



The County, San Carlos and Cal Fire, A Missed Opportunity?

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Issue

Were the taxpayers of San Mateo County well served when the potential extension of CAL FIRE services to San Carlos was blocked by the Committee on Finance and Operations of the Board of Supervisors?

Summary

After San Carlos decided to dissolve the joint Belmont-San Carlos Fire Department in April 2010, it initiated a search for a new provider of fire- protection services. In October, 2010, San Carlos issued an RFP (Request for Proposals) for fire services targeting local fire-service departments, including The California Department of Forestry and Fire Protection (CAL FIRE).

CAL FIRE currently provides fire services to the Coastside Fire Protection District which includes Half Moon Bay and other cities and, since 1962, to most of unincorporated San Mateo County. Its cost structure is the lowest of the non-volunteer fire departments serving the cities of San Mateo County due to the structure of its work schedule and lower employee salaries and benefits. CAL FIRE has an excellent reputation.

CAL FIRE appeared ready to release a proposal in response to the San Carlos RFP. However, instead of receiving the expected proposal from CAL FIRE, San Carlos received a fax from CAL FIRE stating that due, in part, to political and union pressures and fearful of having to defend against legal challenges, it would not be submitting the expected proposal. San Carlos then requested that the County allow San Carlos to subcontract for fire services with CAL FIRE through the County's CAL FIRE contract.

The San Carlos request was addressed by the Finance and Operations (F&O) Committee of the County's Board of Supervisors at two meetings, in January and February of 2011. Had San Carlos been added to the County's CAL FIRE contract, both the County and San Carlos could have fiscally benefited from the arrangement. However the F&O Committee declined to forward the potential agreement to the full Board of Supervisors for consideration.

During the course of its public deliberations, the F&O Committee did not address the fiscal benefits presented in the staff reports prepared for the two meetings. The contract between the County and Cal Fire is due to expire June 30, 2012.

The 2011-2012 San Mateo County Civil Grand Jury recommends to the County Board of Supervisors that it should (1) Renew its contract with CAL FIRE by June 30, 2012, unless there is a new, compelling, fiscal reason not to do so; (2) include a provision in any future contract negotiations that allows fiscally qualified cities to subcontract for CAL FIRE services through the County such that the County as well as the cities can benefit; (3) until the subcontract

provision is approved, allow fiscally qualified cities and fire districts in the County to subcontract services with CAL FIRE under the County's contract. The Grand Jury also recommends to San Mateo Cities and Fire Districts that CAL FIRE be considered as an alternative when assessing changes to local-agency fire protection and that local fire union representatives be included in community discussions concerning department consolidation, regionalization or replacement.

Background

San Carlos Dissolves the Belmont-San Carlos Fire Department

On April 12, 2010, San Carlos notified Belmont that it would be dissolving the Belmont-San Carlos Fire Department as of October 2011. The Fire Department had been jointly operated since 1979 (although it had been on the brink of a break up, previously, in 2004). San Carlos made the dissolution decision for three primary reasons. First, between 2005 and 2010, the cost for fire services to San Carlos had increased by about 30%. Second, the City of San Carlos was fiscally stressed (causing it to restructure its government and reduce staff numbers from 127 to 88). Third, under a complex cost-sharing formula, the San Carlos share for the fire services had gone from 47% to 53%, and efforts to renegotiate that formula with Belmont had failed. At the same time, San Carlos announced that it would freeze its current payments to the fire department at the 2009-2010 level of \$6.3 million and not pay its full 2011 share of \$7.1 million. Similarly, Belmont was to pay in at the 2009-10 level. The unpaid portion for both cities was to come from the Belmont-San Carlos Fire Department's cash reserves. The reserves would run out in October 2011, the dissolution date.

San Carlos Seeks a New Fire Service Provider

With the help of a consulting firm, San Carlos determined that to optimize service and minimize costs it should partner with, or outsource services to, an existing fire-service provider. In October 2010 San Carlos issued a formal Request for Proposals, specifically soliciting responses from the Menlo Park Fire District, North County Fire District, City of San Mateo, Redwood City and The California Department of Forestry and Fire Protection (CAL FIRE).

CAL FIRE is the State agency responsible for fire protection services in designated State Responsibility Areas that are generally rural. CAL FIRE also provides fire protection services under contracts to a number of cities, fire districts and counties in the State. These include San Mateo County for most of its unincorporated area and the Coastside Fire Protection District in San Mateo County (comprised of the City and unincorporated areas of Half Moon Bay, and the unincorporated communities of Miramar, El Granada, Princeton-by-the-Sea, Moss Beach and Montara). These contracts are revenue neutral to the State.

CAL FIRE Offers a Lower-Cost Fire-Fighting Model

Cal FIRE's cost structure is the lowest of the non-volunteer fire departments operating in San Mateo County. This results from the structure of its work schedule and its comparatively low employee salaries and benefits.

When hiring employees from existing fire-fighting units, the lower costs are not all immediately achieved. That is because CAL FIRE and the local jurisdiction generally agree to "red circle"

those employees, meaning their current annual salary levels are maintained until the salaries of other CAL FIRE employees catch up. However, some immediate savings are achieved due to scheduling differences. Unlike other fire departments in the County, CAL FIRE works on a 72-hour duty week, requiring a minimum of 7 persons to staff each engine with 3 people per day. All other fire departments operating in the County use a 56-hour model requiring at least 9 persons per engine for the same level of service. Although the 72-hour duty week model results in greater overtime pay, the overall cost is lower. (See, Table in Appendix 3, p.2)

The International Association of Fire Fighters (IAFF), Local 2400, which represents most of the fire fighters in San Mateo County, has opposed local government entities entering into contracts with CAL FIRE because it reduces the number of firefighters needed and the salary and benefits they receive.¹ (CAL FIRE firefighters are represented by IAFF, Local 2881.)

There are typically hundreds of qualified applicants for every fire-fighter job opening, regardless of which entity has the opening. Separately, a high regard for the performance of all fire-fighting units in the County, including those run by CAL FIRE, was expressed by those interviewed for this Report.

CAL FIRE Does Not Submit the Expected Proposal to San Carlos

When San Carlos issued its Request for Proposals, CAL FIRE was among the most active responders. From preliminary discussions, San Carlos city staff estimated that, by contracting with CAL FIRE, San Carlos would save between \$1.2 and \$2 million per year. However, in a facsimile dated November 18, 2010, four days before the proposal was due, the Acting Director of CAL FIRE informed San Carlos that it would not be submitting a proposal. The facsimile cited four reasons for its decision. The fourth reason stated, in part:

I have significant concerns regarding the socio-political aspects of CAL FIRE providing fire protection services to the City of San Carlos at this time. CAL FIRE has entered into many local government partnerships over the years. To be successful, it is imperative that there is support for these agreements amongst all the stakeholders, including public officials, local citizens and labor organizations. In the case of the City of San Carlos, there is concern from regional Legislative members and significant opposition from local labor organizations. Lacking support from these stakeholders, a proposed partnership could face legal challenges and be cast in a negative light by the media and the community. The potential for increased costs and staff time to address these issues would be borne by CAL FIRE. (See, Appendix A for full text of this facsimile.)

Subsequent Grand Jury interviews confirmed that the above-cited fourth reason was indeed the deciding factor for CAL FIRE. As a result of this facsimile from the Acting Director, direct negotiations between San Carlos and CAL FIRE were ended.

San Carlos next considered sub-contracting for fire services under the existing CAL FIRE contract with San Mateo County. From interviews, the Grand Jury learned that the Acting

¹ Source: an interview conducted by the Grand Jury with an official from Local 2400.

Director of CAL FIRE suggested this approach. It is on the interaction of San Carlos, CAL FIRE and the County that the Grand Jury has focused its report.

San Carlos Seeks a Proposal from CAL FIRE through the County

On January 15, 2011, the Finance and Operations Committee (the F&O Committee), a two member committee of the San Mateo Board of Supervisors composed of Carole Groom and Adrienne Tissier, met to consider the San Carlos request to contract fire protection services from CAL FIRE through the County. The Staff Report (Appendix B) for that meeting contained the following information:

- In fiscal 2010-2011, proceeds from the County Fire Fund were inadequate to cover operating costs for fire services in its unincorporated area. The County's General fund provided a subsidy of \$1.05 million to the Fire Fund budget.
- The County could save \$650,000 annually by extending its current contract with CAL FIRE to include San Carlos.
- Depending on which option San Carlos selected, the City could save between \$600,000 and \$2.5 million a year.²
- If the County were to allow CAL FIRE to sub-contract services to San Carlos through the County, the approval of the full Board of Supervisors would be required. The F&O Committee could forward the issue to the full Board at its upcoming January meeting.

According to the audio transcript of the January 15, 2011 F&O Committee meeting, two questions were raised and discussed:

1. What would the impact on CAL FIRE be given the state's budget problems and the Governor's remark, as cited by Supervisor Tissier, that CAL FIRE should get out of the urban fire-fighting business?
To this question, the CAL FIRE Unit Chief explained in the meeting that the Governor's remarks had no bearing on the cooperative agreements that CAL FIRE had with either San Mateo County or the Coastside Fire District.³
2. What regional efforts to consolidate fire-fighting services are underway in the County?

A discussion ensued in which members of the F&O Committee expressed support for regionalization. The "shared" Fire Chief for the San Mateo and Foster City Fire Departments, who was present at the meeting, volunteered that he would return in a month with a regionalization plan for five of the cities in the county: Foster City, San Mateo, Belmont, Redwood City and San Carlos. The Committee also requested its Staff to provide comparative

² Although San Carlos was paying about \$6.3 million from its general fund, the actual cost for fire services was \$7.1 million, which is \$800,000 more than cited in the Staff Report. It would, therefore, be more correct to say that the savings to San Carlos was between \$1.4 million and \$3.3 million annually. (The \$800,000 was coming from the Belmont-San Carlos fire department reserves, which were deliberately being drained.)

³ In his 2011-2012 Budget Summary, dated January 10, 2011, Governor Brown recommended the realignment of CAL FIRE services in State Responsibility Areas. The recommendation would not affect contracts such as the ones CAL FIRE has with Coastside, San Mateo County and other local entities in which the contract covers the cost. <http://2011-12.archives.ebudget.ca.gov/pdf/BudgetSummary/FullBudgetSummary.pdf> (Page 21)

cost data for a five-city approach.⁴ (As a result, Staff subsequently requested CAL FIRE to submit a proposal for coverage of the five cities.)

A follow-on F&O Committee meeting was scheduled for February 15, 2011 to allow time for the development of these proposals.

The F&O Committee reconvened on February 15, 2011. The Staff Report prepared for that meeting (*See*, Appendix C) indicated that if CAL FIRE were to provide the above mentioned five cities with fire services, the combined annual savings to those cities would be an estimated \$16.8 million. That includes salary reductions of existing fire personnel to the top-step level of the CAL FIRE salary scale, a 72-hour work week (versus the 56 hour work week that most city fire fighters are on), and closing one redundant station. The estimated annual savings would be \$6.9 million if “red circling” of current employees was utilized.

The Fire Chief for the San Mateo and Foster City Fire Departments did not present a five-city estimate as he had volunteered to do, nor did he appear at the meeting.

From the audio transcript of this meeting we learned that the supervisors:

1. Wanted to promote regionalization as a primary means to reduce the cost of fire protection services for the cities in the County.
2. Stated that the County should not be in the fire-service business and that, since the January 18, 2011 meeting, other cities have asked the County for permission to subcontract for CAL FIRE services through the County’s CAL FIRE contract.
3. Stated that CAL FIRE itself needs to get out of urban services, as they interpreted the Governor to have “said.”
4. Stated that the Belmont-San Carlos Fire Department should be extended for at least three more years to allow regionalization to proceed, although, as Supervisor Groom stated, that might take “15 to 20” years.
5. Stated that through mediation there was still an opportunity for the cities to reach an agreement on extending the joint fire department.

The two Supervisors extended an offer to pay for mediation services between Belmont and San Carlos and to otherwise let the issue drop by not forwarding the matter to the full Board. The Supervisors did not address the potential savings to the County, to the cities, or to San Carlos presented in the staff reports prepared for either the January 18 or February 15, 2011 meetings.

As anticipated by most of those interviewed, mediation failed. San Carlos Fire went on to contract with the Redwood City Fire Department for shared use of its command staff. While significant savings were achieved by San Carlos, the savings would have been greater if the City had been allowed to sub-contact with CAL FIRE under the County’s contract.

⁴ Audio Transcripts of Committee Meetings may be obtained from the Clerk of the Board of Supervisors.

Investigation

The San Mateo County Civil Grand Jury:

1. Read staff reports from the City of San Carlos and the County,
2. Watched a recording of the November 22, 2010 City of San Carlos Council meeting,
3. Listened to audio tapes of the County Finance and Operations Committee Meetings,
4. Read the Governors 2011-12 Budget Summary, press conference comments, and the Legislative Analyst's Office interpretation of CAL FIRE realignment.
5. Interviewed
San Carlos City Council and staff members,
County supervisors serving on the Finance and Operations Committee of the San Mateo County Board of Supervisors,
Representatives of the San Mateo County staff,
CAL FIRE staff,
A fire department chief in the County,
A city manager from the County City Managers Association,
A LAFCO (Local Agency Formation Commission) representative. and
A Member of the IAFF (International Association of Fire Firefighters) Local 2400.

Findings

The Grand Jury finds as follows:

1. CAL FIRE is a full-service rural, suburban and urban fire protection agency.
2. CAL FIRE is a fully integrated part of the County's fire protection system with 72 fire fighters working effectively with municipal fire departments and fire districts and utilizing the County's central dispatch system. The CAL FIRE coverage area includes most unincorporated portions of the County and the Coastside Fire District.
3. From interviews, the Grand Jury learned that there is broad agreement among officials and staff from the County and cities that CAL FIRE has provided effective fire protection services in the areas of San Mateo County it serves.
4. Differences between work shifts of CAL FIRE and municipal fire departments, and differences in the wage rates and benefits, allow CAL FIRE to offer comparatively less expensive fire services in the Bay Area.
5. CAL FIRE prices its services by applying a standard 11% overhead cost on top of direct costs.
6. San Mateo County has contracted with CAL FIRE for services to its unincorporated areas since 1962. The current contract expires on June 30, 2012.
7. As of October, 2011 the San Mateo County budget deficit stood at \$50 million.⁵
8. San Carlos requested that the County Board of Supervisors allow San Carlos to obtain fire protection services from CAL FIRE through the County's contract with CAL FIRE.

⁵ http://www.co.sanmateo.ca.us/Attachments/cmo/pdfs/Budget%20&%20Performance/SeptemberRevisions_2011.pdf

The issue came before the two-member Finance and Operations Committee (the F&O Committee) on January 18, and February 15, 2011.

9. From the County staff report of January 18, 2011, adjusted for a budgetary mistake, CAL FIRE could have saved San Carlos between approximately \$600,000 and \$2.5 million per year.⁶
10. From the County staff report of January 18, 2011, in addition to substantial savings for San Carlos, bringing San Carlos under the County contract with CAL FIRE could have saved the County an additional \$650,000 per year. Neither the savings to San Carlos or the County were discussed by the F&O Committee on January 18.
11. From the County staff report of February 15, 2011, "County Fire has a budget reduction target of \$218,877 for FY 2011/12 with the goal of eventually eliminating all \$1 million in general fund contributions." (See, Appendix C)
12. In response to a request from the F&O Committee, CAL FIRE prepared a cost estimate for delivery of fire protection to five County cities (Redwood City, San Carlos, Belmont, Foster City and San Mateo). According to the County staff report of February 15, 2011, the estimated aggregate cost savings to those five cities could be between \$1.7 million and \$16.8 million per year.
13. The CAL FIRE service cost estimates and potential savings for the County and the five County cities were not discussed by the Committee members at the February 15, 2011, F&O Committee meeting.
14. From the audio transcripts of both the January 18 and February 15, 2011 F&O Committee meetings, Supervisor Adrienne Tissier said that the Governor had called for CAL FIRE getting out of the urban fire-fighting business.
15. The Governor's January 10, 2011 recommendations on CAL FIRE realignment only applied to State Responsibility Areas and did not apply to contracts with local jurisdictions, such as its contracts with San Mateo County or the Coastside Fire District. There was no suggestion from the Governor that CAL FIRE should curtail delivery of urban fire protection services funded by counties or cities.
16. Also during the February 15, 2011 F&O Committee meeting, the Supervisors said that the County does not want to be in the fire-fighting business. The Supervisors further said they strongly supported regional fire-protection solutions in the County as a means to reduce redundant administrative and infrastructure costs to the cities.
17. The Supervisors recommended that Belmont and San Carlos enter into mediation to continue their joint fire department while regionalization alternatives could be explored. From interviews and meeting transcripts, most San Carlos and Belmont officials stated there was little chance for mediation to be successful.

⁶ The Staff Report states that San Carlos was paying about \$6.3 million from its general fund. This is true, but the actual cost for fire services was \$7.1 million, which is \$800,000 more than cited in the Staff Report. It would, therefore, be more correct to say that the savings to San Carlos was between \$1.4 million and \$3.3 million.

18. From the letter of the CAL FIRE Acting Director, quoted above, and from interviews with officials from various cities and fire-protection agencies, there is reluctance to consider expanding CAL FIRE's role in San Mateo County because of opposition by the International Association of Firefighters, Local 2400.

Conclusions

The Grand Jury concludes as follows:

1. The County has been well served by CAL FIRE since 1962 and is well served today.
2. It is likely that any alternative to CAL FIRE's coverage of unincorporated areas would increase County costs and not provide materially better service.
3. CAL FIRE should be viewed as a viable alternative for fire protection services by the County and the cities when considering regionalization or outsourcing alternatives.
4. Given the large structural deficit facing the County, the Board of Supervisors needs to take all reasonable steps to reduce the cost of County services.
5. The F&O Committee missed an opportunity for the County to save as much as \$650,000 per year and San Carlos to save upwards of \$1.4 million per year by not forwarding the San Carlos CAL FIRE issue onto the full Board of Supervisors for its consideration.
6. The F&O Committee misinterpreted the Governor's statements regarding the appropriate role of CAL FIRE in municipal fire protection and should have sought clarification before concluding that CAL FIRE was not a viable alternative for cities in the County.
7. There is significant pressure from the local union to not consider CAL FIRE as an outsource alternative for municipal fire protection.
8. Given the potential savings and the need for fiscal relief, the County should be motivated to extend fire protection services through its contract with CAL FIRE to other cities in the County as part of a move toward regionalization.

Recommendations

The Grand Jury recommends to the County Board of Supervisors that it should:

1. Renew its contract with CAL FIRE by June 30, 2012, unless there is a new compelling fiscal reason to change.
2. During contract negotiations with CAL Fire, include a provision within the contract that would allow fiscally qualified cities to sub-contract for CAL FIRE services through the County such that the County as well as the cities can benefit.
3. Until the provision in Recommendation 2 is approved, allow fiscally qualified cities and fire districts in the County to sub-contract services with CAL FIRE under the County's contract.
4. View CAL FIRE as a potential component of the regionalization effort.

The Grand Jury further recommends to cities and special fire districts in San Mateo County:

1. When assessing alternative approaches to local fire protection, CAL FIRE should be considered as one alternative.
2. Include local fire union representatives in community discussions concerning department consolidation, regionalization or replacement; make financial considerations and differing expense models known to all concerned parties and citizens.

References

2011-2012 California Budget

<http://www.ebudget.ca.gov/>

San Carlos City Council Meeting and Staff Report, Nov. 22, 2010

<http://www.epackets.net/mtgviewer.aspx?meetid=1073&doctype=AGENDA>, item 7A
Quarterly Fire Department Report. - 20101117135849546.pdf

City Fire Department Consolidations/Mergers

Grand Jury 2009 Report

http://www.sanmateocourt.org/documents/grand_jury/2009/fire_dept.pdf

San Mateo County Fire Department Consolidation Project 108

Stanford Management Science And Engineering

January-March 2011

by Alex Carney, Peter Geoghegan, Garrett Gunther, Vy Nguyen

Appendix A: Fax from CAL FIRE to San Carlos, November 18, 2010

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STATE OF CALIFORNIA—NATURAL RESOURCES AGENCY

ARNOLD SCHWARZENEGGER, Governor



DEPARTMENT OF FORESTRY AND FIRE PROTECTION

P.O. Box 944296
SACRAMENTO, CA 94244-2460
(916) 853-7772
Website: www.fire.ca.gov



November 18, 2010

Mr. Brian Moura
Assistant City Manager
City of San Carlos
600 Elm Street
San Carlos, California 94070

Dear Mr. Moura,

I have received your letter dated October 25, 2010, requesting the Department of Forestry and Fire Protection (CAL FIRE) to provide a response to the City of San Carlos' Request for Proposals for the Delivery of Fire, Emergency Medical First Response and Related Emergency Services. As you know, CAL FIRE is involved in providing all-hazard emergency services throughout California, both as a state agency and in partnership with local governments. Within San Mateo County, those partnerships exist at both the county and fire protection district levels. CAL FIRE values our local government partnerships, as they result in the ability to provide a higher level of service to both the state and the local government jurisdiction.

As you may be aware, especially in these difficult budgetary times, CAL FIRE is judicious in its evaluation of potential agreements with local governments for fire protection services. As a state department, it is critical that any new contract be mutually beneficial to both parties. To evaluate this criterion, CAL FIRE prepares a Partnership Agreement Rating Form which evaluates fourteen separate objective points. By Public Resources Code requirement, this objective evaluation is considered with further, more subjective considerations before a decision to enter into a new agreement is made.

