



COUNTY OF HUMBOLDT

AGENDA ITEM NO.

C-12

For the meeting of: December 6, 2011

Date: November 22, 2011
To: Board of Supervisors
From: Phillip Smith-Hanes, County Administrative Officer
Subject: Local Fire Districts and the County's Workers' Compensation Programs

RECOMMENDATION(S):

That the Board of Supervisors:

1. Approve the payment of Target Safety invoices for Fiscal Years 2010-11 and 2011-12 for the local fire districts as part of the County's Workers' Compensation programs; and
2. Approve charging the Arcata Fire Protection District (AFPD), Fortuna Fire District (FFD), and Humboldt Fire District #1 (HFD#1) a twenty-percent (20%) fee, based on their Workers' Compensation premium, to assist with the cost of loss prevention and risk management services for Fiscal Years 2010-11 and 2011-12;

SOURCE OF FUNDING:

Fund 3523 – Workers Compensation Fund

DISCUSSION:

As a direct result of local fire districts receiving substantial increases in their Workers' Compensation (WC) insurance coverage, your Board on August 16, 2005, approved adding the local fire districts to the County's WC programs. The 2005 agenda item further approved the adoption of the \$200.00 rate per

Prepared by Amy S. Nilsen

CAO Approval

Cheryl Dillingham

REVIEW:

Auditor

County Counsel

Personnel

Risk Manager

Other

TYPE OF ITEM:

☒ Consent

☐ Departmental

☐ Public Hearing

☐ Other

PREVIOUS ACTION/REFERRAL:

Board Order No. F-2

Meeting of: 8/16/2005

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT

Upon motion of Supervisor *Smith* Seconded by Supervisor *Clendenen*

Ayes *Smith Clendenen Locke Bass Sundberg*

Nays

Abstain

Absent

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.

Dated: December 6, 2011

By: *Kathy Hayes*

Kathy Hayes, Clerk of the Board

volunteer for FY 2005-06 or the increase in the County's insurance premium for adding the fire districts whichever is higher; and directed the Risk Manager to work with the fire districts that join the County's WC programs to ensure that the fire districts have an effective loss prevention program. It is through California State Association of Counties (CSAC) Excess Insurance Authority (EIA)¹ that the County has been able to offer the fire districts a less expensive insurance option.

At the time of the 2005 agenda item, it was still the responsibility of the fire districts to provide their own loss prevention services. However, since the original 2005 agenda item, CSAC EIA has requested more oversight from the County in order for the non-profit entities (such as fire districts) to remain under the umbrella of the County's WC programs. These items include:

- The County must act as a liaison between the County and the non-profit regarding risk management and loss prevention problems/questions; and
- The County will accept responsibility for providing appropriate loss prevention services for the non-profit, either in-house or by contract.

The fire districts and the County have always been under an obligation to comply with the below requirements and these items remain unchanged:

- There must be a completed application with signature including a Resolution from the Board of Supervisors.
- There must be a determination that a fire district is an acceptable risk (no unique or unusual exposure).
- The County must be aware and willing to accept the responsibility for the premium payment.
- The County must gather the renewal information and provide/include that information with the EIA application.
- A written agreement is required between the County and the non-profit.
- Each fire district must have State of California authorization.

Per California Labor Code (6400 et seq.) every employer shall furnish a place of employment that is safe and healthful. More specifically in California Labor Code Section 6401.7 an employer is required to establish, develop and maintain an effective injury prevention program. Therefore, per California Labor Code any employer is required by law to provide safety/loss prevention training. Prior to being placed under the County's WC programs the fire districts were responsible for their own safety/loss prevention training. In order to remain under the County's umbrella of WC programs, CSAC EIA requires the County to assume responsibility to provide risk management and loss prevention services to the fire districts. The County is under no obligation to provide these services free of charge.

In order to fulfill the County's responsibility to provide loss prevention and risk management services to the fire districts, Risk Management staff and the Fire Chiefs Association began work on loss prevention services in the form of Target Safety. Target Safety provides various on-line courses covering, but not limited to, Emergency Medical Services Basic and Advanced Level Training, NFPA 1500/1001/1021, First Responder Operations, Hazmat Refresher, CAL OSHA General Safety, Emergency Vehicle Operator, Employment Practices (including CA AB 1825), Ethics (CA AB 1234), etc. Target Safety also offers compliance management, and has the ability to manage and schedule rosters for training, relieving both the fire districts and County Risk Management of support duties. The County currently utilizes Target Safety for its own safety related training needs and is therefore able to offer this service to the fire districts.

