



Staff Report

TO: City Council
FROM: Todd Parton, City Manager
DATE: March 2, 2021
SUBJECT: **Consideration of Cooperative Agreements Between the City of Beaumont, City of Banning, Riverside County and State of California for the Provision of Fire Protection, Rescue, Fire Marshal and Emergency Medical Services**

Background and Analysis:

The City of Beaumont secures fire protection, fire prevention, rescue, fire marshal and emergency medical services through a series of multi-party contracts that also include the City of Banning, Riverside County and State of California. These agreements are as follows:

1. Contract Number 18-55:
 - a. Cooperative Agreement between the City of Beaumont and Riverside County for the Provision of Fire Protection, Fire Prevention, Rescue, Fire Marshal and Emergency Medical Services for the City of Beaumont;
 - b. Effective Date July 1, 2018; and
 - c. Termination Date June 30, 2021.
2. Contract Number 18-61:
 - a. Cooperative Agreement between the City of Banning, City of Beaumont and Riverside County for the Shared Cost of the fire engine company located at Station 20 located at 1550 East Sixth Street, Beaumont;
 - b. Effective Date July 1, 2018; and
 - c. Termination Date June 30, 2021.
3. Letter of Intent – June 19, 2018:
 - a. Agreement with CAL FIRE to increase the level of service by adding a Paramedic Patrol at Beaumont Fire Station 66;
 - b. Effective Date January 2019; and
 - c. Termination Date to Coincide with Contract Number 18-61.
4. Contract Number 20-58:
 - a. Reimbursement Agreement with CAL FIRE for Local Area Wildland Protection;

- b. Effective Date July 1, 2020; and
- c. Termination Date June 30, 2021.

Final costs for the full complement of services for FY2020 were \$4,054,527. Total costs estimated for the current fiscal year (FY2021) are \$4,565,808 of which \$2,064,247 has been spent through the first two quarters.

Together, these four contracts function cooperatively to comprise the full range of fire related services for the City of Beaumont. These services are of vital importance to the health, safety and welfare of the community. One of the primary benefits of these agreements are that they effectively integrate the resources of Banning, Beaumont and Riverside County in a cost-effective manner. They also ensure that the City of Beaumont benefits from CAL FIRE's regional and state resources without the burden of additional fees or charges. That being said, these expenses are very impactful to the General Fund.

The FY2020 and FY2021 expenditure summary shows that approximately 80% of the annual charges relate directly to CAL FIRE costs with the remaining 20% applied to Riverside County administrative overhead. With the existing contracts expiring on June 30, 2021, Riverside County is now circulating new 3-year contracts that are identical to the existing contracts, which have remained unchanged over the past several contract cycles. Riverside County staff are in the process of updating the overhead charges.

Copies of two updated cooperative agreements from Riverside County are attached to this report. One is between the City of Beaumont and Riverside County for general services and the other is the three-party cooperative agreement between the City of Banning, City of Beaumont and Riverside County for Station 20.

City staff feels that, prior to executing the next agreements, Riverside County's 20% markup should be reviewed, and the City should request that the County provide the basis/rationale for the charges and any escalations. Additionally, actual costs over the past several years have been significantly lower than Riverside County's annual forecasts and, since this significantly restricts the City's ability to provide desperately needed services as resources are tightening, discussions with Riverside County and CAL FIRE representatives regarding modifications to the assumptions used to forecast annual expenditures are also warranted.

The table provided on the following page provides an expenditure summary for these services for FY2020 and FY2021.

City of Beaumont
Actual Cal FIRE Contract Expenses - FY2020 and FY2021

Cost Element	FY2020						FY2021	
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Totals	% Total Costs	1st Quarter	2nd Qtr
Safety Staffing Costs	\$ 499,014	\$ 623,438	\$ 551,528	\$ 508,542	\$ 2,182,522	53.8%	\$ 482,492	\$ 651,506
State Admin Pass-through	\$ 58,335	\$ 72,880	\$ 64,473	\$ 59,449	\$ 255,137	6.3%	\$ 57,706	\$ 77,920
Total Safety Staffing Costs	\$ 557,349	\$ 696,318	\$ 616,001	\$ 567,991	\$ 2,437,659	60.1%	\$ 540,198	\$ 729,426
Non-Safety Staff Costs (County)	\$ 40,181	\$ 27,067	\$ 30,883	\$ 36,583	\$ 134,714	3.3%	\$ 31,333	\$ 31,094
HR Overhead	\$ 333	\$ 539	\$ 328	\$ 313	\$ 1,513	0.0%	\$ 321	\$ 548
Total Non-Safety Staff Costs	\$ 40,513	\$ 27,606	\$ 31,211	\$ 36,896	\$ 136,226	3.4%	\$ 31,654	\$ 31,642
Support Services (Qtrly Admin) (Budget \$780,744 annually)	\$ 195,186	\$ 195,186	\$ 195,186	\$ 195,186	\$ 780,744	19.3%	\$ 198,288	\$ 198,288
Fire Engine Use Agreement (2 Engines - \$25,800 annual each)	\$ 12,900	\$ 12,900	\$ 12,900	\$ 12,900	\$ 51,600	1.3%	\$ 12,900	\$ 12,900
Misc Costs and Direct Charges								
Banning Station #20	\$ 145,220	\$ 168,255	\$ 147,934	\$ 149,951	\$ 611,360	15.1%	\$ 132,472	\$ 167,044
1st Qtr Direct Charges	\$ 6,627	\$ 5,117	\$ 8,162	\$ 8,255	\$ 28,161	0.7%	\$ 6,751	\$ 7,494
1st Qtr Direct Journals	\$ -	\$ -	\$ -	\$ 2,885	\$ 2,885	0.1%		
AMR Trans Cost Reimburse	\$ (5,351)	\$ (5,402)	\$ (5,125)	\$ (4,627)	\$ (20,505)	-0.5%	\$ (4,810)	
FY2020 Support Srv Recon				\$ 26,396	\$ 26,396	0.7%		
Subtotal	\$ 146,496	\$ 167,970	\$ 150,971	\$ 182,860	\$ 648,297	16.0%	\$ 134,413	\$ 174,538
Total	\$ 952,445	\$ 1,099,980	\$ 1,006,269	\$ 995,833	\$ 4,054,527		\$ 917,453	\$ 1,146,794

Fiscal Impact:

City staff estimates that it cost approximately \$1,560 to prepare this report. It is anticipated that FY2022 fees related to fire protection, fire prevention, rescue, fire marshal and emergency medical services will be approximately \$4.7 million which will be incrementally increased through the term of the agreement.

Recommended Action:

City staff recommends that the City Council direct the Mayor to formally request in writing Riverside County's basis for administrative overhead costs and budgetary forecasts associated with the fire protection, fire prevention, rescue, fire marshal and emergency medical services cooperative agreements.

Attachments:

- A. City of Beaumont – Contract Number 18-55
- B. City of Beaumont – Contract Number 18-61
- C. City of Beaumont Letter of Intent to Riverside County – Addition of Paramedic Squad
- D. City of Beaumont – Contract Number 20-58
- E. Riverside County Draft Cooperative Agreement with the City of Beaumont to Provide Fire Protection, Fire Prevention, Rescue, Fire Marshal and Medical Emergency Services – July 1, 2021. through June 30, 2024
- F. Riverside County Draft Cooperative Agreement between the City of Banning, City of Beaumont and Riverside County for Shared Cost to Operate a Fire Engine Company at Station 20 – July 1, 2021. through June 30, 2024