Based on both the objective and subjective evaluations, I am unable to submit a proposal at this time for the following reasons:

- The Joint Exercise of Powers Agreement between the City of San Carlos and the Belmont Fire Protection District is set to expire "on or before October 12, 2011." Therefore, it would be critical that any respondent to the Request for Proposal have the ability to engage in services to the City by that date. Due to the compressed timeframe, CAL FIRE would be unable to have a contract in place or the finalization of the transition of any Belmont-San Carlos Fire Department personnel completed by that date. Past experience indicates that this process could take up to eighteen months to complete, as CAL FIRE would need to coordinate with the City and obtain approvals from various state control agencies.
- Public Resources Code (PRC), Section 4142, requires that any proposed "agreement aligns with the department's base mission, as described in (PRC) Sections 713 and 714," or specifically, supports the Department's protection of the State Responsibility Areas. In order to

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November 18, 2010
Mr. Brian Moura
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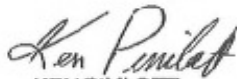
evaluate the appropriateness of an agreement, CAL FIRE utilizes the Partnership Agreement Rating Form, which provides an objective criteria evaluation of the area and its overall fire protection needs and evaluates the benefits of a local government partnership agreement with CAL FIRE. The evaluation of the proposed partnership with the City of San Carlos identified a marginally appropriate rating based on this objective criteria. The evaluation identified a minimal increased benefit to State Responsibility Area protection within the San Mateo-Santa Cruz Unit and an insufficient level of administrative, fire prevention and training support.

- City finances have been tenuous for an extended period of time. According to the City General Manager news release of the 2009 Year in Review, the City has faced budgetary reductions for eleven consecutive years. Although the City believes that sufficient cost reductions will occur from the outsourcing of its police and fire services, all indications point to a continued decline in housing prices, resulting in lower property tax revenues, and additional reductions in state funding due to decreasing state revenues. Additionally, since the City would be responsible for "red circle" costs and ongoing payments for previous workers' compensation claims, it is not clear to CAL FIRE that the savings anticipated from outsourcing these services would actually be realized.
- I have significant concerns regarding the socio-political aspects of CAL FIRE providing fire protection services to the City of San Carlos at this time. CAL FIRE has entered into many local government partnerships over the years. To be successful, it is imperative that there is support for these agreements amongst all the stakeholders, including public officials, local citizens and labor organizations. In the case of the City of San Carlos, there is concern from regional Legislative members and significant opposition from local labor organizations. Lacking support from these stakeholders, a proposed partnership could face legal challenges and be cast in a negative light by the media and the community. The potential for increased costs and staff time to address these issues would be borne by CAL FIRE. The potential cost and impacts to CAL FIRE outweigh the marginal benefit to the protection of State Responsibility Areas within the Unit.

Although I will not be submitting a response to your Request for Proposal, I do concur with the findings from the Tri-Data report as it relates to the benefits of a regional fire protection system. CAL FIRE is committed to being a partner in the development of a strategic, long term solution towards a regional fire protection system in San Mateo County. Regardless, CAL FIRE will continue to assist the City of San Carlos through participation in county-wide fire service organizations, regional training efforts and mutual aid support.

I value the level of support the City of San Carlos has provided to the Department. I am pleased with the cooperative relationship Chief John Ferreira has developed with City staff. I look forward to continuing these relationships into the future. Please do not hesitate to contact me or Chief John Ferreira with any questions.

Sincerely,



KEN PIMLOTT
Acting Director
California Department of Forestry and Fire Protection

November 18 2010
Mr. Brian Moura
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Cc: Ken McLean, Region Chief
Cesar Partida, Assistant Region Chief
John Ferreira, Unit Chief
Andy McMurry, Assistant Deputy Director
Loren Snell, Assistant Deputy Director

Appendix B: Staff Report for Finance and Operations Committee Meeting, January 18, 2011

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|  | San Mateo County Board of Supervisors Finance and Operations Committee | Carole Groom, Chair Adrienne Tissler, Vice-Chair |
| | | <small>Reyna Farrales, Deputy County Manager John Beiers, Chief Deputy County Counsel 400 County Center, Redwood City 650-363-4123</small> |

TO: Finance and Operations Committee

FROM: Reyna Farrales, Deputy County Manager

SUBJECT: Finance and Operations Committee Special Meeting

TODAY'S DATE: January 12, 2011

NOTICE OF SPECIAL MEETING (GOVERNMENT CODE § 54956)

FINANCE AND OPERATIONS COMMITTEE

Please take notice that the Chair of the Finance and Operations Standing Committee, acting pursuant to the authority of Government Code §54956, hereby calls a special meeting of the Finance and Operations Committee, to take place on **January 18, 2011 at 2:00 p.m. in the Board of Supervisors Conference Room located in the Hall of Justice, 400 County Center, First Floor, Redwood City, California.**

The special meeting is for the purpose of discussing and transacting the following business:

1. *Call to order*
2. *Oral Communications and Public Comment*
3. *Fire Services – City of San Carlos - Attachment*
4. *January 25 Budget Workshop - Attachment*
5. *Approval of the Finance and Operations Meeting Schedule for 2011 - Attachment*
6. *Adjournment*

Pursuant to Government Code §54954.3, members of the public, to the extent required by law, will have the opportunity to directly address the Committee concerning the above mentioned business.

Dated: January 12, 2011

CAROLE GROOM
Chair, Finance and Operations Committee

Please note: Public meetings are accessible to people with disabilities. Individuals who need special assistance or a disability-related modification or accommodations, including auxiliary aids or services to participate in this meeting, or who have a disability and wish to request an alternative format for the agenda, meeting notice, agenda packet or other writings that may be distributed at the meeting, should contact the Assistant Clerk of the Board of Supervisors at (650) 363-4634. Notification in advance of the meeting will enable the public agency to make reasonable arrangements to ensure accessibility to this meeting and the materials related to it.



**San Mateo County
Board of Supervisors
Finance and Operations Committee**

**Carole Groom, Chair
Adrienne Tissier, Vice-Chair**

**Reyna Farniles, Deputy County Manager
John Belers, Chief Deputy County Counsel
400 County Center, Redwood City
650-363-4123**

TO: Finance and Operations Committee
FROM: David S. Boesch County Manager
Peggy Jensen, Deputy County Manager
SUBJECT: Fire Services Proposal – City of San Carlos
Meeting Date: Tuesday, January 18, 2011

The City of San Carlos has issued a request for proposals for emergency response and fire protection. The County could submit a proposal to include San Carlos in our current contract with CalFire. CalFire has indicated that such a proposal could include the following opportunities for the County and the City of San Carlos:

- County General Fund savings of up to \$300,000 from sharing command, fire marshal, training, Advanced Life Support (ALS) and administrative staff. Over the past five fiscal years, the General Fund has provided over \$3 million to the County Fire Fund. An additional \$1.05 million subsidy is needed this fiscal year to balance the Fire Fund budget. The subsidy does not include funds for vehicle or facility replacement, only operating costs.
- The County could save an additional \$350,000 by sharing and transferring two of the three CalFire staff from Station 18 (Cordilleras) to Station 16 in San Carlos. The two staff would operate a "quick attack" vehicle, which provides better service than a three-person engine in the San Carlos and unincorporated area hills.
- Any savings above the operations costs for the County CalFire contract could be put into a vehicle and facility reserve. Over \$1 million a year is needed to meet future fire vehicle and facility needs.
- This year, the City of San Carlos is paying \$6.3 million for fire service, including funds for 20 staff. CalFire uses a 72-hour a week shift schedule, which means they would only need 17 staff to provide the same level of service as San Carlos provides now with 20 staff. Also CalFire has a different pay scale. Preliminary numbers from CalFire indicate that they could offer San Carlos the following contract options:
 - \$3.8 million - 17 staff paid at the top step of the CalFire pay scale
 - \$4.3 million – 20 staff paid at the top step of the CalFire pay scale
 - \$5.03 million - 17 staff with total compensation frozen at the San Carlos pay scale
 - \$5.7 million - 20 staff with total compensation frozen at the San Carlos pay scale
 - Hazardous materials pay (HazMat) would be an additional \$19,800 a year for 11 staff at the CalFire pay scale or \$71,000 for 11 San Carlos staff with frozen compensation.

San Carlos has extended their proposal due date to February 7, 2011. The full Board could consider requesting a proposal from CalFire that adds San Carlos to the County CalFire contract at the January 25, 2011 Board meeting. CalFire has confirmed that if asked, they will provide a complete proposal by the due date.

Appendix C: Staff Report for Finance and Operations Committee Meeting, February 15, 2011



TO: Finance and Operations Committee

FROM: Reyna Farrales, Deputy County Manager

SUBJECT: Finance and Operations Committee Special Meeting

TODAY'S DATE: February 10, 2011

NOTICE OF SPECIAL MEETING (GOVERNMENT CODE § 54956)

FINANCE AND OPERATIONS COMMITTEE

Please take notice that the Chair of the Finance and Operations Standing Committee, acting pursuant to the authority of Government Code §54956, hereby calls a special meeting of the Finance and Operations Committee, to take place on **Tuesday, February 15, 2011 at 2:00 p.m. in the Board of Supervisors Chambers located in the Hall of Justice, 400 County Center, First Floor, Redwood City, California.**

The special meeting is for the purpose of discussing and transacting the following business:

1. *Call to order*
2. *Oral Communications and Public Comment*
3. *Fire Services – City of San Carlos - Attachment*
4. *Adjournment*

Pursuant to Government Code §54954.3, members of the public, to the extent required by law, will have the opportunity to directly address the Committee concerning the above mentioned business.

Dated: February 10, 2011

CAROLE GROOM
Chair, Finance and Operations Committee

Please note: Public meetings are accessible to people with disabilities. Individuals who need special assistance or a disability-related modification or accommodations, including auxiliary aids or services to participate in this meeting, or who have a disability and wish to request an alternative format for the agenda, meeting notice, agenda packet or other writings that may be distributed at the meeting, should contact the Assistant Clerk of the Board of Supervisors at (650) 363-4634. Notification in advance of the meeting will enable the public agency to make reasonable arrangements to ensure accessibility to this meeting and the materials related to it.



**San Mateo County
Board of Supervisors
Finance and Operations Committee**

**Carole Groom, Chair
Adrienne Tissier, Vice-Chair**

**Reyna Ferrales, Deputy County Manager
John Belers, Chief Deputy County Counsel
400 County Center, Redwood City
650-363-4123**

**Date: February 8, 2011
Meeting Date: February 15, 2011**

TO: Supervisor Carole Groom
Supervisor Adrienne Tissier

FROM: Peggy Jensen, Deputy County Manager

SUBJECT: Report Back on Regional Fire Service: CalFire Option

RECOMMENDATION:

Accept this report and provide direction to staff.

BACKGROUND:

On January 18, 2011, the Finance and Operations Committee considered extending the County Fire contract with CalFire to include the City of San Carlos. At that meeting, Chief Belville from the City of San Mateo said that the City of San Mateo, Redwood City and Foster City were exploring a regional fire service system that could also include Belmont and San Carlos. The Committee expressed interest in regionalization of fire services and indicated that the County operated stations adjacent to the region cities could be included in the concept. The Committee also requested comparative cost data for different regional approaches.

DISCUSSION:

Regional delivery of fire service is relatively common throughout California. San Mateo County, through our County Fire program, has had a regional service arrangement with CalFire for over 45 years. This arrangement has provided competent and cost-effective fire protection service to the unincorporated area through a model that maintains local control. The Coastside Fire Protection District and CalFire are another example of a local regional model as is the effort currently underway to consolidate the Foster City and City of San Mateo fire departments. The Menlo Park Fire Protection District is also a regional model.

In response to requests from the Committee, County Fire developed cost estimates for extending the County contract with CalFire to include all the cities identified by Chief Belville and the unincorporated area identified by the Committee. The cost estimates are based on the following facts:

- There are 18 fire stations in the five cities and the county unincorporated area east of Interstate 280 between San Mateo and Redwood City. The 18 stations house a total of 18 engines and 4 ladder trucks. County Fire staffs three of the engines through our contract with CalFire. The other 15 engines are staffed by the city fire departments as are the 4 ladder trucks. Currently, five different agencies provide management, supervision and administrative support for these stations. Depending on what happens in San Carlos, the total number of agencies may increase.

- In San Mateo County, a three-person crew supports each fire engine and a four-person crew supports a ladder truck. The city fire crews work a 56-hour week. CalFire uses a 72-hour workweek. The table below compares the staffing requirements for each staffing model by fire vehicle.

| Apparatus | 24/7 City Staff Per Vehicle | 24/7 CalFire Staff Per Vehicle |
|-----------------------|-----------------------------|--------------------------------|
| 3 Person Engine | 9 | 7 |
| 4 Person Ladder Truck | 12 | 9.5 |

As the table shows, the CalFire model requires fewer personnel to fully staff each piece of equipment than the city model. If the CalFire staffing model is applied to the 15 city engines and 4 trucks in the region, 40 fewer staff would be needed for 24/7 coverage.

- A regional approach would create opportunities to review administrative and management needs and station and apparatus distribution. It is anticipated that there would be opportunities to reduce costs in all of these areas, but the extent of the savings would depend on the level of services selected. However, those savings would be seen over time, as the impacts on service levels are evaluated.

Based on the information above and data available from the cities in the region, County Fire calculated the following costs for different regional service options that CalFire could offer the region. Note that the changes below are cumulative, so the lowest cost option includes all the changes noted above.

| | |
|----------------|---|
| \$42.2 million | Total current cost of 18 stations |
| \$40.5 million | Move all stations to a 72-hour work week |
| \$37.3 million | Plus reduce total staff to number required for 72-hour work week |
| \$27.4 million | Plus, reduce city salaries to top step of CalFire salary scale |
| \$25.4 million | Plus, close one redundant station in region and convert one engine to a 2 person "quick attack" vehicle |

The numbers presented above are best estimates of the potential total costs. If there is serious interest in pursuing a regional approach to fire services, staff would need to work closely with all interested partners to assess all options and carefully review all cost data. Also, we would need to bring the residents of CSA 1 into these discussions, as the engine company they fund should be incorporated into any regional plan.

Given the complexity of a truly regional approach, we estimate that it could take a year or possibly longer to work out the details. We should also note that Belmont officials recently voted to create their own city fire department and indicated they are not interested in a regional approach.

FISCAL IMPACT:

County Fire has a budget reduction target of \$218,877 for FY 2011/12 with the goal of eventually eliminating all \$1 million in general fund contributions. Although we assume there will be savings to the County from a regional approach to fire service, at this time we can neither calculate the amount or the timing of those savings. This is because we don't know how any savings would be allocated among the partner cities. Furthermore, the County is currently benefiting from the 72-hour workweek and the CalFire salary scale, so the savings to the county would not be as great as for the cities if CalFire was the service provider.

The only fiscal impact data that we can definitively provide is the projected savings from expanding the county service area to include San Carlos. The savings data was presented to your Committee at the January 18, 2011 meeting. The projected savings for FY 2011/12 includes \$300,000 from shared administrative costs and potentially another \$350,000 if the Cordilleras engine is moved to the San Carlos station on Alameda and staffed as a "quick attack" vehicle.

County Manager's Office

RECEIVED

MAY 15 2012

DEPT. 10

*Reviewed
5/15/12
JLB*



COUNTY OF SAN MATEO

COUNTY GOVERNMENT CENTER • REDWOOD CITY • CALIFORNIA 94063-1655
WEB PAGE ADDRESS: <http://www.co.sanmateo.ca.us>

BOARD OF SUPERVISORS
DAVE PINE
CAROLE GROOM
DON HORSLEY
ROSE JACOBS GIBSON
ADRIENNE TISSIER

JOHN L. MALTBIE
ACTING COUNTY MANAGER/
CLERK OF THE BOARD

(650) 363-4123
(650) 363-1916 FAX

May 14, 2012

Hon. Gerald J. Buchwald
Judge of the Superior Court
Hall of Justice
400 County Center, 2nd Floor
Redwood City, CA 94063-1655

Re: The County, San Carlos, and CAL FIRE, A Missed Opportunity?

Dear Hon. Gerald J. Buchwald,

The responses to the Grand Jury Reports titled: The County, San Carlos, and CAL FIRE, A Missed Opportunity, was approved by the San Mateo County Board of Supervisors at their regular meeting on May 8, 2011. Attached please find the Board Memo that includes the formal response.

Sincerely,

Shanna Collins
County Manager's Office



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
County Managers Office/Clerk of the Board



APPROVED BY
BOARD OF SUPERVISORS

MAY - 8 2012

BY *[Signature]* CLERK OF BOARD DEPUTY

Date: May 8, 2012
Board Meeting Date: May 8, 2012
Special Notice / Hearing: None
Vote Required: Majority

TO: Honorable Board of Supervisors

FROM: Peggy Jensen, Deputy County Manager *[Signature]*

SUBJECT: 2011-12 Grand Jury Response

RECOMMENDATION:

Accept this report containing the Board of Supervisor's response to the 2011-12 Grand Jury report titled: "The County, San Carlos, and CAL FIRE, A Missed Opportunity?":

BACKGROUND:

On February 15, 2012, the Grand Jury filed a report titled: "The County, San Carlos, and CAL FIRE, A Missed Opportunity?" The Board of Supervisors is required to submit comments, within ninety days, on the findings and recommendations pertaining to the matters under control of the County of San Mateo. The County's response to the report is due to the Hon. Gerald J. Buchwald no later than May 15, 2012.

Acceptance of this report contributes to the Shared Vision 2025 outcome of a Collaborative Community by ensuring that all Grand Jury findings and recommendations are thoroughly reviewed by the appropriate County departments and that, when appropriate, process improvements are made to improve the quality and efficiency of services provided to the public and other agencies.

FISCAL IMPACT:

There is no Net County Cost associated with accepting this report.

RECOMMENDED

[Signature]
COUNTY MANAGER

The County, San Carlos, and Cal Fire, A Missed Opportunity?

Findings:

Grand Jury Finding Number 1. CAL FIRE is a full-service rural, suburban and urban fire protection agency.

Response: Agree.

Grand Jury Finding Number 2. CAL FIRE is a fully integrated part of the County's fire protection system with 72 fire fighters working effectively with municipal fire departments and fire districts and utilizing the County's central dispatch system. The CAL FIRE coverage area includes most unincorporated portions of the County and the Coastside Fire District.

Response: Partially Agree.

CALFIRE as the contractor to County Fire is fully integrated in the County Fire protection system.

Grand Jury Finding Number 3. From interviews, the Grand Jury learned that there is broad agreement among officials and staff from the County and cities that CAL FIRE has provided effective fire protection services in the areas of San Mateo County it serves.

Response: Agree.

Grand Jury Finding Number 4. Differences between work shifts of CAL FIRE and municipal fire departments, and differences in the wage rates and benefits, allow CAL FIRE to offer comparatively less expensive fire services in the Bay Area.

Response: Agree.

Grand Jury Finding Number 5. CAL FIRE prices its services by applying a standard 11% overhead cost on top of direct costs.

Response: Partially Agree.

CAL FIRE does apply an overhead factor to their contract, but that amount varies year to year. The last two years the factor has been between 11% and 12%.

Grand Jury Finding Number 6. San Mateo County has contracted with CAL FIRE for services to its unincorporated areas since 1962. The current contract expires on June 30, 2012.

Response: Agree.

Grand Jury Finding Number 7. As of October, 2011 the San Mateo County budget deficit stood at \$50 million.

Response: Partially Agree.

San Mateo County has a structural budget deficit that is updated annually. On January 31, 2012, the County Manager reported to the Board of Supervisors that the structural deficit for FY 12-13 is \$41 million.

Grand Jury Finding Number 8. San Carlos requested that the County Board of Supervisors allow San Carlos to obtain fire protection services from CAL FIRE through the County's contract with CAL FIRE.

Response: Agree.

Grand Jury Finding Number 9. From the County staff report of January 18, 2011, adjusted for a budgetary mistake, CAL FIRE could have saved San Carlos between approximately \$600,000 and \$2.5 million per year.

Response: Agree.

Grand Jury Finding Number 10. From the County staff report of January 18, 2011, in addition to substantial savings for San Carlos, bringing San Carlos under the County contract with CAL FIRE could have saved the County an additional \$650,000 per year. Neither the savings to San Carlos or the County were discussed by the F&O Committee on January 18.

Response: Partially Agree.

The County staff report did not specify an "additional" \$650,000 savings per year – it noted that the total savings could be \$650,000 (up to \$300,000, plus an additional \$350,000). The Committee considered the financial information at their meeting but it was not the only issue of concern. The Committee was also interested in shared services options among the cities. At the January 18, 2011 meeting the F&O Committee members requested more information from the cities regarding shared services and associated cost savings.

Grand Jury Finding Number 11. From the County staff report of February 15, 2011, "County Fire has a budget reduction target of \$218,877 for FY 2011-12 with the goal of eventually eliminating all \$1 million in general fund contributions." (See, Appendix C)

Response: Agree.

Grand Jury Finding Number 12. In response to a request from the F&O Committee, CAL FIRE prepared a cost estimate for delivery of fire protection to five County cities (Redwood City, San Carlos, Belmont, Foster City and San Mateo). According to the County staff report of February 15, 2011, the estimated aggregate cost savings to those five cities could be between \$1.7 million and \$16.8 million per year.

Response: Partially Agree.

The potential cost savings of between \$1.7 million and \$16.8 million was an aggregate for the five cities and the County – not just the five cities.

Grand Jury Finding Number 13. The CAL FIRE service cost estimates and potential savings for the County and the five County cities were not discussed by the Committee members at the February 15, 2011, F&O Committee meeting.

Response: Partially Agree.