¹ CSAC EIA is a Joint Powers Authority established under Article 1, Chapter 5, Division 7, Title I of the California Government Code (Section 6500 et seq.) The County's WC programs under CSAC EIA are Primary WC, which provides coverage up to \$125,000 per occurrence and Excess WC, which provides coverage in excess of \$125,000 to \$5,000,000 per occurrence.

Therefore, as this a divergence from the 2005 approved agenda item, staff requests your Board's approval to pay for the cost of Target Safety for the fire districts for Fiscal Years 2010-11 and 2011-12. The County has an obligation to CSAC EIA to see that the fire districts have loss prevention services, in order to protect the CSAC EIA insurance pool. Target Safety is an economical and effective way to deliver loss prevention services to the fire districts. The cost of Target Safety is \$75.00 per volunteer/\$80.00 per career firefighter annually. In order to offset the cost of Target Safety for the fire districts with career firefighters it is also recommended that your Board approve a 20% fee to the fire districts with career firefighters (AFPD, FFD, and HFD#1) only, to help offset the cost of loss prevention and risk management services.

Providing loss prevention services in the form of Target Safety to the fire districts is an interim measure required to bring the fire districts under the County's Workers' Compensation programs. Other elements require further research as outlined below and will need to come back before your Board for approval.

1. Physicals, a component of loss prevention services, were also requested by CSAC EIA. A possible solution would be for the County to offer reimbursement of \$50.00 per physical for only new hires and firefighters over the age of 55.
2. How to fairly recover premium increases as a result of fire district losses. There were discussions of capping a loss incurred by a fire district at \$50,000. This is not a realistic option for the County as any significant losses would be absorbed by the County and essentially paid by County (General Fund) departments. A potential solution is to cap losses at 33% of the total loss, which is consistent with how CSAC EIA adjusts the County's WC premiums.
3. The possibility of pooling losses in order to spread the cost across all fire districts.

Currently, there are twenty-seven local fire districts under the County's WC programs. These fire districts include: Alderpoint Volunteer Fire Department, Arcata Fire District, Blue Lake Fire Department, Briceland Volunteer Fire Department, Bridgeville Volunteer Fire Department, Fortuna Fire District, Fruitland Volunteer Fire Department, Garberville Fire Protection District, Honeydew Volunteer Fire District, Humboldt Fire District #1, Kneeland Fire Protection District, Loleta Volunteer Fire Department, Miranda Volunteer Fire Department, Myers Flat Fire Protection District, Orick Volunteer Fire Department, Orleans Volunteer Fire Department, Palo Verde Volunteer Fire Department, Petrolia Fire Protection District, Phillipsville Volunteer Fire Department, Redcrest Volunteer Fire Department, Redway Fire District, Scotia Volunteer Fire Department, Weott Community Services District, Westhaven Volunteer Fire Department, Whale Gulch Volunteer Fire Department, Whitethorn Fire District, and Willow Creek Volunteer Fire Department.

In order to facilitate the need for both compliance with CSAC EIA requirements and the need for loss prevention services for the fire districts it is recommended that your Board approve paying for the fire districts use of Target Safety for Fiscal Years 2010-11 and 2011-12. Staff anticipates bringing back an agenda item at a later date with a more formal plan on how to integrate the fire districts more comprehensively into the County's Workers' Compensation programs.

FINANCIAL IMPACT:

Humboldt Fire District #1 has submitted a Target Safety invoice to the County for payment totaling \$3,182.35 for FY 2010-11. For FY 2011-12 Arcata Fire Protection District's invoice totals \$4,250.00. It is estimated that the remaining Target Safety costs for FY 2011-12 will total \$31,070. Based on information currently available, by charging the fire districts with career firefighters a 20% fee, and by continuing to

charge the fire districts with volunteers a rate of \$200 per volunteer for Workers' Compensation coverage, there is estimated to be enough pooled funds to cover the expense of Target Safety for the fire districts. It is anticipated that this action will not have any financial impact to the County budget.

OTHER AGENCY INVOLVEMENT:

California State Association of Counties Excess Insurance Authority, Alderpoint Volunteer Fire Department, Arcata Fire District, Blue Lake Fire Department, Briceland Volunteer Fire Department, Bridgeville Volunteer Fire Department, Fortuna Fire District, Fruitland Volunteer Fire Department, Garberville Fire Protection District, Honeydew Volunteer Fire District, Humboldt Fire District #1, Kneeland Fire Protection District, Loleta Volunteer Fire Department, Miranda Volunteer Fire Department, Myers Flat Fire Protection District, Orick Volunteer Fire Department, Orleans Volunteer Fire Department, Palo Verde Volunteer Fire Department, Petrolia Fire Protection District, Phillipsville Volunteer Fire Department, Redcrest Volunteer Fire Department, Redway Fire District, Scotia Volunteer Fire Department, Weott Community Services District, Westhaven Volunteer Fire Department, Whale Gulch Volunteer Fire Department, Whitethorn Fire District, and Willow Creek Volunteer Fire Department.

