ramirez, Administrative Analyst, 387-4020) on September 9, 2024; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on September 9, 2024.

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Record of Action of the Board of Directors San Bernardino County Fire Protection District

APPROVED (CONSENT CALENDAR)

Moved: Curt Hagman Seconded: Joe Baca, Jr. Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Curt Hagman, Joe Baca, Jr. Absent: Dawn Rowe

Lynna Monell, SECRETARY

in ΒY

DATED: September 24, 2024



- cc: SBCFPD Munsey w/agree Contractor - c/o SBCFPD w/agree File - w/agree
- CCM 10/8/2024