The information in the staff report, including the financial information and data, was presented to the Finance and Operations Committee both in the report and orally at the meeting. The Committee had requested but did not receive information on a city shared service model at the February 15, 2011 meeting. But in an effort to promote city savings, Committee members offered to mediate talks between the cities of Belmont and San Carlos regarding fire service costs.

Grand Jury Finding Number 14. From the audio transcripts of both the January 18 and February 15, 2011 F&O Committee meetings, Supervisor Adrienne Tissier said that the Governor had called for CAL FIRE getting out of the urban fire-fighting business.

Response: Agree.

Grand Jury Finding Number 15. The Governor's January 10, 2011 recommendations on CAL FIRE realignment only applied to State Responsibility Areas and did not apply to contracts with local jurisdictions, such as its contracts with San Mateo County or the Coastside Fire District. There was no suggestion from the Governor that CAL FIRE should curtail delivery of urban fire protection services funded by counties or cities.

Response: Partially Agree.

The initial information from the state was not clear on which aspects of CAL FIRE services should be curtailed. According to Chief Ferreira's statements at the Finance and Operations Committee meetings, the Governor's comments did not apply to the contract with San Mateo County.

Grand Jury Finding Number 16. Also during the February 15, 2011 F&O Committee meeting, the Supervisors said that the County does not want to be in the fire-fighting business. The Supervisors further said they strongly supported regional fire-protection solutions in the County as a means to reduce redundant administrative and infrastructure costs to the cities.

Response: Partially Agree.

The statement about the County not being in the firefighting business should be clarified. The Board is committed to providing fire protection services to the unincorporated areas of the County. The Supervisors had concerns about expanding

County provided fire services into incorporated areas prior to exploring regional solutions among the cities.

Grand Jury Finding Number 17. The Supervisors recommended that Belmont and San Carlos enter into mediation to continue their joint fire department while regionalization alternatives could be explored. From interviews and meeting transcripts, most San Carlos and Belmont officials stated there was little chance for mediation to be successful.

Response: Partially Agree.

The Supervisors did recommend mediation. We cannot comment on local official's statements regarding the potential success of mediation made by city officials in interviews.

Recommendations:

The Grand Jury recommends to the County Board of Supervisors that it should:

1. Renew its contract with CAL FIRE by June 30, 2012, unless there is a new compelling fiscal reason to change.

Response: Agree.

2. During contract negotiations with CAL FIRE, include a provision within the contract that would allow fiscally qualified cities to sub-contract for CAL FIRE services through the County such that the County as well as the cities can benefit.

Response: Disagree.

Specific language is not necessary. The standard CAL FIRE contract language allows expansion of the service area when that expansion is supported by the CAL FIRE review process. The review includes evaluation of fiscal and service impacts.

3. Until the provision in Recommendation 2 is approved, allow fiscally qualified cities and fire districts in the County to sub-contract services with CAL FIRE under the County's contract.

Response: Partially Agree.

As noted in response Number 2 above, the first step in extending the service area under any CAL FIRE contract is a detailed review by the State. That process can take up to three or four months. Therefore, while the County would be willing to discuss expanding service under the current contract, it is unlikely the state service review would be completed prior to the renewal date of the current contract.

4. View CAL FIRE as a potential component of the regionalization effort.

Response: Agree.

San Mateo County fire service providers, including CAL FIRE, all participate in a countywide move and cover plan. This plan is a regional approach to fire protection services. Therefore, CAL FIRE is currently part of a regional approach to fire protection in San Mateo County. In addition, the County is participating in the San Mateo County City Managers Association shared fire services workgroup which is looking into many ways to further regionalize fire service.



COASTSIDE FIRE PROTECTION DISTRICT

1191 MAIN STREET ■ HALF MOON BAY, CA 94019

TELEPHONE (650) 726-5213
FAX (650) 726-0132

RECEIVED
MAY 17 2012
DEPT. 10

*Reviewed
+ noted
JPS*

May 14, 2012

Hon. Gerald J. Buchwald
Judge of the Superior Court
Hall of Justice
400 County Center, 8th Floor
Redwood City, CA 94063

To Judge Buchwald:

The Coastside Fire Protection District has had an opportunity to review the 2011-2012 Grand Jury report regarding San Mateo County Fire Department Consolidations and offers the following responses:

Response to Grand Jury Findings:

1. CAL FIRE is a full-service rural, suburban and urban fire protection agency.
Response: Agree
2. CAL FIRE is a fully integrated part of the County's fire protection system with 72 fire fighters working effectively with municipal fire departments and fire districts and utilizing the County's central dispatch system. The CAL FIRE coverage area includes most unincorporated portions of the County and the Coastside Fire District.
Response: Respondent agrees that CAL FIRE provides service within the County including within the Coastside Fire Protection District pursuant to a contract between the District and the State of California and utilizes the County's central dispatch system.
3. From interviews, the Grand Jury learned that there is broad agreement among officials and staff from the County and cities that CAL FIRE has provided effective fire protection services in the areas of San Mateo County it serves.
Response: Respondent is unable to sufficiently answer as directed by the Grand Jury. Other than what is written in the Grand Jury Report, Respondent does not know what was said in interviews with local officials.

4. Differences between work shifts of CAL FIRE and municipal fire departments, and differences in the wage rates and benefits, allow CAL FIRE to offer comparatively less expensive fire services in the Bay Area.

Response: Agree

5. CAL FIRE prices its services by applying a standard 11% overhead cost on top of direct costs.

Response: Agree. This is approximately the current amount of the overhead cost which fluctuates year to year.

6. San Mateo County has contracted with CAL FIRE for services to its unincorporated areas since 1962. The current contract expires on June 30, 2012.

Response: Respondent is unable to sufficiently answer as directed by Grand Jury. Other than what is written in the Summary section of the Grand Jury report, respondent does not know when CAL FIRE began fire protection services in San Mateo County or that current services will expire on June 20, 2012. Respondent has no reason to dispute these Findings.

7. As of October, 2011 the San Mateo County budget deficit stood at \$50 million.

Response: Respondent is unable to sufficiently answer as directed by the Grand Jury other than to acknowledge that the report indicates that the County's budget deficit is reported, in the report, to be \$50 million. Respondent has no reason to dispute this Finding.

8. San Carlos requested that the County Board of Supervisors allow San Carlos to obtain fire protection services from CAL FIRE through the County's contract with CAL FIRE. The issue came before the two-member Finance and Operations Committee (the F&O Committee) on January 18, and February 15, 2011.

Response: Respondent Agrees with Grand Jury Finding. Respondent was aware that San Carlos was seeking a partner for fire protection services and documents included as part of the Grand Jury report confirm information and dates pertaining to this Finding. Without this information, Respondent would be unable to sufficiently comment on this Finding.

9. From the County staff report on January 18, 2011, adjusted for a budgetary mistake, CAL FIRE could have saved San Carlos between \$600,000 and \$2.5 million per year.

Response: Respondent Agrees with Grand Jury Finding. Documents included as part of the Grand Jury report confirm information pertaining to this Finding. Without this information, Respondent would be unable to sufficiently comment on this Finding.

10. From the County staff report of January 18, 2011, in addition to substantial savings for San Carlos, bringing San Carlos under the County contract with CAL FIRE could have saved the County an additional \$650,000 per year. Neither the savings to San Carlos or the County were discussed by the F&O Committee on January 18.
Response: Respondent Agrees with Grand Jury Finding. Documents included as part of the Grand Jury report confirm information pertaining to this Finding. Without this information, Respondent would be unable to sufficiently comment on this Finding.
11. From the County staff report of February 15, 2011, "County Fire has a budget reduction target of \$218,877 for FY 2011/12 with the goal of eventually eliminating all \$1 million in general fund contributions."
Response: Respondent Agrees with Grand Jury Finding. Documents included as part of the Grand Jury report confirm information pertaining to this Finding. Without this information, Respondent would be unable to sufficiently comment on this Finding.
12. In response to a request from the F&O Committee, CAL FIRE prepared a cost estimate for delivery of fire protection to five County cities (Redwood City, San Carlos, Belmont, Foster City and San Mateo). According to the County staff report of February 15, 2011, the estimated aggregate cost savings to those five cities could be between \$1.7 million and \$16.8 million per year.
Response: Respondent Agrees with Grand Jury Finding. Documents included as part of the Grand Jury report confirm information pertaining to this Finding. Without this information, Respondent would be unable to comment on this Finding.
13. The CAL FIRE service cost estimates and potential savings for the County and the five County cities were not discussed by the Committee members at the February 15, 2011, F&O Committee meeting.
Response: Respondent is unable to sufficiently answer as directed by the Grand Jury, other than to acknowledge what is written in the Grand Jury report and shown in attachments because Respondent was not present at the F&O Committee meeting.
14. From the audio transcripts of both the January 18 and February 15, 2011 F&O Committee meetings, Supervisor Adrienne Tissier said that the Governor had called for CAL FIRE getting out of the urban fire-fighting business.
Response: Respondent is unable to sufficiently answer as directed by Grand Jury. Other than what is written in the Background section of the Grand Jury report, Respondent does not know if these verbal comments were made.

15. The Governor's January 10, 2011 recommendations on CAL FIRE realignment only applied to State Responsibility Areas and did not apply to contracts with local jurisdictions, such as its contracts with San Mateo County or the Coastside Fire District. There was no suggestion from the Governor that CAL FIRE should curtail delivery of urban fire protection services funded by counties or cities.

Response: Respondent is unable to sufficiently answer as directed by the Grand Jury other than to acknowledge that the report indicates this issue was discussed by the F&O Committee.

16. Also during the February 15, 2011 F&O Committee meeting, the Supervisors said that the County does not want to be in the firefighting business. The Supervisors further said they strongly supported regional fire-protection solutions in the County as a means to reduce administrative and infrastructure costs to the cities.

Response: Respondent is unable to sufficiently answer as directed by Grand Jury. Other than what is written in the Background section of the Grand Jury report, respondent does not know if these verbal comments were made.

17. The Supervisors recommended that Belmont and San Carlos enter into mediation to continue their joint fire department while regionalization alternatives could be explored. From interviews and meeting transcripts, most San Carlos and Belmont officials stated there was little chance for mediation to be successful.

Response: Respondent Agrees with Grand Jury Finding. Documents included as part of the Grand Jury report confirm information pertaining to this Finding. Without this information, Respondent would be unable to comment on this Finding.

18. From the letter of the CAL FIRE Acting Director, quoted above, and from interviews with officials from various cities and fire-protection agencies, there is reluctance to consider expanding CAL FIRE's role in San Mateo County because of opposition by the International Association of Firefighters, Local 2400.

Response: Respondent is unable to sufficiently answer as directed by the Grand Jury. Other than what is written in the Grand Jury Report, Respondent does not know what was said in interviews with local officials. The CAL FIRE letter attached to the Report at Appendix A does indicate one of CAL FIRE's "significant concerns" with providing Fire Services in San Carlos had to do with "significant opposition from local labor negotiations".

Response for Recommendations 1 and 2:

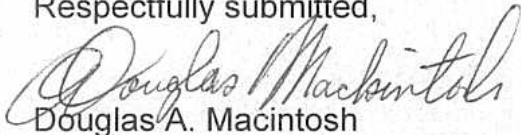
1. When assessing alternative approaches to local fire protection, CAL FIRE should be considered as one alternative.

Response: Respondent agrees that CAL FIRE or any local municipal fire department configuration should be considered when assessing alternative approaches to local fire protection.

2. Include local fire union representatives in community discussions concerning department consolidation, regionalization or replacement; make financial considerations and differing expense models known to all concerned parties and citizens.

Response: Respondent agrees that union representatives, community leaders and all pertinent responsible persons should be allowed to participate when local agencies are involved in discussions and development regarding consolidation, regionalization, replacement or when they are considering differing expense models.

Respectfully submitted,



Douglas A. Macintosh

President, Coastside Fire Protection District

RECEIVED
JUN 26 2012
DEPT. 10

*Reviewed
+ noted MJB 7/2/12*

COLMA FIRE DISTRICT
Inter-Departmental Correspondence

Fire Chief's Office

TO: Honorable Board of Fire Commissioners

FROM: Fire Chief Geoffrey Balton

SUBJECT: 2011-2012 Grand Jury Response

DATE: May 15, 2012

RECOMMENDATION:

Accept this report containing the Fire District's response to the following 2011-2012-Grand Jury Report: **The County, San Carlos and Cal Fire, a Missed Opportunity?**

BACKGROUND:

This activity contributes to the goal by ensuring that all Grand Jury findings and recommendations are thoroughly reviewed and that, when appropriate, improvements are made to the quality and efficiency of services provided to the public and other agencies.

DISCUSSION:

The Fire District is mandated to respond to the Grand Jury within 90 days from the date that reports are filed with the County Clerk. To that end, attached is the Fire District's response to the Grand Jury Report on **The County, San Carlos and Cal Fire, A Missed Opportunity?**

The County, San Carlos and Cal Fire, A Missed Opportunity?

FINDINGS:

The staff accepts the Grand Jury Findings. However, no one here at the Fire District has enough knowledge to agree or dispute the findings. We agree based on the information presented by the Grand Jury

CONCLUSIONS:

The Fire District accepts the conclusions presented by the Grand Jury without comment! We are unable to agree or disagree as we do not have knowledge of the information concluded on.

RECOMMENDATIONS:

1. The Fire District has explored different service delivery models in the past; this has included a request from Cal Fire. We will do so again in the future if an alternative is looked at.
2. Currently there is no union representative associated with the Fire District. If in the future this was to change the District would include them in service discussions and studies.

Approved on consent at

Regula in Ty 6/19/2012

See Below





Menlo Park Fire Protection District

170 Middlefield Road · Menlo Park, CA 94025 · Tel: 650.688.8400 · Fax: 650.323.9129
Website: www.menlofire.org · Email: mpfd@menlofire.org

Fire Chief
Harold Schapelhouman

Board of Directors
Stephen Nachtsheim
Rex Ianson
Jack Nelson
Virginia Chang Kiraly
Robert J. Silano

June 13, 2012

TO: Fire Board President Steven Nachtsheim and members of the Fire Board

FROM: Harold Schapelhouman, Fire Chief

SUBJECT: RECOMMENDATION TO AGREE WITH SELECTED FINDINGS AND RECOMMENDATIONS OF THE 2011-2012 SAN MATEO COUNTY CIVIL GRAND JURY REPORT REGARDING "THE COUNTY, SAN CARLOS, AND CALFIRE A MISSED OPPORTUNITY?"

RECOMMENDATION

It is recommended the Fire Board agree with selected findings and recommendations of the 2012-2012 San Mateo Civil Grand Jury regarding its report titled "The County, San Carlos, and CalFire a Missed Opportunity?"

Findings:

1. CalFire is a full-service rural, suburban and urban fire protection agency.
2. CalFire is a fully integrated part of the County's fire protection system with 72 firefighters working effectively with municipal fire departments and fire districts and utilizing the County's central dispatch system. The CalFire coverage area includes most unincorporated portions of the county and the Coastside Fire Protection District.
3. From interviews, the Grand Jury learned that there is broad agreement among officials and staff from the County and cities what CalFire has provided effective fire protection services in the areas of San Mateo County it serves
4. Differences between work shifts of CalFire and municipal fire departments, and differences in the wage rates and benefits, allow CalFire to offer comparatively less expensive fire services in the Bay Area.

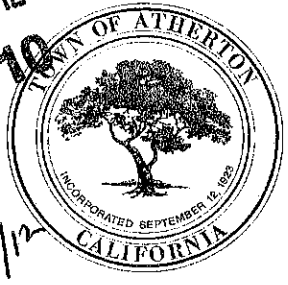
Recommendations to cities and special fire districts in San Mateo County:

1. When assessing alternative approaches to local fire protection, CalFire should be considered as one alternative.
2. Include local fire union representatives in community discussions concerning department consolidation, regionalization or replacement; make financial considerations and differing expense models known to all concerned parties and citizens.

"Excellence In Service"

RECEIVED
DEC 12 2012

DEPT. 10
*received
& noted
MJB
12/24/12*



**Town of Atherton
Office of the City Manager
91 Ashfield Road
Atherton, California 94027
Phone: (650) 752-0500
Fax: (650) 614-1212**

December 10, 2012

Honorable Gerald J. Buchwald
Superior Court Judge, County of San Mateo
Hall of Justice and Records
400 County Center, 8th Floor
Redwood City, CA 94063-1665

Re: Grand Jury Report "The County, San Carlos, and Cal-Fire, a Missed Opportunity"

Dear Honorable Judge Buchwald,

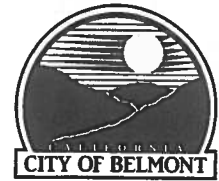
Please accept this letter in response to the 2011-2012 San Mateo County Grand Jury Report filed February 15, 2012, referred to as, "The County, San Carlos, and Cal-Fire, A Missed Opportunity".

With regard to the findings contained within the Grand Jury Report, the Town of Atherton was not a part of the study, process or the discussions regarding dissolution of the Belmont-San Carlos Fire Department and therefore does not have the knowledge necessary to agree or disagree with the findings and recommendations.

Thank you,

Sincerely,

George Rodericks
City Manager



April 24, 2012

Honorable Gerald J. Buchwald
Judge of the Superior Court
Hall of Justice
400 County Center; 8th Floor
Redwood City, CA 94063-1655

Also sent via e-mail to: grandjury@sanmateocourt.org

Honorable Judge Buchwald:

Please accept this letter as a formal response from the City of Belmont to the February 15, 2012 letter from the San Mateo County Superior Court of California regarding the 2011-2012 Grand Jury Report, "The County, San Carlos and Cal Fire, a Missed Opportunity?". The staff report and attached material were placed on the City Council's April 24, 2012 agenda for review. Pursuant to your request the Belmont City Council approved this response to the findings and recommendations at a public meeting.

Findings:

1. CAL FIRE is a full-service rural, suburban and urban fire protection agency.

Agree – Cal Fire has been a State of California Fire Agency for many years and provides Fire Protection Services in various areas throughout the State of California.

2. CAL FIRE is a fully integrated part of the County's Fire Protection System with 72 Firefighters working effectively with municipal fire departments and fire districts and utilizing the County's central dispatch system. The CAL FIRE coverage area includes most unincorporated portions of the County and Coastside Fire District.

Partially agree – Cal Fire is a participant in the SMCPHESPG – San Mateo County Pre-Hospital Emergency Services Provider Group and is associated and participates in the Automatic Aid Agreement that sends the closest resources to all responses. They are a participant in the San Mateo County Greater Alarm Plan. The City of Belmont has no data to confirm the number of firefighters working for CAL FIRE in San Mateo County.

3. From interviews, the Grand Jury learned that there is a broad agreement among officials and staff from County and Cities that CAL FIRE has provided effective fire protection services in the areas of San Mateo County that it serves.

The City of Belmont cannot confirm this finding.

4. Differences between work shifts of CAL FIRE and municipal fire departments, and differences in the wage rates and benefits allow CAL FIRE to offer comparatively less expensive fire services in the Bay Area.

Agree – Employees of CAL FIRE work an additional 16 hours per week as municipal fire departments typically work a 56 hour work week, members of CAL FIRE work a 72 hour work week. This creates an additional 16 hours of overtime per week per employee. It appears that the wage rates and benefits are somewhat competitive to San Mateo County.

5. CAL FIRE prices its services by applying a standard 11% overhead cost on top of direct costs.

The City of Belmont cannot confirm this finding.

6. San Mateo County has contracted with CAL FIRE for services to its unincorporated areas since 1962. The current contract expires on June 30, 2012.

The City of Belmont cannot confirm this finding.

7. As of October 2011, the San Mateo County Budget deficit stood at \$50 million.

The City of Belmont cannot confirm this finding.

8. San Carlos requested that the County Board of Supervisors allow San Carlos to obtain fire protection services for CAL FIRE through the County's contract with CAL FIRE. The issue came before the two-member Finance and Operations Committee (the F & O Committee) on January 18, and February 15, 2011.

The City of Belmont cannot confirm this finding.

9. From the County staff report of January 18, 2011, adjusted for a budgetary mistake, CAL FIRE could have saved San Carlos between \$600,000 and \$2.5 million per year.

The City of Belmont cannot confirm this finding.

10. From the County staff report of January 18, 2011, in addition to substantial savings for San Carlos, bringing San Carlos under the County contract with CAL FIRE could have saved the County an additional \$650,000 per year. Neither the savings to San Carlos or the County were discussed by the F & O Committee on January 18.

The City of Belmont cannot confirm this finding.

11. From the County staff report of February 15, 2011, "County Fire has a budget reduction target of \$218,877 for FY 2011/12 with the goal of eventually eliminating all \$1 million in general fund contributions."

The City of Belmont cannot confirm this finding.

12. In response to a request from the F & O Committee, CAL FIRE prepared a cost estimate for delivery of fire protection to five County cities (Redwood City, San Carlos, Belmont, Foster City and San Mateo). According to the County staff report of February 15, 2011, the estimated aggregate cost savings to those fire cities could be between \$1.7 million and \$16.8 million per year.

The City of Belmont cannot confirm this finding.

13. The CAL FIRE service cost estimates and potential savings for the County and the fire County cities were not discussed by the Committee members at the February 15, 2011, F & O Committee meeting.

The City of Belmont cannot confirm this finding.

14. From audio transcripts of both the January 18 and February 15, 2011 F & O Committee meetings, Supervisor Adrienne Tissier said the Governor has called for CAL FIRE getting out of the urban fire-fighting business.

The City of Belmont cannot confirm this finding.