ALTERNATIVES TO STAFF RECOMMENDATIONS:

Board's discretion.

ATTACHMENTS:

Target Safety Invoices for Arcata Fire Protection District and Humboldt Fire District #1.



Invoice

Humboldt County Risk Management
ATTN: Amy Nilsen
anilsen@co.humboldt.ca.us

Date	Invoice #
9/14/2011	TSC7772

End User
Arcata Fire Protection District
ATTN: Justin McDonald
631 9th Street
Arcata, CA 95521

PLEASE REMIT TO:
TargetSafety.Com, Inc ~ 10805 Rancho Bernardo Rd. ~ Ste 200 ~ San Diego, CA 92127-5703

P.O. No.	Terms	Due Date	Account #	Rep
NA	25 Days	10/9/2011	18398	AL
Description		Qty	Rate	Amount
Renewal Annual user license & subscription fee for NFPA/TargetSafety online risk management program Starting October 1, 2011.				
Term: 10/01/11 to 09/30/12				
Professional Bundle Unlimited Hours Per Firefighter/year: \$105.00 (CSAC Discount Pricing \$80.00)		25	80.00	2,000.00
Professional Bundle Unlimited Hours Per Part Time Firefighter/year: \$75.00		30	75.00	2,250.00
Professional Bundle Unlimited Hours Per Admin/year: \$75.00 (CSAC Discount Pricing \$0.00)		2	0.00	0.00
PreventionLink Online Risk Management Platform License and subscription fee for platform, which features a customized website and:				
Comprehensive Learning Management System Featuring tools to assign and track employee training, test employee comprehension, create custom tests on non-TargetSafety training content, and automatically generate completion certificates				
Online Training Courses Firefighter and EMS Course Catalogs Featuring firefighter training on NFPA 1500, 1001 and 1021 standards, first responder refresher and emergency response to terrorism, emergency vehicle operator, OSHA and compliance, HR and employment practices for supervisors. Also includes TargetSafety's complete library of EMS continuing education courses.				
Communication Management Solutions Featuring a centralized File Center and other organizational communication tools.				
Compliance and Policy Management Solutions Featuring technologies to deliver, record and report on employee review of SOPs, inspections, certifications and nearly all other compliance-related tasks.				
TargetSafety - Making health and safety a value one firefighter at a time.			Total	\$4,250.00
			Payments/Credits	\$0.00
			Balance Due	\$4,250.00

Phone: 858-592-6880 Fax: 858-487-8762 TIN: 33-0886618



Invoice

Date	Invoice #
12/5/2010	TSC6838

Humbolt Fire Protection District
ATTN: Chris Jelinek
3455 Harris Street
Eureka, CA 95503

PLEASE REMIT TO:

TargetSafety.Com, Inc ~ 10805 Rancho Bernardo Rd. ~ Ste 200 ~ San Diego, CA 92127-5703

P.O. No.	Terms	Due Date	Account #	Rep	
N/A	25 Days	12/30/2010		AL	
Description			Qty	Rate	Amount
Annual user license & subscription fee for NFPA/TargetSafety online risk management program Starting January 1, 2011					
Term: 01/01/11 - 12/31/11					
Price per Career Firefighter/year: \$75.00			20	75.00	1,500.00
Price per Volunteer Firefighter/year: \$48.99			15	48.99	734.85
PreventionLink Online Risk Management Platform					
License and subscription fee for platform, which features a customized website and:					
Comprehensive Learning Management System					
Featuring tools to assign and track employee training, test employee comprehension, create custom tests on non-TargetSafety training content, and automatically generate completion certificates					
Online Training Courses					
Firefighter and EMS Course Catalogs					
Featuring firefighter training on NFPA 1500, 1001 and 1021 standards, first responder refresher and emergency response to terrorism, emergency vehicle operator, OSHA and compliance, HR and employment practices for supervisors. Also includes TargetSafety's complete library of EMS continuing education courses.					
Communication Management Solutions					
Featuring a centralized File Center and other organizational communication tools.					
Compliance and Policy Management Solutions					
Featuring technologies to deliver, record and report on employee review of SOPs, inspections, certifications and nearly all other compliance-related tasks.					
One-time set-up fee for creation of custom website/database				947.50	947.50
TargetSafety - Making health and safety a value one firefighter at a time.			Total		\$3,182.35
			Payments/Credits		\$0.00
			Balance Due		\$3,182.35

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