



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: **APRIL 13, 2021**

DEPARTMENT: **FIRE DEPARTMENT**

FROM: **MICHELE VAUGHN, FIRE CHIEF**

TITLE: **CONTRACT RENEWAL FOR EMERGENCY RESPONSES
WITHIN THE MONTEREY COUNTY REGIONAL FIRE
PROTECTION DISTRICT (MCRFPD)**

RECOMMENDED MOTION:

It is the recommendation that the City Council approve a resolution authorizing the renewal of the agreement with Monterey County Regional Fire District (MCRFD) for emergency responses to designated portions of the Monterey County Regional Fire District for a period of five years.

RECOMMENDATION:

Staff recommends executing a contract with Monterey County Regional Fire District from July 1, 2021 through June 30, 2026 for emergency services rendered during Fiscal Years 2021-2022, 2022-2023, 2023-2024, 2024-2025, and 2025-2026 for the total amount of \$2,000,000 for the five-year period.

EXECUTIVE SUMMARY:

Timely signing of this contract will ensure provision of emergency services occur to the contract area or on the borderline incidents. The contract area borders our community and many residents of the area shop, dine and work in Salinas, this contract for emergency services is vital to ensuring rapid fire and EMS response are continued as well as support the Monterey County Operational Area mutual aid system.

Currently our contract for services has expired. The last executed contracted was from July 1, 2016 through June 30, 2019 and was paid in full. We currently have been out of contract from July 1, 2019 through current day. Monterey County Regional Fire District paid the City in full for the Fiscal Year 2019-2020 and Fiscal Year 2020-2021 without a current contract or invoice.

BACKGROUND:

Since 1981, the Salinas Fire Department (SFD) has provided contract emergency services (including fire protection and medical response) to areas within the MCRFD that are adjacent to the City of Salinas. The City provides these services through an Emergency Services Agreement,

which provides compensation to the City in exchange for providing services outside of its boundaries. The current Emergency Services Agreement expired June 30, 2019. In July 2020, MCRFD contacted Salinas Fire Chief Michele Vaughn with a proposal to execute a contract to provide an Emergency Services Agreement as we have done in the past. MCRFD expressed that the desire was to extend the contract that ended on June 30, 2019.

The Salinas Plan conducted a high-level evaluation of the payments received by the City for services provided by the SFD within the MCRFD territory. Based on an evaluation of the payment received by the City compared with the covered proportion of MCRFD's service area, the Salinas Plan determined that the City was likely not receiving enough to cover its costs and recommended that the City perform a more detailed analysis to determine whether the existing Emergency Services Agreement was covering the City's costs.

The City's Administration Department conducted a study based on service call data and determined that calls to the MCRFD service area represented 3.69% of all SFD calls during the service period running from October 1, 2017 through September 30, 2020 (three years). While calculating a precise amount is difficult, staff believes that providing SFD services within MCRFD service area costs the City between \$700,000 and \$900,000 per year. This is significantly greater than the \$196,000 per year the City currently receives.

The proposed contract will increase the annual payments according to the chart below:

FY22	FY23	FY24	FY25	FY26
\$300,000	\$350,000	\$400,000	\$450,000	\$500,000

While the proposed contract does not represent full cost recovery for the City, staff believes that it represents a reasonable compromise between full cost recovery and the status quo. Increasing the amount gradually will enable MCRFD to acclimate to the newer amount, instead of requiring a single, dramatic increase in the cost. It also waits until the next annual budget cycle, so that both the City and MCRFD can adjust to the new amounts. At the end of the Agreement's term, the staff of both agencies can review operations during the term of this Agreement and determine at that time whether it makes sense for the City to provide these services, and, if so, whether it would do so under similar or different terms than those found in this Agreement.

CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378).

STRATEGIC PLAN INITIATIVE:

The execution of this contract fits within the current concepts of the following FY 2020-2023 strategic plan goals:

- Public Safety Operational Efficiencies
- Effective Sustainable Government

- Risk Management

DEPARTMENTAL COORDINATION:

The Fire Department collaborated with the Administration Department for the analysis of call data within the MCRFD service area. The Fire Department will collaborate with the City Attorney to assure the contract complies with applicable laws and ordinances and the Finance Department to assure adherence to procurement policies.

FISCAL AND SUSTAINABILITY IMPACT:

The City will receive \$2,000,000 for this five-year contract.

ATTACHMENTS:

1. Resolution
2. Agreement for Emergency Services
3. Contract area map