15. The Governor's January 10, 2011 recommendations on CAL FIRE realignment only applied to State Responsibility Areas and did not apply to contracts with local jurisdictions, such as contracts with San Mateo County or Coastside Fire District. There was not suggestion from the Governor that CAL FIRE should curtail delivery of urban fire protection services funded by counties or cities.

The City of Belmont cannot confirm this finding.

16. Also during the February 15, 2011 F & O Committee meeting, the Supervisors said that the County does not want to be in the fire-fighting business. The Supervisors further said that they strongly supported regional fire-protection solutions in the County as a means to reduce redundant administration and infrastructure costs to cities.

The City of Belmont cannot confirm this finding.

17. The Supervisors recommended that Belmont and San Carlos enter into mediation to continue their joint fire department while regionalization alternatives could be explored. From interviews and meeting transcripts, most San Carlos and Belmont officials stated there was little chance for mediation to be successful.

Partially Agree – the agencies did meet for mediation and it proved to be unsuccessful. As to what interviews and meeting transcripts the Grand Jury reviewed and conclusions they reached; the City of Belmont cannot confirm this finding.

18. From the letter of the CAL FIRE Acting Director, quoted above and from interviews with officials from various cities and fire protection agencies, there is reluctance to consider expanding CAL FIRE's role in San Mateo County because of opposition by the International Association of Firefighters, Local 2400.

The City of Belmont cannot confirm this finding.

Recommendations to cities and special districts in San Mateo County

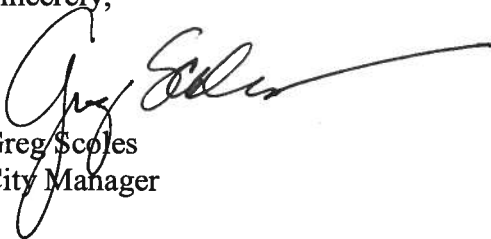
1. When assessing alternative approaches to local fire protection, CAL FIRE should be considered as one alternative.

Agree – This recommendation has been implemented, during the evaluation of the future of fire protection for the City of Belmont.

2. Include local fire union representatives in community discussions concerning department consolidation, regionalization or replacement; make financial considerations and differing expense models known to all concerned parties and citizens.

Agree – This recommendation has been implemented during the evaluation of the future of fire protection for the City of Belmont.

Sincerely,



Greg Scoles
City Manager

Cc: Belmont City Council
Douglas Fry, Interim Fire Chief



CITY OF BRISBANE

50 Park Place
Brisbane, California 94005-1310
(415) 508-2100
Fax (415) 467-4989

May 15, 2012

Honorable Gerald J. Bucwald
Superior Court Judge, County of San Mateo
Hall of Justice and Records
400 County Center, 8th Floor
Redwood City, CA 94063-1665

RE: Grand Jury Report "The County, San Carlos, and Cal-Fire, A Missed Opportunity"

Dear Honorable Judge Buchwald:

Please accept this letter in response to the 2011-2012 San Mateo County Grand Jury Report filed February 15, 2012 "The County, San Carlos, and Cal-Fire, A Missed Opportunity". This response was presented and approved by the Brisbane City Council at its regular meeting of May 7, 2012.

With regard to the finding contained within the Grand Jury Report, the City of Brisbane was not a part of the study, process or the discussions regarding the dissolution of the Belmont-San Carlos Fire Department and therefore does not have the knowledge necessary to agree or disagree with the findings.

The following are the responses to the recommendations contained with the report.

Recommendation 1. – When assessing alternative approaches to local fire protection, CAL-FIRE should be considered as one alternative. The City of Brisbane, along with the City of Daly City and the City of Pacifica has been a member of the North County Fire Authority since 2003. This JPA has proven to be a very beneficial and cost effective approach to providing for and delivering fire protection and emergency medical services. The recommendation has not been implemented, but would be considered should the City of Brisbane determine the need.

Recommendation 2. – Include local fire union representatives in community discussions concerning department consolidation, regionalization or replacement; make financial considerations and differing expense models known to all concerned parties and citizens. As with the development and implementation of the North County Fire Authority, an interest based approach was utilized involving all stake holders and certainly would be considered for any future enhancements or need to make any decisions regarding fire services.

Should you need any additional information or have any questions please contact me.

Sincerely,



Clay Holstine
Brisbane City Manager





The City of Burlingame

501 PRIMROSE ROAD, BURLINGAME, CA 94010-3997
www.burlingame.org

RECEIVED

APR 20 2012

DEPT. 10

*not reviewed
4/23/12
[Signature]*

JERRY DEAL, MAYOR
ANN KEIGHRAN, VICE MAYOR
MICHAEL BROWNRIGG, COUNCILMEMBER
CATHY BAYLOCK, COUNCILMEMBER
TERRY NAGEL, COUNCILMEMBER

TEL: (650) 558-7203
FAX: (650) 342-8386
EMAIL: council@burlingame.org

April 16, 2012

Honorable Gerald J. Buchwald
Judge of the Superior Court
Hall of Justice
400 County Center; 8th Floor
Redwood City, CA 94063-1655

Honorable Judge Buchwald;

Please accept this letter as the City of Burlingame's formal response to the February 15, 2012 letter from the San Mateo County Superior Court of California regarding the 2011-2012 Grand Jury report, "The County, San Carlos and Cal Fire, a Missed Opportunity?"

The city has reviewed the Grand Jury's report in full. The City Council at its April 16, 2012 meeting approved the responses listed below to the findings and recommendations pertaining to the City of Burlingame.

Findings

1. CAL FIRE is a full-service rural, suburban and urban fire protection agency.

Agree- Cal Fire has been a state fire agency for many years and does provide fire protection services in various settings throughout the State of California.

2. CAL FIRE is a fully integrated part of the County's fire protection system with 72 fire fighters working effectively with municipal fire departments and fire districts and utilizing the County's central dispatch system. The CAL FIRE coverage area includes most unincorporated portions of the County and Coastside Fire District.

Partially agree- Cal Fire is a participant in the San Mateo County Pre-hospital Advanced Life Support JPA and the associated Automatic Aid Agreement that sends closest resources. They also participate in the San Mateo County Greater Alarm Plan. The City of Burlingame

borders the Burlingame Hills unincorporated area of San Mateo County and provide "first due" automatic aid coverage to this area as a member agency of the Central County Fire Department (CCFD) with the Town of Hillsborough. The City of Burlingame has no data to confirm the number of fire fighters working for Cal Fire in San Mateo County.

3. From interviews, the Grand Jury learned that there is broad agreement among officials and staff from County and cities that CAL FIRE has provided effective fire protection services in the areas of San Mateo County it serves.

The City of Burlingame has no knowledge of what was communicated in interviews with officials and staff from the County or cities.

4. Differences between work shifts of CAL FIRE and municipal fire departments, and differences in the wage rates and benefits, allow CAL FIRE to offer comparatively less expensive fire services in the Bay Area.

Agree- the City of Burlingame is aware that Cal Fire requires a longer work schedule than other departments in the Bay Area and that the wages and benefits to its employees are state wages rather than competitive wages within San Mateo County. The longer work schedule does require an additional 16 hours of overtime per employee and there is concern that the longer work schedule can lead to employee fatigue and added liability in busier departments.

5. CAL FIRE prices its services by applying a standard 11% overhead cost on top of direct costs.

This cannot be confirmed by the City of Burlingame.

6. San Mateo County has contracted with CAL FIRE for services to its unincorporated areas since 1962. The current contract expires on June 30, 2012.

This cannot be confirmed by the City of Burlingame.

7. As of October 2011, the San Mateo County budget deficit stood at \$50 million.

This cannot be confirmed by the City of Burlingame.

8. San Carlos requested that the County Board of Supervisors allow San Carlos to obtain fire protection services for CAL FIRE through the County's contract with CAL FIRE. The issue came before the two-member Finance and Operations Committee (the F&O Committee) on January 18, and February 15, 2011.

This cannot be confirmed by the City of Burlingame.

9. From the County staff report of January 18, 2011, adjusted for a budgetary mistake, CAL FIRE could have saved San Carlos between approximately \$600,000 and \$2.5 million per year.

This cannot be confirmed by the City of Burlingame.

10. From the County staff report of January 18, 2011, in addition to substantial savings for San Carlos, bringing San Carlos under the County contract with CAL FIRE could have saved the County an additional \$650,000 per year. Neither the savings to San Carlos or the County were discussed by the F&O Committee on January 18.

This cannot be confirmed by the City of Burlingame.

11. From the County staff report of February 15, 2011, "County Fire has a budget reduction target of \$218,877 for FY 2011/12 with the goal of eventually eliminating all \$1 million in general fund contributions."

This cannot be confirmed by the City of Burlingame.

12. In response to a request from the F&O Committee, CAL FIRE prepared a cost estimate for delivery of fire protection to five County cities (Redwood City, San Carlos, Belmont, Foster City and San Mateo). According to the County staff report of February 15, 2011, the estimated aggregate cost savings to those fire cities could be between \$1.7 million and \$16.8 million per year.

This cannot be confirmed by the City of Burlingame.

13. The CAL FIRE service cost estimates and potential savings for the County and the fire County cities were not discussed by the Committee members at the February 15, 2011, F&O Committee meeting.

This cannot be confirmed by the City of Burlingame.

14. From the audio transcripts of both the January 18 and February 15, 2011 F&O Committee meetings, Supervisor Adrienne Tissier said that the Governor had called for CAL FIRE getting out of the urban fire-fighting business.

This cannot be confirmed by the City of Burlingame.

15. The Governor's January 10, 2011 recommendations on CAL FIRE realignment only applied to State Responsibility Areas and did not apply to contracts with local jurisdictions, such as its contracts with San Mateo County or the Coastside Fire District. There was no suggestion from the Governor that CAL FIRE should curtail delivery of urban fire protection services funded by counties or cities.

This cannot be confirmed by the City of Burlingame.

16. Also during the February 15, 2011 F&O Committee meeting, the Supervisors said that the County does not want to be in the fire-fighting business. The Supervisors further said they strongly supported regional fire-protection solutions in the County as a means to reduce redundant administrative and infrastructure costs to the cities.

This cannot be confirmed by the City of Burlingame.

17. The Supervisors recommended that Belmont and San Carlos enter into mediation to continue their joint fire department while regionalization alternatives could be explored. From interviews and meeting transcripts, most San Carlos and Belmont officials stated there was little chance for mediation to be successful.

This cannot be confirmed by the City of Burlingame.

18. From the letter of the CAL FIRE Acting Director, quoted above, and from interviews with officials from various cities and fire-protection agencies, there is reluctance to consider expanding CAL FIRE's role in San Mateo County because of opposition by the International Association of Firefighters, Local 2400.

Partially agree- the City of Burlingame cannot confirm what was said by the Cal Fire Acting Director or in interviews with officials from various cities and fire-protection agencies. The International Association of Firefighters, Local 2400 has made their feelings known about Cal Fire's role in San Mateo County to elected officials.

Recommendations to the County Board of Supervisors

1. Renew its contract with CAL FIRE by June 30, 2012, unless there is new compelling fiscal reason to change.

Not applicable to the City of Burlingame.

2. During contract negotiations with CAL FIRE, include a provision within the contract that would allow fiscally qualified cities to sub-contract for CAL FIRE services through the County such that the County as well as the cities can benefit.

Agree- As long as there is a benefit to all parties, including the County, cities should have the choice of contracting with CAL FIRE. Including a provision within the contract allows for an option to fiscally qualified cities.

3. Until the provision in Recommendation 2 is approved, allow fiscally qualified cities and fire districts in the County to sub-contract services with CAL FIRE under the County's contract.

See answer to recommendation #2.

4. View CAL FIRE as a potential component of the regionalization effort.

See answer to recommendation #2.

Recommendations to cities and special fire districts in San Mateo County

1. When assessing alternative approaches to local fire protection, CAL FIRE should be considered as one alternative.

Agree- in the past, Cal Fire was identified as an alternative to providing local fire protection by the member agencies of the CCFD. Both cities have a history of looking at varying

models of providing fire protection and emergency medical services to their respective communities. The formation of the Central County Fire Department is an example of reducing costs and changing the fire service delivery model from a single jurisdictional fire department to a multi-jurisdiction fire department as a way to reduce costs.

2. Include local fire union representatives in community discussions concerning department consolidation, regionalization or replacement; make financial considerations and differing expense models known to all concerned parties and citizens.

Agree- the CCFD has a history of union inclusion and representation from all ranks of the organization. This goes back to the many meetings that led to the formation of the CCFD. These collaborative efforts have led to a reduction in personnel with no noticeable impact in service delivery to our communities.

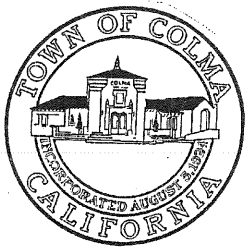
Currently, the same model is being followed as we consolidate fire administrative services and plan for staffing of a temporary/shared fire station between the CCFD and the City of Millbrae Fire Department.

Sincerely,

A handwritten signature in black ink, appearing to read "Jerry Deal". The signature is written in a cursive, flowing style with a large loop at the end.

Jerry Deal
Mayor

Cc: San Mateo County Grand Jury
City Clerk



TOWN OF COLMA

1198 El Camino Real • Colma, California • 94014-3212
Tel 650-997-8300 • Fax 650-997-8308

City Council

Raquel Gonzalez
Mayor

Joanne F. del Rosario
Vice Mayor

Joseph Silva
Council Member

Diana Colvin
Council Member

Helen Fiscaro
Council Member

City Treasurer

Laura Walsh

City Officials

Laura Allen
City Manager

Robert L. Lotti
Chief of Police

Roger Peters
City Attorney

Cyrus Kianpour
Acting City Engineer

Brad Donohue
Acting Public
Works Director

Michael Laughlin, AICP
Acting City Planner

Brian Dossey
Director of Recreation
Services

Lori Burns
Human Resources Manager

May 12, 2012

Hon. Gerald J. Buchwald
Judge of the Superior Court
Hall of Justice
400 County Center, 8th Floor
Redwood City, CA 94063-1655

Re: "The County, San Carlos, and Cal Fire, a Missed Opportunity?"

On May 9, 2012, the City Council of the Town of Colma approved the following responses to the Grand Jury's February 15, 2012 report "The County, San Carlos, and Cal Fire, a Missed Opportunity?" at a public meeting.

Pursuant to your request, the Town has provided comment on the findings and recommendations in the report:

Findings:

1. CAL FIRE is a full-service rural, suburban and urban fire protection agency.
2. CAL FIRE is a fully integrated part of the County's fire protection system with 72 fire fighters working effectively with municipal fire departments and fire districts and utilizing the County's central dispatch system. The CAL FIRE coverage area includes most unincorporated portions of the County and the Coastside Fire District.
3. From interviews, the Grand Jury learned that there is broad agreement among officials and staff from the County and cities that CAL FIRE has provided effective fire protection services in the areas of San Mateo County it serves.
4. Differences between work shifts of CAL FIRE and municipal fire departments, and differences in the wage rates and benefits, allow CAL FIRE to offer comparatively less expensive fire services in the Bay Area.
5. CAL FIRE prices its services by applying a standard 11% overhead cost on top of direct costs.
6. San Mateo County has contracted with CAL FIRE for services to its unincorporated areas since 1962. The current contract expires on June 30, 2012.
7. As of October, 2011 the San Mateo County budget deficit stood at \$50 million.

8. San Carlos requested that the County Board of Supervisors allow San Carlos to obtain fire protection services from CAL FIRE through the County's contract with CAL FIRE.
9. The issue came before the two-member Finance and Operations Committee (the F&O Committee) on January 18, and February 15, 2011.
10. From the County staff report of January 18, 2011, adjusted for a budgetary mistake, CAL FIRE could have saved San Carlos between approximately \$600,000 and \$2.5 million per year.
11. From the County staff report of January 18, 2011, in addition to substantial savings for
12. San Carlos, bringing San Carlos under the County contract with CAL FIRE could have saved the County an additional \$650,000 per year. Neither the savings to San Carlos or the County were discussed by the F&O Committee on January 18.
13. From the County staff report of February 15, 2011, "County Fire has a budget reduction target of \$218,877 for FY 2011/12 with the goal of eventually eliminating all \$1 million in general fund contributions." (See, Appendix C)
14. In response to a request from the F&O Committee, CAL FIRE prepared a cost estimate for delivery of fire protection to five County cities (Redwood City, San Carlos, Belmont, Foster City and San Mateo). According to the County staff report of February 15, 2011, the estimated aggregate cost savings to those five cities could be between \$1.7 million and \$16.8 million per year.
15. The CAL FIRE service cost estimates and potential savings for the County and the five
16. County cities were not discussed by the Committee members at the February 15, 2011, F&O Committee meeting.
17. From the audio transcripts of both the January 18 and February 15, 2011 F&O Committee meetings, Supervisor Adrienne Tissier said that the Governor had called for CAL FIRE getting out of the urban fire-fighting business.
18. The Governor's January 10, 2011 recommendations on CAL FIRE realignment only applied to State Responsibility Areas and did not apply to contracts with local jurisdictions, such as its contracts with San Mateo County or the Coastside Fire District.
19. There was no suggestion from the Governor that CAL FIRE should curtail delivery of urban fire protection services funded by counties or cities.
20. Also during the February 15, 2011 F&O Committee meeting, the Supervisors said that the County does not want to be in the fire-fighting business. The Supervisors further said they strongly supported regional fire-protection solutions in the County as a means to reduce redundant administrative and infrastructure costs to the cities.
21. The Supervisors recommended that Belmont and San Carlos enter into mediation to continue their joint fire department while regionalization alternatives could be explored.
22. From interviews and meeting transcripts, most San Carlos and Belmont officials stated there was little chance for mediation to be successful.
23. From the letter of the CAL FIRE Acting Director, quoted above, and from interviews with officials from various cities and fire-protection agencies, there is reluctance to consider expanding CAL FIRE's role in San Mateo County because of opposition by the International Association of Firefighters, Local 2400.

Response: The Town of Colma was not a party to or involved in the study or discussion regarding the potential expansion of CAL FIRE services to the City of San Carlos following the dissolution of the Belmont-San Carlos Fire Department and therefore does not possess the information or have knowledge which would allow it to agree or disagree with any of the Grand Jury's findings.

Recommendations:

1. When assessing alternative approaches to local fire protection, CAL FIRE should be considered as one alternative.
2. Include local fire union representatives in community discussions concerning department consolidation, regionalization or replacement; make financial considerations and differing expense models known to all concerned parties and citizens.

Response: Fire protection services in the Town of Colma are provided by an independent fire protection district. It is not currently anticipated that the Town will need to alter its fire protection services and therefore the Town cannot implement these recommendations. Should the Town consider alternative fire protection services in the future, it would implement these recommendations.

Thank you for the opportunity to respond to the report on this important topic. If you have any questions or require additional information please contact City Manager Laura Allen at 650-997-8318 or laura.allen@colma.ca.gov.

Sincerely,

A handwritten signature in cursive script that reads "Raquel P. Gonzalez". The signature is written in dark ink and is positioned above the printed name and title.

Raquel "Rae" Gonzalez
Mayor

cc: City Council
City Attorney
City Manager



CITY OF DALY CITY

333--90TH STREET

DALY CITY, CA 94015-1895

PHONE: (650) 991-8000

May 15, 2012

Honorable Gerald J. Buchwald
Superior Court Judge, County of San Mateo
Hall of Justice and Records
400 County Center, 8th Floor
Redwood City, California 94063-1665

RE: Grand Jury Report "The County, San Carlos, and Cal-Fire, A Missed Opportunity"

Dear Judge Buchwald:

On behalf of the City Council of Daly City, I am submitting this response to the 2011-2012 San Mateo County Grand Jury Report filed February 15, 2012 titled "The County, San Carlos, and Cal-Fire, A Missed Opportunity". This response was presented to and approved by the Mayor and City Council at its regular meeting of May 14, 2012.

With regard to the findings contained within the Grand Jury Report, the City of Daly City was not part of the study, process or the discussions regarding the dissolution of the Belmont-San Carlos Fire Department and therefore does not have the knowledge necessary to agree or disagree with the findings.

The following are Daly City's responses to the recommendations contained with the report:

Recommendation 1. – When assessing alternative approaches to local fire protection, CAL-FIRE should be considered as one alternative. The City of Daly City, along with the Cities of Brisbane and Pacifica have operated as the North County Fire Authority (NCFA) since 2003. This JPA has proven to be a very beneficial and cost effective approach to delivering fire protection and emergency medical services for these jurisdictions. Therefore, this recommendation has not been implemented, but would be considered should the City of Daly City determine the need to examine alternative approaches to NCFA in the future.

Recommendation 2. – Include local fire union representatives in community discussions concerning department consolidation, regionalization or replacement; make financial considerations and differing expense models known to all concerned parties and citizens. As with the development and implementation of the North County Fire Authority, an interest based approach was utilized involving all stake holders. The same approach would be considered for any potential future enhancements to fire or emergency medical services or if there was a need to make other decisions regarding those services in the North County.

Should you need any additional information or have any questions please do not hesitate to contact me directly at (650) 991-8127.

Sincerely,

Patricia E. Martel
City Manager



Office of the Mayor

April 25, 2012

*Reid
Dept 10 5/10/12*

*Reviewed +
noted
MJB 5/14/12*

Honorable Gerald J. Buchwald
Judge of the Superior Court
Hall of Justice
400 County Center, 8th Floor
Redwood City, CA 94063-1655

Re: 2012 San Mateo County Civil Grand Jury Response

Honorable Judge Buchwald:

On April 17, 2012, the City Council of the City of East Palo Alto held a duly noticed public meeting to consider its formal response to the 2012 San Mateo County Civil Grand Jury Report entitled "The County, San Carlos, and Cal Fire, A Missed Opportunity". The following represents the City's formal response to the 2012 Civil Grand Jury Report.

