

PUBLIC SAFETY COMMITTEE REPORT relative to proposed Agreement with Erickson Air-Crane, Inc. (Erickson Air-Crane) for Helitanker airship services.

Recommendations for Council action:

1. AUTHORIZE the Fire Chief to execute the Agreement, attached to the Council file, with Erickson Air-Crane for Helitanker airship services for a five-year term from July 1, 2014 through June 30, 2019 and for a total amount not to exceed \$18,973,790, subject to the review and approval of the City Attorney as to form and legality.
2. INSTRUCT the Los Angeles Fire Department (LAFD) to monitor and report within its Financial Status Reports the monthly Helitanker airship services expenditures during Fiscal Year 2014-15.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that there will be no additional impact to the General Fund. The anticipated cost for Helitanker airship services during 2014-15 will not exceed \$3,573,800 and is funded with \$2,902,000 provided in the LAFD's 2014-15 Adopted Budget and \$500,000 designated in the Unappropriated Balance. The remaining balance of the contractual agreement totaling \$171,800 will be absorbed within the LAFD's budgeted funds for 2014-15. Subsequent years contract funding is subject to available funding provided through the annual budget process. This agreement is consistent with the City's Financial Policies in that the services provided will be financed within budgeted funds.

Community Impact Statement: None submitted.

Summary:

On June 13, 2014, your Committee considered a June 6, 2014 CAO report relative to proposed Agreement with Erickson Air-Crane for Helitanker airship services. According to the CAO, on May 6, 2014, the Board of Fire Commissioners approved a five-year agreement with an option to extend for an additional five years with Erickson Air-Crane for an amount not to exceed \$18,973,790, to continue to provide Helitanker airship services to the LAFD during the brush fire season. The contract term covers the five-year period from July 1, 2014 through June 30, 2019.

The terms of the agreement provide for an annual 150-day Performance Period that includes ten flight-hours. The applicable Performance Period is from August 1, 2014 through December 28, 2014. The 150-day Performance Period in 2014-15 is projected to cost the Department a total of \$3,573,800. Flight-hours in excess of the ten prepaid hours will be charged at a rate of \$4,880 per hour. The 2014-15 Adopted Budget provides Contractual Services Account funding in the amount of \$2,902,000, with an additional \$500,000 designated in the Unappropriated Balance for a total of \$3,402,000 in available funding. The remaining balance of \$171,800 in required contract funding will be absorbed within the LAFD's budgeted funds for 2014-15.

After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the proposed Agreement with Erickson Air-Crane. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

PUBLIC SAFETY COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
ENGLANDER:	YES
BUSCAINO:	ABSENT
BONIN:	ABSENT
O'FARRELL:	YES
MARTINEZ:	YES

ARL
6/13/14

-NOT OFFICIAL UNTIL COUNCIL ACTS-