Findings:

1. CAL FIRE is a full-service rural, suburban and urban fire protection agency.

City Response: The City of East Palo Alto agrees.

2. CAL Fire is a fully integrated part of the County's fire protection system with 72 firefighters working effectively with municipal fire departments and fire districts and utilizing the County's central dispatch system. The CAL FIRE coverage area includes most unincorporated portions of the County and the Coastside Fire District.

City Response: The City of East Palo Alto agrees. The City has not independently verified, but is confident that the Grand Jury statement is accurate.

3. From interviews, the Grand Jury learned that there is broad agreement among officials and staff from the County and cities that CAL FIRE has provided effective fire protection services in the areas of San Mateo County it serves.

City Response: The City of East Palo Alto agrees.

4. Differences between work shifts of CAL FIRE and municipal fire departments, and differences in the wage rates and benefits, allow CAL FIRE to offer comparatively less expensive fire services in the Bay Area.

City Response: The City of East Palo Alto agrees. The City has not independently verified, but is confident that the Grand Jury analysis is accurate.

5. CAL FIRE prices its services by applying a standard 11% overhead cost on top of direct costs.

City Response: The City of East Palo Alto agrees. The City has not independently verified, but is confident that the Grand Jury analysis is accurate.

6. San Mateo County has contracted with CAL FIRE for services to its unincorporated areas since 1962. The current contract expired on June 30, 2012.

City Response: The City of East Palo Alto agrees. The City has not independently verified, but is confident that the Grand Jury analysis is accurate.

7. As of October, 2011 the San Mateo County budget deficit stood at \$50 million.⁵

City Response: The City of East Palo Alto agrees. The City has not independently verified, but is confident that the Grand Jury analysis is accurate.

8. San Carlos requested that the County Board of Supervisors allow San Carlos to obtain fire protection services from CAL FIRE through the County's contract with CAL FIRE. The issue came before the two-member Finance and Operations Committee (the F&O Committee) on January 18, and February 15, 2011.

City Response: The City of East Palo Alto agrees. The City has not independently verified, but is confident that the Grand Jury analysis is accurate.

9. From the County staff report of January 18, 2011, adjusted for a budgetary mistake, CAL FIRE could have saved San Carlos between approximately \$600,000 and \$2.5 million per year.

City Response: The City of East Palo Alto agrees. The City has not independently verified, but is confident that the Grand Jury analysis is accurate.

10. From the County staff report of January 18, 2011, in addition to substantial savings for San Carlos, bringing San Carlos under the County contract with CAL FIRE could have saved the County an additional \$650,000 per year. Neither the savings to San Carlos or the County were discussed by the F&O Committee on January 18.

City Response: The City of East Palo Alto agrees. The City has not independently verified, but is confident that the Grand Jury analysis is accurate.

11. From the County staff report of February 15, 2011, "County Fire has a budget reduction target of \$218,877 for FY 2011/12 with the goal of eventually eliminating all \$1 million in general fund contributions." (See, Appendix C)

City Response: The City of East Palo Alto agrees. The City has not independently verified, but is confident that the Grand Jury analysis is accurate.

12. In response to a request from the F&O Committee, CAL FIRE prepared a cost estimate for delivery of fire protection to five County cities (Redwood City, San Carlos, Belmont, Foster City and San Mateo). According to the County staff report of February 15, 2011, the estimated aggregate cost savings to those five cities could be between \$1.7 million and \$16.8 million per year.

City Response: The City of East Palo Alto agrees. The City has not independently verified, but is confident that the Grand Jury analysis is accurate.

Recommendations:

1. When assessing alternative approaches to local fire protection, CAL FIRE, should be considered as one alternative.

City Response: The recommendation has been implemented. By virtue of preparing and approving this report, the City Council has provided direction to the City Manager to consider CAL FIRE as an alternative to any change in fire


protection service model. The City of East Palo Alto is part of the service area for the Menlo Park Fire Protection District. The City is satisfied with services provided and is aware of no movement to modify, dissolve or otherwise change the Menlo Park Fire Protection District.

2. Include local fire representatives in community discussions concerning department consolidation, regionalization or replacement; make financial considerations and differing expense models known to all concerned parties and citizens.

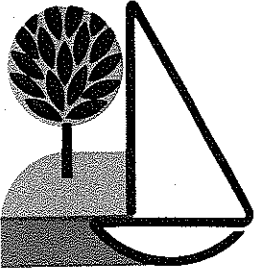
City Response: The recommendation has been implemented. By virtue of preparing and approving this report, the City Council has provided direction the City Manager to include stakeholders in any discussion regarding consolidation, regionalization or replacement of Menlo Park Fire Protection District. Further, the City Council concurs and directs the City Manager to include concerned parties and citizens in any discussion regarding changing expense models of Menlo Park Fire Protection District or any other proposal to change from Menlo Park Fire Protection District.

Should you have any additional questions or require clarification, please do not hesitate to contact me or our Interim City Manager, Ronald Davis.

Sincerely,

A handwritten signature in black ink, appearing to read 'Laura Martinez', with a long, sweeping flourish extending to the right.

Laura Martinez
Mayor
City of East Palo Alto



City of Foster City

ESTERO MUNICIPAL IMPROVEMENT DISTRICT

FIRE DEPARTMENT
1040 E. HILLSDALE BLVD.
FOSTER CITY, CA 94404
(650) 286-3350 • FAX (650) 341-7305

May 7, 2012

Hon. Gerald J. Buchwald
Judge of the Superior Court
Hall of Justice
Civil Grand Jury 2011-2012
400 County Center, 8th Floor
Redwood City, California 94063

To Judge Buchwald:

Current economic conditions have provided new incentives for local governments to address fiscal concerns by consolidating services, including fire protection and emergency response. The fire service industry has evolved dramatically in the past 40 years to include pre-hospital Advanced Life Support, high angle rescue, building construction design, special operations rescue, advanced wildland fire emergency response, hazardous materials mitigation, S.W.A.T. training, water rescue and others. From a business perspective, providing these services is costly and consolidation makes good sense.

In general, this governing body agrees with the Findings of the Grand Jury that consolidations are beneficial to reduce overall costs. However, achieving full consolidation can be extraordinarily difficult. The City of Foster City's governing body has determined that consolidation efforts are made more practical by taking smaller, more manageable steps. Achieving full consolidation with some departments in one step is simply impractical.

Response to Grand Jury Findings

1. *CAL FIRE is a full-service rural, suburban and urban fire protection agency.* Respondent Partially Disagrees. Cal Fire was created to provide urban fire protection to protect forests and watershed. Cal Fire protects over 30 million acres of land as its primary role but also provides fire protection in suburban communities throughout the State.

2. *CAL FIRE is a fully integrated part of the county's fire protection system with 72 fire fighters working effectively with municipal fire departments and fire districts and utilizing the County's central dispatch system. The CAL FIRE coverage area includes most unincorporated portions of the County and the Coastside Fire District. Respondent Partially Disagrees. Cal Fire is integrated as part of the County's fire protection system but is not fully integrated with neighboring municipalities in other functional areas such as Training, Operations and until recently, Emergency Preparedness. Cal Fire has interests in both San Mateo and Santa Cruz counties and therefore becomes detached from local municipalities in San Mateo County.*
3. *From interviews, the Grand Jury learned that there is broad agreement among officials and staff from the County and cities that CAL FIRE has provided effective fire protection services in the areas of San Mateo County it serves. From interviews, the Grand Jury learned that there is broad agreement among officials and staff from the County and cities that CAL FIRE has provided effective fire protection services in the areas of San Mateo County it serves. Other than what is written in the report, respondent does not have sufficient information to respond as to what local officials told the grand jury in interviews. However, as cited in #2 above, the relationship with Cal Fire and local municipal fire departments does not always create an environment of "effective fire protection services."*
4. *Differences between work shifts of CAL FIRE and municipal fire departments, and differences in the wage rates and benefits, allow CAL FIRE to offer comparatively less expensive fire services in the Bay Area. Respondent Agrees with Grand Jury Finding.*
5. *CAL FIRE prices its services by applying a standard of 11% overhead cost on top of direct costs. Respondent is unable to sufficiently answer as directed by Grand Jury. Respondent is not in a position to comment on 11% overhead costs or any other fees Cal Fire charges local jurisdictions for fire protection.*
6. *San Mateo County has contracted with CAL FIRE for services to its unincorporated areas since 1962. The current contract expires on June 20, 2012. Respondent is unable to sufficiently answer as directed by Grand Jury. Other than what is written in the Summary section of the Grand Jury report, respondent does not know when Cal Fire began fire protection services in San Mateo County or that current services will expire on June 20, 2012. Respondent has no reason to dispute these findings.*
7. *As of October 2011, the San Mateo County budget deficit stood at \$50 million. Respondent Partially Disagrees with Grand Jury Finding. Respondent is aware of a County budget deficit in the range of \$20-\$30 million and growing to \$50 million by 2017.*

8. *San Carlos requested that the County Board of Supervisors allow San Carlos to obtain fire protection services from CAL FIRE through the County's contract with CAL FIRE. The issue came before the two-member Finance and Operations Committee (the F&O Committee) on January 18, and February 15, 2011. Respondent Agrees with Grand Jury Finding. Respondent was aware that San Carlos was seeking a partner for fire protection services and documents included as part of the Grand Jury report confirm information and dates pertaining to this Finding. Without this information, Respondent would be unable to sufficiently comment on this Finding.*
9. *From the County staff report of January 18, 2011, adjusted for a budgetary mistake, CAL FIRE could have saved San Carlos between approximately \$600,000 and \$2.5 million per year. Respondent Agrees with Grand Jury Finding. Documents included as part of the Grand Jury report confirm information pertaining to this Finding. Without this information, Respondent would be unable to sufficiently comment on this Finding.*
10. *From the County staff report dated January 18, 2011, in addition to substantial savings for San Carlos, bringing San Carlos under the County contract with CAL FIRE could have saved the County an additional \$650,000 per year. Neither the savings to San Carlos or the County were discussed by the F&O Committee on January 18. Respondent Agrees with Grand Jury Finding. Documents included as part of the Grand Jury report confirm information pertaining to this Finding. Without this information, Respondent would be unable to sufficiently comment on this Finding.*
11. *From the County staff report of February 15, 2011, "County Fire has a budget reduction target of \$218,877 for FY 2011/12 with the goal of eventually eliminating all \$1 million in general fund contributions." (See Appendix C). Respondent Agrees with Grand Jury Finding. Documents included as part of the Grand Jury report confirm information pertaining to this Finding. Without this information, Respondent would be unable to sufficiently comment on this Finding.*
12. *In response to a request from the F&O Committee, CAL FIRE prepared a cost estimate for delivery of fire protection to five County cities (Redwood City, San Carlos, Belmont, Foster City and San Mateo). According to the County staff report of February 15, 2011, the estimated aggregate cost savings to those five cities could be between \$1.7 million and \$16.8 million per year. Respondent Agrees with Grand Jury Finding. Documents included as part of the Grand Jury report confirm information pertaining to this Finding. Without this information, Respondent would be unable to comment on this Finding.*
13. *The CAL FIRE service cost estimates and potential savings for the County and the five County cities were not discussed by the Committee members at the February 15, 2011, F&O Committee meeting. Respondent Agrees with Grand Jury Finding. Documents included as part of the Grand Jury report confirm*

information pertaining to this Finding. Without this information, Respondent would be unable to comment in this Finding.

14. *From the audio transcripts of both the January 18 and February 15, 2011 F&O Committee meetings, Supervisor Adrienne Tissier said that the Governor had called for CAL FIRE getting out of the urban fire-fighting business. Respondent is unable to sufficiently answer as directed by Grand Jury. Other than what is written in the Background section of the Grand Jury report, Respondent does not know if these verbal comments were made.*
15. *The Governor's January 10, 2011 recommendations on CAL FIRE realignment only applied to State Responsibility Areas and did not apply to contracts with local jurisdictions, such as its contracts with San Mateo County or the Coastside Fire District. There was no suggestion from the Governor that CAL FIRE should curtail delivery of urban fire protection services funded by counties or cities. Respondent Disagrees with Finding. Based on conversations with the then Cal EMA Director of Statewide Operations for Law Enforcement and Fire Mutual Aid, the governor's intent was to review fire protection services in local municipalities to determine if the State was subsidizing local jurisdictions and whether those contracts should be reevaluated or eliminated altogether based on the fiscal concerns related to escalating costs and the budget deficit. Municipalities such as San Carlos were precisely an example of the Governors concern for States fiscal liability related to fire protection.*
16. *Also during the February 15, 2011 F&O Committee meeting, the Supervisors said that the County does not want to be in the fire-fighting business. The Supervisors further said they strongly supported regional fire-protection solutions in the County as a means to reduce redundant administrative and infrastructure costs to the cities. Respondent is unable to sufficiently answer as directed by Grand Jury. Other than what is written in the Background section of the Grand Jury report, respondent does not know if these verbal comments were made.*
17. *The Supervisors recommended that Belmont and San Carlos enter into mediation to continue their joint fire department while regionalization alternatives could be explored. From interviews and meeting transcripts, most San Carlos and Belmont officials stated there was little chance for mediation to be successful. Respondent Agrees with Grand Jury Finding. Documents included as part of the Grand Jury report confirm information pertaining to this Finding. Without this information, Respondent would be unable to comment on this Finding.*
18. *From the letter of the CAL FIRE Acting Director, quoted above, and from interviews with officials from various cities and fire-protection agencies, there is reluctance to consider expanding CAL FIRE's role in San Mateo County because of opposition by the International Association of Firefighters, Local 2400. Other than what is written in the report, respondent does not have*

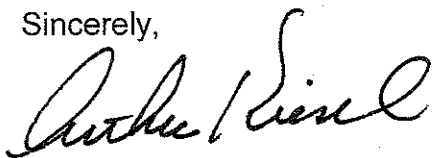
sufficient information to respond as to what local officials told the grand jury in interviews. Additionally, the letter attached from Cal Fire (in the Grand Jury report) does indicate that one of its significant concerns regarding a contract with San Carlos was opposition from local labor organizations.

Response to Grand Jury Recommendations

1. *When assessing alternative approaches to local fire protection, CAL FIRE should be considered as one alternative.* Respondent agrees that Cal Fire or any local municipal fire department configuration should be considered as an alternative approach to fire protection when consolidated services can reduce redundancy, improve services or save money.
2. *Include local fire union representatives in community discussions concerning department consolidation, regionalization or replacement; make financial considerations and differing expense models known to all concerned parties and citizens.* Respondent agrees that union representatives, community leaders, city managers and all pertinent responsible persons be present to discuss and develop consolidation or regionalization models. The Foster City/San Mateo Fire Chief assisted in preparing a report for the County's Finance and Operations Committee as requested but withdrew from submitting the proposal when it was abundantly evident that politics and disingenuous persons were making it untenable to participate as a viable partner. Including all representatives, as cited above, would have helped to keep this unfortunate circumstance from occurring.

Thank you for the opportunity to respond to the February 15, 2012 Grand Jury report. This response was reviewed and approved by the City Council at its May 7, 2012 meeting.

Sincerely,



Art Kiesel
Mayor, City of Foster City

CITY OF SAN CARLOS

CITY COUNCIL

ANDY KLEIN, MAYOR
MATT GROCCOTT, VICE MAYOR
RON COLLINS
BOB GRASSILLI
MATT GROCCOTT



CITY COUNCIL

600 ELM STREET
SAN CARLOS, CALIFORNIA 94070-3018
TELEPHONE (650) 802-4219
FAX (650) 595-6719
WEB: <http://www.cityofsancarlos.org/>

March 13, 2012

Honorable Gerald J. Buchwald
Judge of the Superior Court
Hall of Justice
400 County Center; 8th floor
Redwood City, CA 94063-1655

Re: Civil Grand Jury Report – The County, San Carlos & Cal Fire: A Missed Opportunity?

Dear Judge Buchwald,

I am writing to you on behalf of the San Carlos City Council. This will serve as the City of San Carlos' formal response to the letter from the Superior Court communicating comments made by the Civil Grand Jury about Shared Fire Services entitled "The County, San Carlos & Cal Fire: A Missed Opportunity?" The City Council has reviewed this letter at a public meeting of the Council and has authorized that it be sent.

In the report from the Civil Grand Jury, a number of Findings, Conclusions and Recommendations are made. In addition, the City is offering more information on one of the Background discussions included in the report. Here is the City of San Carlos response to the Civil Grand Jury report on this matter:

Background

1. In the "Background" section of the report on page 2, the Grand Jury notes that San Carlos issued a formal Request for Proposal (RFP) for Fire & Emergency Services and specifically solicited responses from the Menlo Park Fire District, North County Fire District, City of San Mateo, City of Redwood City and Cal Fire.

Response: This is correct in part. It should be noted that the City of San Carlos also invited 4 entities to respond to the RFP for Fire & Emergency Services that are not mentioned in the report. The 4 additional entities that were invited to respond to the RFP are:

- City of Belmont
- American Emergency Services Corporation
- International Association of Firefighters (IAFF), Local 2400
- Rural/Metro Corporation

Findings

1. CAL FIRE is a full-service rural, suburban and urban fire protection agency.
Response: We agree with the finding.
2. CAL FIRE is a fully integrated part of the County's fire protection system with 72 fire fighters working effectively with municipal fire departments and fire districts and utilizing the County's central dispatch system. The CAL FIRE coverage area includes most unincorporated portions of the County and the Coastside Fire District.
Response: We agree with the finding.
3. From interviews, the Grand Jury learned that there is broad agreement among officials and staff from the County and cities that CAL FIRE has provided effective fire protection services in the areas of San Mateo County it serves.
Response: We agree with the finding.

The City notes that Paramedics and Firefighters at Cal Fire's Engine Company on Edmonds Road near Crestview Avenue (Fire Station # 18) have been the first responders for some San Carlos homes for over 10 years.
4. Differences between work shifts of CAL FIRE and municipal fire departments, and differences in the wage rates and benefits, allow CAL FIRE to offer comparatively less expensive fire services in the Bay Area.
Response: We agree with the finding.
5. CAL FIRE prices its services by applying a standard 11% overhead cost on top of direct costs.
Response: We agree with the finding.
6. San Mateo County has contracted with CAL FIRE for services to its unincorporated areas since 1962. The current contract expires on June 30, 2012.
Response: We agree with the finding.
7. As of October, 2011 the San Mateo County budget deficit stood at \$50 million.
Response: We agree with the finding.
8. San Carlos requested that the County Board of Supervisors allow San Carlos to obtain fire protection services from CAL FIRE through the County's contract with CAL FIRE. The issue came before the two-member Finance and Operations Committee (the F&O Committee) on January 18, and February 15, 2011.
Response: We agree with the finding.
9. From the County staff report of January 18, 2011, adjusted for a budgetary mistake, CAL FIRE could have saved San Carlos between approximately \$600,000 and \$2.5 million per year.
Response: We partially disagree with the finding.

While San Carlos received an "informal proposal" for Fire & Emergency Services from Cal Fire in early 2010, the City did not receive a copy of Cal Fire's response to the City's RFP.

Cal Fire hired a former Cal Fire Section Fire Chief (Dan Turner) to prepare a San Carlos RFP response and that response was part of a blue 3 ring binder (often called the "blue binder") that some Cal Fire officials have reviewed. (Mr. Turner was also the consultant used by Cal Fire to prepare their proposal for Fire Services that was ultimately adopted by the Coastside Fire Protection District).

The City of San Carlos has never received or viewed the Cal Fire RFP response to San Carlos in the blue binder. The City did receive some of the material developed by former Chief Turner for San Carlos and used this salary, benefit and cost data for Cal Fire in subsequent reports to the San Carlos City Council.

It is hard to analyze or speculate on what is and is not in the full Cal Fire proposal for San Carlos. Based on earlier proposals to the City (in 2005-07 and 2010), the data supplied by Chief Turner and the current San Mateo County Fire Department Budget (\$1.6 Million per Fire Station), a savings to San Carlos of \$1.2 Million per station or \$2.4 Million for both fire stations seems achievable.

Whether the slightly higher number of \$2.5 Million per year that is used in the Grand Jury report would be reachable in San Carlos if a Cal Fire proposal had been received – directly or through the County – would require further analysis and more detailed information from Cal Fire.

10. From the County staff report of January 18, 2011, in addition to substantial savings for San Carlos, bringing San Carlos under the County contract with CAL FIRE could have saved the County an additional \$650,000 per year. Neither the savings to San Carlos or the County were discussed by the F&O Committee on January 18.

Response: We agree with the finding.

The Deputy County Manager and Cal Fire shared the \$650,000 per year savings estimate for San Mateo County on numerous occasions with the City and County Officials and it appears in the County Staff Report mentioned in the Grand Jury report.

We agree that neither the savings to San Carlos nor the County was discussed by the F&O Committee meeting on January 18, 2011 even though it was the subject on that meeting agenda.

11. From the County staff report of February 15, 2011, "County Fire has a budget reduction target of \$218,877 for FY 2011/12 with the goal of eventually eliminating all \$1 million in general fund contributions." (See, Appendix C)

Response: We agree with the finding.

12. In response to a request from the F&O Committee, CAL FIRE prepared a cost estimate for delivery of fire protection to five County cities (Redwood City, San Carlos, Belmont, Foster City and San Mateo). According to the County staff report of February 15, 2011, the estimated aggregate cost savings to those five cities could be between \$1.7 million and \$16.8 million per year.

Response: We agree with the finding.

13. The CAL FIRE service cost estimates and potential savings for the County and the five County cities were not discussed by the Committee members at the February 15, 2011, F&O Committee meeting.

Response: We agree with the finding.

14. From the audio transcripts of both the January 18 and February 15, 2011 F&O Committee meetings, Supervisor Adrienne Tissier said that the Governor had called for CAL FIRE getting out of the urban fire-fighting business.

Response: We agree with the finding.

15. The Governor's January 10, 2011 recommendations on CAL FIRE realignment only applied to State Responsibility Areas and did not apply to contracts with local jurisdictions, such as its contracts with San Mateo County or the Coastside Fire District. There was no suggestion from the Governor that CAL FIRE should curtail delivery of urban fire protection services funded by counties or cities.

Response: We agree with the finding.

The City Staff researched this matter and determined that the assertion that the Governor had called for Cal Fire to “get out of the urban fire-fighting business” was incorrect.

16. Also during the February 15, 2011 F&O Committee meeting, the Supervisors said that the County does not want to be in the fire-fighting business. The Supervisors further said they strongly supported regional fire-protection solutions in the County as a means to reduce redundant administrative and infrastructure costs to the cities.

Response: We agree with the finding.

17. The Supervisors recommended that Belmont and San Carlos enter into mediation to continue their joint fire department while regionalization alternatives could be explored. From interviews and meeting transcripts, most San Carlos and Belmont officials stated there was little chance for mediation to be successful.

Response: We partially disagree with the finding.

During the February 15, 2011 F&O Committee meeting, Council Members present from San Carlos (Mayor Omar Ahmad, Vice Mayor Andy Klein and Council Member Randy Royce) and Belmont (Council Member Warren Lieberman) all voiced their support for using the offer of County funded mediation to explore Shared Fire Services options between San Carlos and Belmont. Later the same afternoon, Mayor Ahmad and Vice Mayor Klein called Supervisor Tissier to accept the County’s offer of mediation on behalf of San Carlos. That offer was then placed on the next San Carlos City Council agenda and the County mediation offer was accepted by the San Carlos Council on a unanimous 5-0 vote. The San Carlos Council also provided Mayor Ahmad with direction on areas to explore during the upcoming mediation with Belmont.

The following month, the Belmont City Council agreed to the mediation on a split vote. During the Belmont City Council discussion in March and a subsequent news article in the San Mateo Daily Journal, there was doubt about the potential success of mediation expressed by Belmont Mayor Feierbach. So there was some doubt expressed publicly by at least one member of the Belmont City Council – but it occurred after the F&O Committee meeting cited in the Grand Jury report.

In terms of what was said during the interviews that the Grand Jury held with “San Carlos and Belmont officials”, the City has no way of knowing what was said during those interviews as they are held in confidence. The City understands that what was said to the Grand Jury during these confidential interviews may be different than what was said at public meetings – such as the F&O Committee Meetings and the San Carlos and Belmont City Council Meetings noted above.

18. From the letter of the CAL FIRE Acting Director, quoted above, and from interviews with officials from various cities and fire-protection agencies, there is reluctance to consider expanding CAL FIRE's role in San Mateo County because of opposition by the International Association of Firefighters, Local 2400.

Response: We agree with the finding.

Mayor Ahmad and Vice Mayor Klein held meetings with the leadership of IAFF Local 2400 during this process. Both the Mayor and Vice Mayor noted that the union was very clear that a contract for Fire & Emergency Services for San Carlos (or any other City or Fire District in the County) with Cal Fire was “something we will not accept.”

Conclusions

1. The County has been well served by CAL FIRE since 1962 and is well served today.
Response: We agree with the finding.
2. It is likely that any alternative to CAL FIRE's coverage of unincorporated areas would increase County costs and not provide materially better service.

Response: We agree with the finding.

The City notes that the County is currently spending approximately \$1.6 Million per station for Fire & Emergency Services and San Carlos is spending approximately \$2.8 Million per station for comparable services in the current budget year.

3. CAL FIRE should be viewed as a viable alternative for fire protection services by the County and the cities when considering regionalization or outsourcing alternatives.
Response: We disagree with the finding.

This Grand Jury finding was specifically discussed and debated during the San Carlos City Council Meeting held on March 12, 2012. A majority of the City Council Members indicated by a straw poll vote of 3-2 that they do not believe that Cal Fire is a viable alternative for fire protection services by the County and the cities when considering regionalization or outsourcing alternatives.

4. Given the large structural deficit facing the County, the Board of Supervisors needs to take all reasonable steps to reduce the cost of County services.

Response: We agree with the finding.

5. The F&O Committee missed an opportunity for the County to save as much as \$650,000 per year and San Carlos to save upwards of \$1.4 million per year by not forwarding the San Carlos CAL FIRE issue onto the full Board of Supervisors for its consideration.

Response: We agree with the finding.

6. The F&O Committee misinterpreted the Governor's statements regarding the appropriate role of CAL FIRE in municipal fire protection and should have sought clarification before concluding that CAL FIRE was not a viable alternative for cities in the County.

Response: We agree with the finding.

7. There is significant pressure from the local union to not consider CAL FIRE as an outsource alternative for municipal fire protection.

Response: We agree with the finding.

8. Given the potential savings and the need for fiscal relief, the County should be motivated to extend fire protection services through its contract with CAL FIRE to other cities in the County as part of a move toward regionalization.

Response: We agree with the finding.

Recommendations

1. The County Board of Supervisors should renew its contract with CAL FIRE by June 30, 2012, unless there is a new compelling fiscal reason to change.

Response: We agree with the finding.

2. During contract negotiations with CAL Fire, the County Board of Supervisors should include a provision within the contract that would allow fiscally qualified cities to sub-contract for CAL FIRE services through the County such that the County as well as the cities can benefit.

Response: We partially disagree with the finding.

We agree that the County should allow interested cities, such as those mentioned in the Grand Jury Report, the opportunity to consider a sub-contract for Fire & Emergency Services with Cal Fire via a County Amendment as one option to consider.

However, we question the language about limiting this option to “fiscally qualified cities”. During the San Carlos RFP process, Cal Fire inquired about the budget deficit in San Carlos and suggested that this might disqualify San Carlos from receiving a direct proposal from Cal Fire for Fire & Emergency Services. It was only after the City Staff was able to show Cal Fire that the San Carlos budget shortfall had been partially offset, that the Cal Fire Acting Director sent the letter in the Grand Jury report noting that an offer would not be made to San Carlos due to union and state legislator pressure.

A better approach would be for the County to offer a contract amendment to all interested cities and fire districts. Commitments regarding the method of payment can be made during the contract negotiation phase – rather than an initial refusal to work together as is suggested here.

3. Until the provision in Recommendation 2 is approved, the County Board of Supervisors should allow fiscally qualified cities and fire districts in the County to sub-contract services with CAL FIRE under the County's contract.

Response: We partially disagree with the finding.

The City would offer the same comments as our response to Recommendation # 2.

4. The County Board of Supervisors should view CAL FIRE as a potential component of the regionalization effort.

Response: We agree with the finding.

5. When assessing alternative approaches to local fire protection, CAL FIRE should be considered as one alternative by cities and special fire districts in San Mateo County.

Response: We agree with the finding.

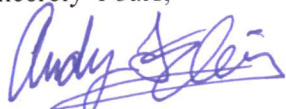
6. Include local fire union representatives in community discussions concerning department consolidation, regionalization or replacement. Make financial considerations and differing expense models known to all concerned parties and citizens.

Response: We agree with the finding.

As noted earlier, the City discussed the Fire & Emergency Services study, RFP and process with employees of the Belmont-San Carlos Fire Department and representatives of their Union (IAFF Local 2400). This included interviews with employees and union officials by the City's Fire & Emergency Services consultants (TriData) and meetings with the City Council and Senior City Management.

In terms of making financial information and differing expense models available to all parties, all of this information was made available to the public in several forms including the City Web Site's www.epackets.net portal for all City Council and Commission Meetings. The information includes meeting videos, agendas, minutes, staff reports and spreadsheets.

Sincerely Yours,



Andy Klein
Mayor

cc: City Council
City Manager
Assistant City Manager
City Attorney

City of Half Moon Bay



501 Main Street
Half Moon Bay, CA 94019
650-726-8270

May 7, 2012

Hon. Gerald J. Buchwald
Judge of the Superior Court
Hall of Justice
400 County Center, 8th Floor
Redwood City, CA 94063-1655

Re: "The County, San Carlos and Cal Fire, A Missed Opportunity" Grand Jury Report Response

Dear Judge Buchwald:

At its May 1, 2012 meeting, the Half Moon Bay City Council reviewed and approved the following response to the Grand Jury's February 15, 2012 report entitled "The County, San Carlos and Cal Fire, A Missed Opportunity" (the "Report").

Findings:

The City Council neither agrees nor disagrees with the findings and recommendations contained in the Report, inasmuch as the findings and recommendations pertain to agencies that offer Fire Protection Services and the City does not provide Fire Protection Services.

Fire Protection Services in Half Moon Bay are provided by a special district, the Coastside Fire Protection District.

Sincerely,

Laura Snideman
City Manager



TOWN OF HILLSBOROUGH

1600 FLORIBUNDA AVENUE

HILLSBOROUGH

CALIFORNIA

94010-6418

April 9, 2012

Honorable Gerald J. Buchwald
Judge of the Superior Court
Hall of Justice
400 County Center; 8th Floor
Redwood City, CA 94063-1655

Honorable Judge Buchwald:

Please accept this letter as the Town of Hillsborough's formal response to the February 15, 2012 letter from the San Mateo County Superior Court of California regarding the 2011-2012 Grand Jury report, "The County, San Carlos and Cal Fire, a Missed Opportunity?"

The Town has reviewed the Grand Jury's report in full. The City Council at its April 9, 2012 meeting approved the responses listed below to the findings and recommendations pertaining to the Town of Hillsborough.

Findings

1. CAL FIRE is a full-service rural, suburban and urban fire protection agency.

Agree- Cal Fire has been a state fire agency for many years and does provide fire protection services in various settings throughout the State of California.

2. CAL FIRE is a fully integrated part of the County's fire protection system with 72 fire fighters working effectively with municipal fire departments and fire districts and utilizing the County's central dispatch system. The CAL FIRE coverage area includes most unincorporated portions of the County and Coastside Fire District.

Partially agree- Cal Fire is a participant in the San Mateo County Pre-hospital Advanced Life Support JPA and the associated Automatic Aid Agreement that sends closest resources. They also participate in the San Mateo County Greater Alarm Plan. The Town of Hillsborough borders the Burlingame Hills unincorporated area of San Mateo County and provide "first due" automatic aid coverage to this area as a member agency of the Central County Fire Department (CCFD) with the City of Burlingame. The Town of Hillsborough has no data to confirm the number of fire fighters working for Cal Fire in San Mateo County.

3. From interviews, the Grand Jury learned that there is broad agreement among officials and staff from County and cities that CAL FIRE has provided effective fire protection services in the areas of San Mateo County it serves.

The Town of Hillsborough has no knowledge of what was communicated in interviews with officials and staff from the County or cities.

4. Differences between work shifts of CAL FIRE and municipal fire departments, and differences in the wage rates and benefits, allow CAL FIRE to offer comparatively less expensive fire services in the Bay Area.

Agree- the Town of Hillsborough is aware that Cal Fire requires a longer work schedule than other departments in the Bay Area and that the wages and benefits to its employees are state wages rather than competitive wages within San Mateo County. The longer work schedule does require an additional 16 hours of overtime per employee and there is concern that the longer work schedule can lead to employee fatigue and added liability in busier departments.

5. CAL FIRE prices its services by applying a standard 11% overhead cost on top of direct costs.

This cannot be confirmed by the Town of Hillsborough.

6. San Mateo County has contracted with CAL FIRE for services to its unincorporated areas since 1962. The current contract expires on June 30, 2012.

This cannot be confirmed by the Town of Hillsborough.

7. As of October, 2011 the San Mateo County budget deficit stood at \$50 million.

This cannot be confirmed by the Town of Hillsborough.

8. San Carlos requested that the County Board of Supervisors allow San Carlos to obtain fire protection services for CAL FIRE through the County's contract with CAL FIRE. The issue came before the two-member Finance and Operations Committee (the F&O Committee) on January 18, and February 15, 2011.

This cannot be confirmed by the Town of Hillsborough.

9. From the County staff report of January 18, 2011, adjusted for a budgetary mistake, CAL FIRE could have saved San Carlos between approximately \$600,000 and \$2.5 million per year.

This cannot be confirmed by the Town of Hillsborough.

10. From the County staff report of January 18, 2011, in addition to substantial savings for San Carlos, bringing San Carlos under the County contract with CAL FIRE could have saved the County an additional \$650,000 per year. Neither the savings to San Carlos or the County were discussed by the F&O Committee on January 18.

This cannot be confirmed by the Town of Hillsborough.

11. From the County staff report of February 15, 2011, "County Fire has a budget reduction target of \$218,877 for FY 2011/12 with the goal of eventually eliminating all \$1 million in general fund contributions."

This cannot be confirmed by the Town of Hillsborough.

12. In response to a request from the F&O Committee, CAL FIRE prepared a cost estimate for delivery of fire protection to five County cities (Redwood City, San Carlos, Belmont, Foster City and San Mateo). According to the County staff report of February 15, 2011, the estimated aggregate cost savings to those fire cities could be between \$1.7 million and \$16.8 million per year.

This cannot be confirmed by the Town of Hillsborough.

13. The CAL FIRE service cost estimates and potential savings for the County and the fire County cities were not discussed by the Committee members at the February 15, 2011, F&O Committee meeting.

This cannot be confirmed by the Town of Hillsborough.

14. From the audio transcripts of both the January 18 and February 15, 2011 F&O Committee meetings, Supervisor Adrienne Tissier said that the Governor had called for CAL FIRE getting out of the urban fire-fighting business.

This cannot be confirmed by the Town of Hillsborough.

15. The Governor's January 10, 2011 recommendations on CAL FIRE realignment only applied to State Responsibility Areas and did not apply to contracts with local jurisdictions, such as its contracts with San Mateo County or the Coastside Fire District. There was no suggestion from the Governor that CAL FIRE should curtail delivery of urban fire protection services funded by counties or cities.

This cannot be confirmed by the Town of Hillsborough.

16. Also during the February 15, 2011 F&O Committee meeting, the Supervisors said that the County does not want to be in the fire-fighting business. The Supervisors further said they strongly supported regional fire-protection solutions in the County as a means to reduce redundant administrative and infrastructure costs to the cities.

This cannot be confirmed by the Town of Hillsborough.

17. The Supervisors recommended that Belmont and San Carlos enter into mediation to continue their joint fire department while regionalization alternatives could be explored. From interviews and meeting transcripts, most San Carlos and Belmont officials stated there was little chance for mediation to be successful.

This cannot be confirmed by the Town of Hillsborough.

18. From the letter of the CAL FIRE Acting Director, quoted above, and from interviews with officials from various cities and fire-protection agencies, there is reluctance to consider expanding CAL FIRE's role in San Mateo County because of opposition by the International Association of Firefighters, Local 2400.

Partially agree- the Town of Hillsborough cannot confirm what was said by the Cal Fire Acting Director or in interviews with officials from various cities and fire-protection agencies. The International Association of Firefighters, Local 2400 has made their feelings known about Cal Fire's role in San Mateo County to elected officials.

Recommendations to the County Board of Supervisors

1. Renew its contract with CAL FIRE by June 30, 2012, unless there is new compelling fiscal reason to change.

Not applicable to the Town of Hillsborough.

2. During contract negotiations with CAL FIRE, include a provision within the contract that would allow fiscally qualified cities to sub-contract for CAL FIRE services through the County such that the County as well as the cities can benefit.

Agree- As long as there is a benefit to all parties, including the County, cities should have the choice of contracting with CAL FIRE. Including a provision within the contract allows for an option to fiscally qualified cities.

3. Until the provision in Recommendation 2 is approved, allow fiscally qualified cities and fire districts in the County to sub-contract services with CAL FIRE under the County's contract.

See answer to recommendation #2.

4. View CAL FIRE as a potential component of the regionalization effort.

See answer to recommendation #2.

Recommendations to cities and special fire districts in San Mateo County

1. When assessing alternative approaches to local fire protection, CAL FIRE should be considered as one alternative.

Agree- in the past, Cal Fire was identified as an alternative to providing local fire protection by the member agencies of the CCFD. Both cities have a history of looking at varying models of providing fire protection and emergency medical services to their respective communities. The formation of the Central County Fire Department is an example of reducing costs and changing the fire service delivery model from a single jurisdictional fire department to a multi-jurisdiction fire department as a way to reduce costs.

2. Include local fire union representatives in community discussions concerning department consolidation, regionalization or replacement; make financial considerations and differing expense models known to all concerned parties and citizens.

Agree- the CCFD has a history of union inclusion and representation from all ranks of the organization. This goes back to the many meetings that led to the formation of the CCFD. These collaborative efforts have led to a reduction in personnel with no noticeable impact in service delivery to our communities.

Currently, the same model is being followed as we consolidate fire administrative services and plan for staffing of a temporary/shared fire station between the CCFD and the City of Millbrae Fire Department.

Sincerely,

A handwritten signature in blue ink, appearing to read "Thomas M. Kasten", with a long horizontal flourish extending to the right.

Thomas M. Kasten
Mayor

cc: San Mateo County Grand Jury
City Clerk

KIRSTEN KEITH
MAYOR

PETER OHTAKI
MAYOR PRO TEM

ANDREW COHEN
COUNCIL MEMBER

RICHARD CLINE
COUNCIL MEMEBR

KELLY FERGUSSON
COUNCIL MEMBER



701 LAUREL STREET, MENLO PARK, CA 94025-3483
www.menlopark.org

April 23, 2012

Judge Buchwald
Judge of the Superior Court
Hall of Justice
400 County Center, 2nd Floor
Redwood City, CA 94063-1655

Building
TEL 650.330.6704
FAX 650.327.5403

City Clerk
TEL 650.330.6620
FAX 650.328.7935

City Council
TEL 650.330.6630
FAX 650.328.7935

City Manager's Office
TEL 650.330.6610
FAX 650.328.7935

Community Services
TEL 650.330.2200
FAX 650.324.1721

Engineering
TEL 650.330.6740
FAX 650.327.5497

Environmental
TEL 650.330.6763
FAX 650.327.5497

Finance
TEL 650.330.6640
FAX 650.327.5391

Housing & Redevelopment
TEL 650.330.6706
FAX 650.327.1759

Library
TEL 650.330.2500
FAX 650.327.7030

Maintenance
TEL 650.330.6780
FAX 650.327.1953

Personnel
TEL 650.330.6670
FAX 650.327.5382

Planning
TEL 650.330.6702
FAX 650.327.1653

Police
TEL 650.330.6300
FAX 650.327.4314

Transportation
TEL 650.330.6770
FAX 650.327.5497

**Re: San Mateo County Grand Jury Report Titled
"The County, San Carlos, and Cal Fire, A Missed Opportunity?"**

Dear Judge Buchwald,

The City of Menlo Park received the San Mateo County Grand Jury report titled "**The County, San Carlos, and Cal Fire, A Missed Opportunity?**" The Report contains 18 findings, 8 conclusions and 4 recommendations to the County Board of Supervisors and 6 recommendations to cities and special fire districts.

This letter, approved by the City Council at their April 17, 2012 meeting, respectfully responds to the findings and recommendation contained in the Grand Jury's letter. As you are aware, Fire Services are provided by the Menlo Park Fire District to the citizens of Menlo Park. The District is autonomous, functioning independently under a separately elected Board of Directors. The City believes the Fire District to be an outstanding example by providing cost effective services at a regional level.

After a careful review of the Grand Jury letter, the City Council agrees with all of the findings based on the information supplied in the Report, except Finding #9 with which the City Council partially disagrees. Whether the savings of \$2.5 Million per year that is used in the Grand Jury report would be reachable in San Carlos if a Cal Fire proposal had been received – directly or through the County – would require further analysis and more detailed information from Cal Fire.

Based on the information supplied in the Report, we agree with the rest of the conclusions. Finally with respect to the Recommendations we agree with the specific findings. Further, we agree with the overarching intent of the report as we understand it, that all providers should be investigating models that would provide comparable services at a lower cost.

Thank you for the hard work and generous volunteer effort each of the Grand Jury members provide to our community

Sincerely,

Kirsten Keith,
Mayor
On behalf of the entire City Council



City of Millbrae
621 Magnolia Avenue, Millbrae, CA 94030

MARGE COLAPIETRO
Mayor

GINA PAPAN
Vice Mayor

NADIA V. HOLOBER
Councilwoman

WAYNE J. LEE
Councilman

ROBERT G. GOTTSCHALK
Councilman

April 25, 2012

Honorable Gerald J. Buchwald
Judge of the Superior Court
Hall of Justice
400 County Center, 8th Floor
Redwood City, CA 94063-1655

Honorable Judge Buchwald:

Please accept this letter as the City of Millbrae's formal response to the February 15, 2012 letter from the San Mateo County Superior Court of California regarding the 2011-2012 Grand Jury report "The County, San Carlos, and Cal Fire, a Missed Opportunity?"

The City Council, at its April 24, 2012 meeting, reviewed the Grand Jury's report and approved this letter of response as it pertains to the City of Millbrae.

The City of Millbrae is essentially in agreement with the findings and recommendations made by the Grand Jury, although many of those findings could not be verified by City staff. The overall sentiment is that the City agrees that each municipality or fire district should have the opportunity to evaluate all options when considering fire protection services and the level of service it provides. That evaluation process could certainly include the option of Cal Fire providing those services.

We appreciate the opportunity to respond to the Grand Jury's report.

Sincerely,

A handwritten signature in blue ink that reads "Marge Colapietro".

Marge Colapietro
Mayor

cc: San Mateo Grand Jury
City Clerk

City Council/City Manager/City Clerk
(650) 259-2334

Building Division/Permits
(650) 259-2330

Community Development
(650) 259-2341

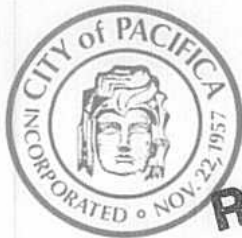
Finance
(650) 259-2350

Fire
(650) 259-2400

Police
(650) 259-2300

Public Works/Engineering
(650) 259-2339

Recreation
(650) 259-2360



Scenic Pacifica

CITY HALL

170 Santa Maria Avenue • Pacifica, California 94044-2506

www.cityofpacifica.org

RECEIVED
APR 04 2012
DEPT. 10

*not reviewed
MS 4/4/12*

MAYOR
Peter DeJarnatt

MAYOR PRO TEM
Len Stone

COUNCIL
Sue Digre
Mary Ann Nihart

CITY MANAGER'S OFFICE

TEL. (650) 738-7301
FAX (650) 359-6038

CITY ATTORNEY

TEL. (650) 738-7409
FAX (650) 359-8947

CITY CLERK

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FAX (650) 359-6038

CITY COUNCIL

TEL. (650) 738-7301
FAX (650) 359-6038

FINANCE

TEL. (650) 738-7392
FAX (650) 738-7411

FIRE ADMINISTRATION

TEL. (650) 991-8138
FAX (650) 991-8090

HUMAN RESOURCES

TEL. (650) 738-7303
FAX (650) 359-6038

PARKS, BEACHES & RECREATION

TEL. (650) 738-7381
FAX (650) 738-2165

PLANNING

TEL. (650) 738-7341
FAX (650) 359-5807

• **Building**

TEL. (650) 738-7344

• **Code Enforcement**

TEL. (650) 738-7341

POLICE DEPARTMENT

TEL. (650) 738-7314
FAX (650) 355-1172

PUBLIC WORKS

TEL. (650) 738-3760
FAX (650) 738-9747

• **Engineering**

TEL. (650) 738-3767
FAX (650) 738-3003

• **Field Services**

TEL. (650) 738-3760
FAX (650) 738-9747

Hon. Gerald J. Buchwald
Judge of the Superior Court
Hall of Justice
400 County Center; 8th Floor
Redwood City, CA 94063-1655

March 27, 2012

RE: "The County, San Carlos, and Cal Fire, A Missed Opportunity"

Dear Judge Buchwald:

This letter is in response to the Grand Jury report "The County, San Carlos, and Cal Fire, A Missed Opportunity" filed on February 15, 2012. This response was approved by the Pacifica City Council at its regular meeting on March 26, 2012.

As to the findings of the report, the City of Pacifica does not have the ability to respond since it was not a party to or involved in the study or discussions regarding the dissolution of the Belmont-San Carlos Fire Department and the potential use of Cal Fire as a replacement. We do not possess the knowledge required to make a judgment as to whether the statements and findings regarding Cal Fire are accurate.

As to the recommendations:

Recommendation #1 – When assessing alternative approaches to local fire protection, CAL FIRE should be considered as an alternative. The recommendation has not been implemented but will be followed should the City ever begin a process to examine alternatives to local fire protection. The City is currently part of the North County Fire Authority a successful JPA for fire services that includes Pacifica, Brisbane and Daly City. Therefore no timeframe can be established for when such an assessment might occur.

Recommendation #2 – Include local fire union representatives in community discussions concerning department consolidation, regionalization or replacement; make financial considerations and differing expense models known to all concerned parties and citizens. The recommendation has not been implemented since, as discussed above, the City is not considering any department consolidation beyond its current arrangement with the North County Fire Authority. If at some future date the City were to consider any change it would certainly involve its unions consistent with local bargaining agreements. Any time the City studies changes with financial impacts those impacts are made available to all concerned parties and citizens as a part of the decision making process.

Please let me know if additional information is needed regarding this report.

Sincerely,

Pete DeJarnatt
Mayor

Town of Portola Valley

Town Hall: 765 Portola Road, Portola Valley, CA 94028 Tel: (650) 851-1700 Fax: (650) 851-4677

March 15, 2012

Honorable Gerald J. Buchwald
Judge of the Superior Court
Hall of Justice
400 County Center, 8th Floor
Redwood City, CA 94063-1655

Re: Response to 2011-12 Grand Jury Report
The County, San Carlos, and Cal Fire, A Missed Opportunity?

Dear Judge Buchwald,

The Town Council for the Town of Portola Valley (Town) reviewed the findings and recommendations in the above-referenced 2011-2012 Grand Jury Report that affect the Town at its public meeting of March 14, 2012, and approved the following responses:

Findings

Finding No. 1

CAL FIRE is a full-service rural, suburban and urban fire protection agency.

Finding No. 2

CAL FIRE is a fully integrated part of the County's fire protection system with 72 fire fighters working effectively with municipal fire departments and fire districts and utilizing the County's central dispatch system. The CAL FIRE coverage area includes most unincorporated portions of the County and the Coastside Fire District.

Finding No. 3

From interviews, the Grand Jury learned that there is broad agreement among officials and staff from the County and cities that CAL FIRE has provided effective fire protection services in the areas of San Mateo County it serves.

Finding No. 4

Differences between work shifts of CAL FIRE and municipal fire departments, and differences in the wage rates and benefits, allow CAL FIRE to offer comparatively less expensive fire services in the Bay Area.

Finding No. 5

CAL FIRE prices its services by applying a standard 11% overhead cost on top of direct costs.

Finding No. 6

San Mateo County has contracted with CAL FIRE for services to its unincorporated areas since 1962. The current contract expires on June 30, 2012.

Finding No. 7

As of October, 2011 the San Mateo County budget deficit stood at \$50 million.

Response No's. 1-7

The Town does not possess data and other information enabling it to agree or disagree with these findings.

Finding No. 8

San Carlos requested that the County Board of Supervisors allow San Carlos to obtain fire protection services from CAL FIRE through the County's contract with CAL FIRE. The issue came before the two-member Finance and Operations Committee (the F&O Committee) on January 18, and February 15, 2011.

Response No. 8

A letter or other documentation from the City of San Carlos to the County of San Mateo substantiating this request is not included in the materials provided; therefore, the Town is not able to agree or disagree with the first sentence of the finding. The Town agrees with the second sentence of the finding.

Finding No. 9

From the County staff report of January 18, 2011, adjusted for a budgetary mistake, CAL FIRE could have saved San Carlos between approximately \$600,000 and \$2.5 million per year.

Response No. 9

Based upon information provided in the staff report, the Town agrees with this finding.

Finding No. 10

From the County staff report of January 18, 2011, in addition to substantial savings for San Carlos, bringing San Carlos under the County contract with CAL FIRE could have saved the County an additional \$650,000 per year. Neither the savings to San Carlos or the County were discussed by the F&O Committee on January 18.

Response No. 10

Based upon information provided in the staff report, the Town agrees with the finding in the first sentence. The Town does not possess data and other information enabling it to agree or disagree with the second sentence of the finding.

Finding No. 11

From the County staff report of February 15, 2011, "County Fire has a budget reduction target of \$218,877 for FY 2011/12 with the goal of eventually eliminating all \$1 million in general fund contributions." (See, Appendix C)

Response No. 11

The Town agrees with this finding.

Finding No. 12

In response to a request from the F&O Committee, CAL FIRE prepared a cost estimate for delivery of fire protection to five County cities (Redwood City, San Carlos, Belmont, Foster City and San Mateo). According to the County staff report of February 15, 2011, the estimated aggregate cost savings to those five cities could be between \$1.7 million and \$16.8 million per year.

Response No. 12

Based upon information provided in the staff report, the Town agrees with the finding.

Finding No. 13

The CAL FIRE service cost estimates and potential savings for the County and the five County cities were not discussed by the Committee members at the February 15, 2011, F & O Committee meeting.

Finding No. 14

From the audio transcripts of both the January 18 and February 15, 2011 F&O Committee meetings, Supervisor Adrienne Tissier said that the Governor had called for CAL FIRE getting out of the urban fire-fighting business.

Finding No. 15

The Governor's January 10, 2011 recommendations on CAL FIRE realignment only applied to State Responsibility Areas and did not apply to contracts with local jurisdictions, such as its contracts with San Mateo County or the Coastside Fire District. There was no suggestion from the Governor that CAL FIRE should curtail delivery of urban fire protection services funded by counties or cities.

Finding No. 16

Also during the February 15, 2011 F&O Committee meeting, the Supervisors said that the County does not want to be in the fire-fighting business. The Supervisors further said they strongly supported regional fire-protection solutions in the County as a means to reduce redundant administrative and infrastructure costs to the cities.

Finding No. 17

The Supervisors recommended that Belmont and San Carlos enter into mediation to continue their joint fire department while regionalization and alternatives could be explored. From interviews and meeting transcripts, most San Carlos and Belmont officials stated there was little change for mediation to be successful.

Response No's. 13-17

The Town does not possess data and other information enabling it to agree or disagree with these findings.

Finding No. 18

From the letter of the CAL FIRE Acting Director, quoted above, and from interviews with officials from various cities and fire-protection agencies, there is reluctance to consider expanding CAL FIRE's role in San Mateo County because of opposition by the International Association of Firefighters, Local 2400.

Response No. 18

A direct reference to International Association of Firefighters, Local 2400 is not cited in the November 18, 2010 letter from the CAL FIRE Acting Director to Brian Moura, Assistant City Manager, City of San Carlos; therefore, the Town does not possess data and other information enabling it to agree or disagree with this finding.

Recommendations

Recommendation No. 1

(The County Board of Supervisors should) renew its contract with CAL FIRE by June 30, 2012, unless there is a new compelling fiscal reason to change.

Recommendation No. 2

(The County Board of Supervisors should) during contract negotiations with CAL FIRE, include a provision within the contract that would allow fiscally qualified cities to sub-contract for CAL FIRE services through the County such that the County as well as the cities can benefit.

Recommendation No. 3

(The County Board of Supervisors should) until the provision in Recommendation 2 is approved, allow fiscally qualified cities and fire districts in the County to sub-contract services with CAL FIRE under the County's contract.

Recommendation No. 4

(The County Board of Supervisors should) view CAL FIRE as a potential component of the regionalization effort.

Response No's. 1-4

The Town agrees with these recommendations.

The Grand Jury further recommends to cities and special fire districts in San Mateo County:

Further Recommendation No. 1

When assessing alternative approaches to local fire protection, CAL FIRE should be considered as one alternative.

Further Recommendation No. 2

Include local fire union representatives in community discussions concerning department consolidation, regionalization or replacement; make financial considerations and differing expense models known to all concerned parties and citizens.

Response No's 1, 2

The Town agrees with these recommendations.

The Portola Valley Town Council thanks the Grand Jury for bringing this issue to the Town's attention. Please let me know if you require additional information.

Sincerely,

Maryann Moise Derwin
Mayor

cc: Town Council
Town Manager
Town Attorney

Mayor Alicia C. Aguirre
Vice Mayor Jeffrey Gee
Council Members
Ian Bain
Rosanne S. Foust
Jeff Ira
Barbara Pierce
John D. Seybert



City Hall
1017 Middlefield Road
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Voice: (650) 780-7220
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mail@redwoodcity.org
www.redwoodcity.org

May 10, 2012

Hon. Gerald J. Buchwald
Judge of the Superior Court
Hall of Justice
400 County Center, 8th Floor
Redwood City, CA 94063

Subject: Response to the Grand Jury Report: "The County, San Carlos, and Cal Fire, A Missed Opportunity?"

Dear Judge Buchwald:

On behalf of the City Council of the City of Redwood City, I would like to thank you for the opportunity to respond to the Grand Jury Report dated February 15, 2012, regarding alternative approaches to local fire protection. The following response to the Grand Jury's Findings and Conclusions was reviewed and approved by the City Council at its meeting on May 7, 2012.

Analysis

The City has reviewed the findings, conclusions and recommendations and believes the data analysis and methodology used was factual and sound. The City of Redwood City has already implemented the recommendations to cities and special fire districts in San Mateo County.

Recommendations:

1. *When assessing alternative approaches to local fire protection, CAL FIRE should be considered as one alternative.*

The City agrees with the findings and the recommendations have been implemented. San Mateo County has various types of fire service models consisting of city departments, joint power authorities, merged departments, contracted services as well as fire protection districts. When assessing

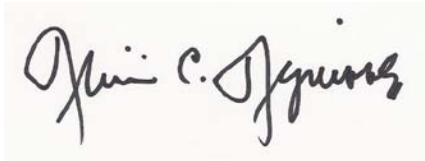
Hon. Gerald J. Buchwald
May 10, 2012
Page 2

alternative approaches to local fire protection all of the available options, including CAL FIRE should be considered.

- 2. Include local fire union representatives in community discussions concerning department consolidation, regionalization or replacement; make financial considerations and differing expense models known to all concerned parties and citizens.*

The City agrees with the findings and the recommendations have been implemented. The Cities of Redwood City and San Carlos created a hybrid fire service model to reduce costs for both cities. Under the agreement Redwood City provides command staff oversight to the San Carlos Fire Department. Redwood City involved local fire union representatives in community discussions concerning the hybrid model. Financial considerations and differing expense models were made known to all concerned parties and citizens.

Sincerely,

A handwritten signature in black ink on a light beige background. The signature is cursive and reads "Alicia C. Aguirre".

Alicia C. Aguirre
Mayor

C: City Council
Robert B. Bell, City Manager
James Skinner, Fire Chief



RECEIVED

MAY 24 2012

DEPT. 10

revised
+ ntd
aps 5/29/12

CITY OF SAN BRUNO

MAYOR

Jim Ruane

Mayor

April 24, 2012

Honorable Gerald J. Buchwald
Judge of the Superior Court
Hall of Justice
400 County Center, 8th Floor
Redwood City, CA 94063-1655

Honorable Judge Buchwald,

Please accept this letter as the City of San Bruno's formal response to the February 15, 2012 letter from the San Mateo County Superior Court of California regarding the 2011-2012 Grand Jury report, "The County, San Carlos and Cal Fire, a Missed Opportunity?"

The city has reviewed the Grand Jury's report in full. The City Council, at its April 24, 2012 meeting approved the responses listed below to the findings and recommendations as they pertain to the City of San Bruno.

Findings

1. Cal Fire is a full-service rural, suburban, and urban fire protection agency.

Agree – Cal Fire provides fire protections services throughout the State of California.

2. Cal Fire is a fully integrated part of the County's fire protection system with 72 firefighters working effectively with municipal fire departments and fire districts and utilizing the County's central dispatch system. The Cal Fire coverage includes most of the unincorporated portions of the County and Coastside Fire Protection District.

Partially Agree – The City of San Bruno does not contain "unincorporated areas" within the city limits, but Cal Fire is a participant in the San Mateo County Pre-Hospital Advanced Life Support JPA and the associated Automatic Aid Agreement.

3. From interviews, the Grand Jury learned that there is broad agreement among officials and staff from the County and cities that Cal Fire has provided effective fire protection services in the areas of San Mateo County it serves.

The City of San Bruno is not aware of what was communicated in interview with officials and staff from the County or cities.

4. Differences between work shifts of Cal Fire and Municipal fire departments, and differences in the wage rates and benefits, allow Cal Fire to offer comparatively less expensive fire services in the Bay Area.

Agree – The City of San Bruno understands that Cal Fire utilizes a 72-hour workweek schedule versus the 56-hour schedule worked by most municipal fire departments and fire districts in San Mateo. The City of San Bruno also recognizes that the wages and benefits provided to Cal Fire are negotiated by the state rather than direct negotiations between the municipality/fire district and respective labor associations.

5. Cal Fire prices its services by applying a standard 11% overhead cost on top of direct costs.

The City of San Bruno cannot verify this practice.

6. San Mateo County has contracted with Cal Fire for services to its unincorporated areas since 1962. The current contract expires on June 30, 2012.

The City of San Bruno has not verified the history or expiration of the contract.

7. As of October 2011 the San Mateo County budget deficit stood at \$50 million.

The City of San Bruno has not verified the County's budget deficit.

8. San Carlos requested that the County Board of Supervisors allow San Carlos to obtain fire protection services from Cal Fire through the County's contract with Cal Fire. The issue came before the two-member Finance and Operations Committee (the F&O Committee) on January 18, and February 15, 2011.

The City of San Bruno has not verified City of San Carlos discussions or actions.

9. From the County staff report of January 18, 2011, adjusted for a budgetary mistake, Cal Fire could have saved San Carlos between approximately \$600,000 and \$2.5 million per year.

The City of San Bruno has not verified potential savings for the City of San Carlos.

10. From the County staff report of January 18, 2011, in addition to substantial savings for San Carlos, bringing San Carlos under the County contract with Cal Fire could have saved the County an additional \$650,000 per year. Neither the savings to San Carlos or the County were discussed by the F&O Committee.

The City of San Bruno has not verified potential savings for the City of San Carlos.

11. From the County staff report of February 15, 2011, "County fire has a budget reduction target of \$218,877 for FY 2011-12 with the goal of eventually eliminating all \$1 million in general fund contributions."



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MAY 24 2012

DEPT. 10

reviewed
+ noted
JTB 5/29/12

CITY OF SAN BRUNO

MAYOR

Jim Ruane
Mayor

April 24, 2012

Honorable Gerald J. Buchwald
Judge of the Superior Court
Hall of Justice
400 County Center, 8th Floor
Redwood City, CA 94063-1655

Honorable Judge Buchwald,

Please accept this letter as the City of San Bruno's formal response to the February 15, 2012 letter from the San Mateo County Superior Court of California regarding the 2011-2012 Grand Jury report, "The County, San Carlos and Cal Fire, a Missed Opportunity?"

The city has reviewed the Grand Jury's report in full. The City Council, at its April 24, 2012 meeting approved the responses listed below to the findings and recommendations as they pertain to the City of San Bruno.

Findings

1. Cal Fire is a full-service rural, suburban, and urban fire protection agency.

Agree – Cal Fire provides fire protections services throughout the State of California.

2. Cal Fire is a fully integrated part of the County's fire protection system with 72 firefighters working effectively with municipal fire departments and fire districts and utilizing the County's central dispatch system. The Cal Fire coverage includes most of the unincorporated portions of the County and Coastside Fire Protection District.

Partially Agree – The City of San Bruno does not contain "unincorporated areas" within the city limits, but Cal Fire is a participant in the San Mateo County Pre-Hospital Advanced Life Support JPA and the associated Automatic Aid Agreement.

3. From interviews, the Grand Jury learned that there is broad agreement among officials and staff from the County and cities that Cal Fire has provided effective fire protection services in the areas of San Mateo County it serves.

The City of San Bruno is not aware of what was communicated in interview with officials and staff from the County or cities.

4. Differences between work shifts of Cal Fire and Municipal fire departments, and differences in the wage rates and benefits, allow Cal Fire to offer comparatively less expensive fire services in the Bay Area.

Agree – The City of San Bruno understands that Cal Fire utilizes a 72-hour workweek schedule versus the 56-hour schedule worked by most municipal fire departments and fire districts in San Mateo. The City of San Bruno also recognizes that the wages and benefits provided to Cal Fire are negotiated by the state rather than direct negotiations between the municipality/fire district and respective labor associations.

5. Cal Fire prices its services by applying a standard 11% overhead cost on top of direct costs.

The City of San Bruno cannot verify this practice.

6. San Mateo County has contracted with Cal Fire for services to its unincorporated areas since 1962. The current contract expires on June 30, 2012.

The City of San Bruno has not verified the history or expiration of the contract.

7. As of October 2011 the San Mateo County budget deficit stood at \$50 million.

The City of San Bruno has not verified the County's budget deficit.

8. San Carlos requested that the County Board of Supervisors allow San Carlos to obtain fire protection services from Cal Fire through the County's contract with Cal Fire. The issue came before the two-member Finance and Operations Committee (the F&O Committee) on January 18, and February 15, 2011.

The City of San Bruno has not verified City of San Carlos discussions or actions.

9. From the County staff report of January 18, 2011, adjusted for a budgetary mistake, Cal Fire could have saved San Carlos between approximately \$600,000 and \$2.5 million per year.

The City of San Bruno has not verified potential savings for the City of San Carlos.

10. From the County staff report of January 18, 2011, in addition to substantial savings for San Carlos, bringing San Carlos under the County contract with Cal Fire could have saved the County an additional \$650,000 per year. Neither the savings to San Carlos or the County were discussed by the F&O Committee.

The City of San Bruno has not verified potential savings for the City of San Carlos.

11. From the County staff report of February 15, 2011, "County fire has a budget reduction target of \$218,877 for FY 2011-12 with the goal of eventually eliminating all \$1 million in general fund contributions."

The City of San Bruno has not verified County budget considerations.

12. In response to a request from the F&O Committee, Cal Fire prepared a cost estimate for delivery of fire protection to five County cities (Redwood City, San Carlos, Belmont, Foster City, and San Mateo). According to the County staff report of February 15, 2011, the estimated aggregate cost savings to those fire cities could be between \$1.7 million and \$16.8 million per year.

The City of San Bruno has not verified potential savings for these cities.

13. The Cal Fire service cost estimates a potential savings for the County and the five County cities were not discussed by the Committee members at the February 15, 2011, F&O Committee.

The City of San Bruno has not verified discussions at this meeting.

14. From the audio transcripts of both the January 18 and February 15, 2011 F&O Committee meetings, Supervisor Adrienne Tissier said that the Governor had called for Cal Fire getting out of the urban fire-fighting business.

The City of San Bruno has not verified the Supervisor's comments.

15. The Governor's January 10, 2011 recommendations on Cal Fire realignment only applied to State Responsibility Areas and did not apply to contracts with local jurisdictions, such as contract with San Mateo County or the Coastside Fire District. There was suggestion from the Governor that Cal Fire should curtail delivery of urban fire protection services funded by counties or cities.

The City of San Bruno has not verified the Governor's recommendations.

16. Also during the February 15, 2011 F&O Committee meeting, the Supervisors said that the County does not want to be in the fire-fighting business. The Supervisors further said they strongly supported regional fire-protection solutions in the County as a means to reduce redundant administrative and infrastructure costs to the cities.

The City of San Bruno has not verified the County's position or interests regarding Fire service.

17. The Supervisors recommended that Belmont and San Carlos enter into mediation to continue their joint fire department while regionalization alternatives could be explored. From interviews and meeting transcripts, most San Carlos and Belmont officials stated there was little chance for mediation to be successful.

The City of San Bruno has not verified discussion or issues related to the Cities of San Carlos and Belmont.



April 17, 2012

Hon. Gerald J. Buchwald
Judge of the Superior Court
Hall of Justice
Civil Grand Jury 2011-2012
400 County Center, 8th Floor
Redwood City, California 94063

To Judge Buchwald:

This response to the Grand Jury was approved at a public meeting on April 16, 2012.

Current economic conditions have provided new incentives for local governments to address fiscal concerns by consolidating services, including fire protection and emergency response. The fire service industry has evolved dramatically in the past 40 years to include pre-hospital Advanced Life Support, high angle rescue, building construction design, special operations rescue, advanced wildland fire emergency response, hazardous materials mitigation, S.W.A.T. training, water rescue and others.

Response to Grand Jury Findings

1. *CAL FIRE is a full-service rural, suburban and urban fire protection agency.* Respondent Partially Disagrees. Cal Fire was created to provide urban fire protection to protect forests and watershed. Cal Fire protects over 30 million acres of land as its primary role but also provides fire protection in suburban communities throughout the State.
2. *CAL FIRE is a fully integrated part of the county's fire protection system with 72 fire fighters working effectively with municipal fire departments and fire districts and utilizing the County's central dispatch system. The CAL FIRE coverage area includes most unincorporated portions of the County and the Coastside Fire District.* Respondent Partially Disagrees. Cal Fire is integrated as part of the County's fire protection system but is not fully integrated with neighboring municipalities in other functional areas such as Training, Operations and until recently, Emergency Preparedness. Cal Fire has interests in both San Mateo and Santa Cruz counties and therefore becomes detached from local municipalities in San Mateo County.
3. *From interviews, the Grand Jury learned that there is broad agreement among officials and staff from the County and cities that CAL FIRE has provided effective fire protection services in the areas of San Mateo County it serves.* Respondent Partially Agrees with Grand Jury Finding. As cited in #2 above, the relationship with Cal Fire and local municipal fire departments does not always create an environment of "effective fire protection services".
4. *Differences between work shifts of CAL FIRE and municipal fire departments, and differences in the wage rates and benefits, allow CAL FIRE to offer comparatively less expensive fire services in the Bay Area.* Respondent Agrees with Grand Jury Finding.

5. *CAL FIRE prices its services by applying a standard of 11% overhead cost on top of direct costs.* Respondent is unable to sufficiently answer as directed by Grand Jury. Respondent is not in a position to comment on 11% overhead costs or any other fees Cal Fire charges local jurisdictions for fire protection.
6. *San Mateo County has contracted with CAL FIRE for services to its unincorporated areas since 1962. The current contract expires on June 20, 2012.* Respondent is unable to sufficiently answer as directed by Grand Jury. Other than what is written in the Summary section of the Grand Jury report, respondent does not know when Cal Fire began fire protection services in San Mateo County or that current services will expire on June 20, 2012. Respondent has no reason to dispute these findings.
7. *As of October 2011, the San Mateo County budget deficit stood at \$50 million.* Respondent Partially Disagrees with Grand Jury Finding. Respondent is aware of a County budget deficit in the range of \$20-\$30 million and growing to \$50 million by 2017.
8. *San Carlos requested that the County Board of Supervisors allow San Carlos to obtain fire protection services from CAL FIRE through the County's contract with CAL FIRE. The issue came before the two-member Finance and Operations Committee (the F&O Committee) on January 18, and February 15, 2011.* Respondent Agrees with Grand Jury Finding. Respondent was aware that San Carlos was seeking a partner for fire protection services and documents included as part of the Grand Jury report confirm information and dates pertaining to this Finding. Without this information, Respondent would be unable to sufficiently comment on this Finding.
9. *From the County staff report of January 18, 2011, adjusted for a budgetary mistake, CAL FIRE could have saved San Carlos between approximately \$600,000 and \$2.5 million per year.* Respondent Agrees with Grand Jury Finding. Documents included as part of the Grand Jury report confirm information pertaining to this Finding. Without this information, Respondent would be unable to sufficiently comment on this Finding.
10. *From the County staff report dated January 18, 2011, in addition to substantial savings for San Carlos, bringing San Carlos under the County contract with CAL FIRE could have saved the County an additional \$650,000 per year. Neither the savings to San Carlos or the County were discussed by the F&O Committee on January 18.* Respondent Agrees with Grand Jury Finding. Documents included as part of the Grand Jury report confirm information pertaining to this Finding. Without this information, Respondent would be unable to sufficiently comment on this Finding.
11. *From the County staff report of February 15, 2011, "County Fire has a budget reduction target of \$218,877 for FY 2011/12 with the goal of eventually eliminating all \$1 million in general fund contributions." (See Appendix C).* Respondent Agrees with Grand Jury Finding. Documents included as part of the Grand Jury report confirm information pertaining to this Finding. Without this information, Respondent would be unable to sufficiently comment on this Finding.
12. *In response to a request from the F&O Committee, CAL FIRE prepared a cost estimate for delivery of fire protection to five County cities (Redwood City, San Carlos, Belmont, Foster City and San Mateo). According to the County staff report of February 15, 2011, the estimated aggregate cost savings to those five cities could be between \$1.7 million and \$16.8 million per year.* Respondent Agrees with Grand Jury Finding. Documents included as part of the Grand Jury report confirm information pertaining to this Finding. Without this information, Respondent would be unable to comment on this Finding.

13. *The CAL FIRE service cost estimates and potential savings for the County and the five County cities were not discussed by the Committee members at the February 15, 2011, F&O Committee meeting.* Respondent Agrees with Grand Jury Finding. Documents included as part of the Grand Jury report confirm information pertaining to this Finding. Without this information, Respondent would be unable to comment in this Finding.
14. *From the audio transcripts of both the January 18 and February 15, 2011 F&O Committee meetings, Supervisor Adrienne Tissier said that the Governor had called for CAL FIRE getting out of the urban fire-fighting business.* Respondent is unable to sufficiently answer as directed by Grand Jury. Other than what is written in the Background section of the Grand Jury report, Respondent does not know if these verbal comments were made.
15. *The Governor's January 10, 2011 recommendations on CAL FIRE realignment only applied to State Responsibility Areas and did not apply to contracts with local jurisdictions, such as its contracts with San Mateo County or the Coastside Fire District. There was no suggestion from the Governor that CAL FIRE should curtail delivery of urban fire protection services funded by counties or cities.* Respondent Disagrees with Finding. Based on conversations with the then Cal EMA Director of Statewide Operations for Law Enforcement and Fire Mutual Aid, the governor's intent was to review fire protection services in local municipalities to determine if the State was subsidizing local jurisdictions and whether those contracts should be reevaluated or eliminated altogether based on the fiscal concerns related to escalating costs and the budget deficit. Municipalities such as San Carlos were precisely an example of the Governors concern for States fiscal liability related to fire protection.
16. *Also during the February 15, 2011 F&O Committee meeting, the Supervisors said that the County does not want to be in the fire-fighting business. The Supervisors further said they strongly supported regional fire-protection solutions in the County as a means to reduce redundant administrative and infrastructure costs to the cities.* Respondent is unable to sufficiently answer as directed by Grand Jury. Other than what is written in the Background section of the Grand Jury report, respondent does not know if these verbal comments were made.
17. *The Supervisors recommended that Belmont and San Carlos enter into mediation to continue their joint fire department while regionalization alternatives could be explored. From interviews and meeting transcripts, most San Carlos and Belmont officials stated there was little chance for mediation to be successful.* Respondent Agrees with Grand Jury Finding. Documents included as part of the Grand Jury report confirm information pertaining to this Finding. Without this information, Respondent would be unable to comment on this Finding.
18. *From the letter of the CAL FIRE Acting Director, quoted above, and from interviews with officials from various cities and fire-protection agencies, there is reluctance to consider expanding CAL FIRE's role in San Mateo County because of opposition by the International Association of Firefighters, Local 2400.* Respondent Agrees with Grand Jury Finding.

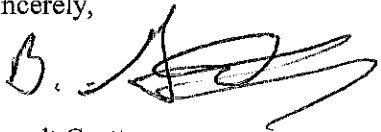
Response to Grand Jury Recommendations

1. *When assessing alternative approaches to local fire protection, CAL FIRE should be considered as one alternative.* Respondent agrees that Cal Fire or any local municipal fire department configuration should be considered as an alternative approach to fire protection when consolidated services can reduce redundancy, improve services or save money.

2. *Include local fire union representatives in community discussions concerning department consolidation, regionalization or replacement; make financial considerations and differing expense models known to all concerned parties and citizens.* Respondent agrees that union representatives, community leaders, city managers and all pertinent responsible persons be present to discuss and develop consolidation or regionalization models. The San Mateo/Foster City Fire Chief assisted in preparing a report for the County's Finance and Operations Committee as requested but withdrew from submitting the proposal when it was abundantly evident that politics and disingenuous persons were making it untenable to participate as a viable partner. Including all representatives, as cited above, would have helped to keep this unfortunate circumstance from occurring.

Thank you for the opportunity to respond to the February 15, 2012 Grand Jury report.

Sincerely,

A handwritten signature in black ink, appearing to read 'B. Grotte', with a stylized flourish at the end.

Brandt Grotte
Mayor, City of San Mateo

RECEIVED
MAY 16 2012
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*reviewed
+ with
MBB*



CITY COUNCIL 2012

RICHARD A. GARBARINO, MAYOR
PEDRO GONZALEZ, VICE MAYOR
MARK ADDIEGO, COUNCILMEMBER
KARYL MATSUMOTO, COUNCILMEMBER
KEVIN MULLIN, COUNCILMEMBER

BARRY M. NAGEL, CITY MANAGER

OFFICE OF THE CITY MANAGER

May 11, 2012

Hon. Gerald J. Buchwald
Judge of the Superior Court
Hall of Justice
400 County Center, 8th Floor
Redwood City, CA 94063-1655

Re: San Mateo Grand Jury Report Titled, "The County, San Carlos, and Cal-Fire, A Missed Opportunity?"

Dear Judge Buchwald and Members of the Grand Jury:

The purpose of this letter is to inform you that during the May 9, 2012 regular meeting for the City of South San Francisco ("City"), the City Council of the City of South San Francisco considered the 2011-2012 San Mateo County Civil Grand Jury ("Grand Jury") Report entitled, "The County, San Carlos, and Cal-Fire, A Missed Opportunity?" and adopted a resolution agreeing with selected findings and recommendations, as detailed in this letter. The City Council commented on the findings and recommendations as follows:

Applicable Findings:

1. Cal-Fire is a full-service rural, suburban and urban fire protection agency.
2. Cal-Fire is a fully integrated part of the County's fire protection system with 72 firefighters working effectively with municipal fire departments and fire districts, and utilizing the County's central dispatch system. The Cal-Fire coverage area includes most unincorporated portions of the County and the Coastside Fire Protection District.
3. From interviews, the Grand Jury learned that there is broad agreement among officials and staff from the County and cities that Cal-Fire has provided effective fire protection services in the areas of San Mateo County it serves.
4. Differences between work shifts of Cal-Fire and municipal fire departments, and differences in the wage rates and benefits, allow Cal-Fire to offer comparatively less expensive fire services in the Bay Area.

Response to Findings 1-4: The City agrees with these Grand Jury Findings.

Response to Findings 4-18: The City does not have sufficient information to make a determination with respect to these Grand Jury Findings.

The Recommendations directed to cities and special fire districts in San Mateo County were as follows:

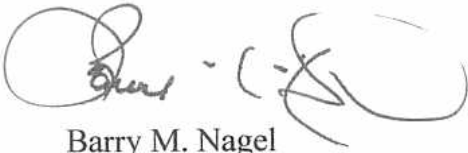
1. When assessing alternative approaches to local fire protection, Cal-Fire should be considered as one alternative.
2. Include local fire union representatives in community discussions concerning department consolidation, regionalization or replacement; make financial considerations and differing expense models known to all concerned parties and citizens.

Response to Recommendations 1-2: The City has implemented these recommendations in the past and, and they will be implemented in the future, when applicable

The other findings and recommendations contained in the Grand Jury Report are beyond the purview of cities and special districts, and therefore, were not considered by the City Council.

If you have any questions regarding the contents of this letter, please do not hesitate to contact me at (650) 877-8500.

Sincerely,

A handwritten signature in black ink, appearing to read "Barry M. Nagel", with a large, stylized flourish extending to the right.

Barry M. Nagel
City Manager, City of South San Francisco



The Town of
Woodside

April 11, 2012

The Honorable Gerald J. Buchwald
Judge of the Superior Court
Hall of Justice
400 County Center, 8th Floor
Redwood City, CA 94063-1655

RE: 2011-12 GRAND JURY REPORT - *THE COUNTY, SAN CARLOS AND CAL FIRE, A MISSED OPPORTUNITY?*

Dear Judge Buchwald:

The Town Council of the Town of Woodside wishes to thank the 2011-12 Grand Jury for its service. The Town Council has reviewed the report entitled *The County, San Carlos and Cal Fire, A Missed Opportunity?* and reviewed the findings, conclusions and recommendations of the Grand Jury at its public meeting of April 10, 2012, and approved the following responses:

FINDINGS

1. CAL FIRE is a full-service rural, suburban and urban fire protection agency.
2. CAL FIRE is a fully integrated part of the County's fire protection system with 72 fire fighters working effectively with municipal fire departments and fire districts and utilizing the County's central dispatch system. The CAL FIRE coverage area includes most unincorporated portions of the County and the Coastside Fire District.
3. From interviews, the Grand Jury learned that there is broad agreement among officials and staff from the County and cities that CAL FIRE has provided effective fire protection services in the areas of San Mateo County it serves.
4. Differences between work shifts of CAL FIRE and municipal fire departments, and differences in the wage rates and benefits, allow CAL FIRE to offer comparatively less expensive fire services in the Bay Area.
5. CAL FIRE prices its services by applying a standard 11% overhead cost on top of direct costs.
6. San Mateo County has contracted with CAL FIRE for services to its unincorporated areas since 1962. The current contract expires on June 30, 2012.
7. As of October, 2011 the San Mateo County budget deficit stood at \$50 million.

Response for Findings 1-7: The Town does not possess information or have knowledge which would allow it to agree or disagree with these findings.

P.O. Box 620005
2955 Woodside Road
Woodside CA 94062

650-851-6790
Fax: 650-851-2195
townhall@woodsidetown.org

8. San Carlos requested that the County Board of Supervisors allow San Carlos to obtain fire protection services from CAL FIRE through the County's contract with CAL FIRE. The issue came before the two-member Finance and Operations Committee (the F&O Committee) on January 18, and February 15, 2011.
9. From the County staff report on January 18, 2011, adjusted for a budgetary mistake, CAL FIRE could have saved San Carlos between \$600,000 and \$2.5 million per year.
10. From the County staff report of January 18, 2011, in addition to substantial savings for San Carlos, bringing San Carlos under the County contract with CAL FIRE could have saved the County an additional \$650,000 per year. Neither the savings to San Carlos or the County were discussed by the F&O Committee on January 18.
11. From the County staff report of February 15, 2011, "County Fire has a budget reduction target of \$218,877 for FY 2011/12 with the goal of eventually eliminating all \$1 million in general fund contributions."
12. In response to a request from the F&O Committee, CAL FIRE prepared a cost estimate for delivery of fire protection to five County cities (Redwood City, San Carlos, Belmont, Foster City and San Mateo). According to the County staff report of February 15, 2011, the estimated aggregate cost savings to those five cities could be between \$1.7 million and \$16.8 million per year.

Response for Findings 8-12: Based on the information attached to the Grand Jury Report, the Town agrees with these findings.

13. The CAL FIRE service cost estimates and potential savings for the County and the five County cities were not discussed by the Committee members at the February 15, 2011, F&O Committee meeting.
14. From the audio transcripts of both the January 18 and February 15, 2011 F&O Committee meetings, Supervisor Adrienne Tissier said that the Governor had called for CAL FIRE getting out of the urban fire-fighting business.
15. The Governor's January 10, 2011 recommendations on CAL FIRE realignment only applied to State Responsibility Areas and did not apply to contracts with local jurisdictions, such as its contracts with San Mateo County or the Coastsides Fire District. There was no suggestion from the Governor that CAL FIRE should curtail delivery of urban fire protection services funded by counties or cities.
16. Also during the February 15, 2011 F&O Committee meeting, the Supervisors said that the County does not want to be in the fire-fighting business. The Supervisors further said they strongly supported regional fire-protection solutions in the County as a means to reduce administrative and infrastructure costs to the cities.
17. The Supervisors recommended that Belmont and San Carlos enter into mediation to continue their joint fire department while regionalization

alternatives could be explored. From interviews and meeting transcripts, most San Carlos and Belmont officials stated there was little chance for mediation to be successful.

18. From the letter of the CAL FIRE Acting Director, quoted above, and from interviews with officials from various cities and fire-protection agencies, there is reluctance to consider expanding CAL FIRE's role in San Mateo County because of opposition by the International Association of Firefighters, Local 2400.

Response for Findings 13-18: The Town does not possess information or have knowledge which would allow it to agree or disagree with these findings.

RECOMMENDATIONS

The Grand Jury recommended that the cities and special fire districts in San Mateo County:

1. When assessing alternative approaches to local fire protection, CAL FIRE should be considered as one alternative.
2. Include local fire union representatives in community discussions concerning department consolidation, regionalization or replacement; make financial considerations and differing expense models known to all concerned parties and citizens.

Response for Recommendations 1 and 2: Fire protection services within the Town of Woodside are provided by an independent fire protection district. Therefore, it is not anticipated that the Town would need to implement these recommendations. However, if there was a need for the Town to participate in assessing alternatives to local fire protection, it would implement these recommendations.

On behalf of the Town Council, I would like to extend our thanks for the opportunity to review and respond to the work of the 2011-12 Grand Jury.

Please do not hesitate to call Kevin Bryant, at (650) 851-6790, should you require any further information.

Sincerely,



Dave Tanner
Mayor

WOODSIDE
FIRE
PROTECTION
DISTRICT

FIRE CHIEF DANIEL GHIORSO
BATTALION CHIEF DON ROMERO
FIRE MARSHAL DENISE ENEA
BATTALION CHIEF EMIL PICCHI
BATTALION CHIEF KEVIN BUTLER
BATTALION CHIEF JERRY NAVE

April 2nd, 2012

Hon. Gerald J. Buchwald
Judge of the Superior Court
Hall of Justice
400 County Center; 8th Floor
Redwood City, CA 94063-1655

Subject: Response to the Grand Jury Report: “The County, San Carlos and Cal Fire, A Missed Opportunity?”

Dear Judge Buchwald:

Thank you for the opportunity to respond to the Grand Jury report “The County, San Carlos and Cal Fire, A Missed Opportunity?” The Woodside Fire Protection District and the Board of Directors provide our thanks for the information related to this topic.

The Grand Jury report was addressed as part of the agenda at our March 26th, 2012 Board of Directors meeting. The following information was developed through active discussion of this agenda item.

1. The Woodside Fire Protection District agrees with a majority of the report, but withholds agreement on items 9 and 12, specifically the wide span of potential savings. We believe the report does not address a Fire Department as a whole in regards to savings. The savings from contract for Emergency service is agreed upon only as Emergency responses. Fire Departments in general offer much more than just emergency response. These items would include Public Education, Fire and Injury Prevention to name a few. The report also does not address the cost to the City of San Carlos for maintenance of land including station replacement and or of equipment maintenance, upgrades and or replacement. We question the savings if any on personnel that would have transferred from the San Carlos Fire to County Fire in regards to the ongoing cost of benefits agreed upon through CalPERS.

**WOODSIDE
FIRE
PROTECTION
DISTRICT**

**FIRE CHIEF DANIEL GHIORSO
BATTALION CHIEF DON ROMERO
FIRE MARSHAL DENISE ENEA
BATTALION CHIEF EMIL PICCHI
BATTALION CHIEF KEVIN BUTLER
BATTALION CHIEF JERRY NAVE**

In regards to the recommendations by the Grand Jury for Special Districts as is The Woodside Fire Protection District.

1. The Woodside Fire Protection District believes we meet both recommendations listed. We are always aware of potential cost savings when it comes to alternative methods to the local fire protection. This is evident in our shared services (both EMS and Training Officers) and the county response models of dropped boundaries.
2. The Woodside Fire protection District has a superb relationship with our local fire union. Our Board of Directors and Union representatives are very supportive of our communities concerns and are always open to any discussions regarding the type and quality of service we provide to our citizens.

Thank you in advance,

Board of Directors
Woodside Fire Protection District

Daniel J. Ghorso
WFPD Fire Chief