

# LOS ANGELES FIRE DEPARTMENT



DOUGLAS L. BARRY  
FIRE CHIEF

March 26, 2009

BOARD OF FIRE COMMISSIONERS  
FILE NO. 09-040

TO: Board of Fire Commissioners

FROM: Douglas L. Barry, Fire Chief DLB

SUBJECT: FIREFIGHTING HELITANKER AIRCRAFT PROFESSIONAL SERVICES  
AGREEMENT – ERICKSON AIR-CRANE INCORPORATED

FINAL ACTION:	<input type="checkbox"/> Approved	<input type="checkbox"/> Approved w/Corrections	<input type="checkbox"/> Withdrawn
	<input type="checkbox"/> Denied	<input type="checkbox"/> Received & Filed	<input type="checkbox"/> Other

**Recommendations:** That the Board:

1. Approve the attached Professional Services Agreement (Agreement) in the amount of \$2,601,000.
2. Direct the Commission Executive Assistant to transmit the Agreement to the Mayor for approval, subject to approval to form by the City Attorney.

**Summary:**

Attached for the Board's consideration is an Agreement between the City of Los Angeles and Erickson Air-Crane Incorporated (Erickson) to secure firefighting helitanker aircraft services. The Agreement provides the Fire Department (Department) a helitanker with a 2000-gallon water container capability to augment the Department's air resources for combating wildfires. The Agreement is for one year, and terms provide for a 170-day performance period including 70-flight hours. The \$2,601,000 cost reflects an increase of \$119,000 (5%) over last year. Also, flight hours in excess of the 70 prepaid flight hours, will be invoiced at a rate of \$5,500 per hour, an increase of \$250 an hour over Fiscal Year (FY) 2008/09. This is the final year of the contract.

The Office of the City Attorney has preliminarily reviewed and approved the attached Agreement.

**Background:**

The City of Los Angeles has over 135 square miles of densely brush covered mountainous terrain. Many areas provide limited access for fire engines to take defensible positions to adequately protect residential communities and structures in wind-driven brush fires. During October and November 2003, Southern California was ravaged by one of the worst set of firestorms in the state's history. In 2008, major brushfires erupted within the City of Los Angeles, which again threatened lives, structures and property. Aerial assault resources were critical in the successful efforts employed; bringing the firestorms and brush fires under control. The Southern California brush fire season traditionally extends from July through February each year. Current ongoing drought conditions have fire agencies throughout the region assessing and evaluating incident preparedness.

The Department's aircraft resources include four Bell 412 Type II water-dropping helicopters with a capacity of 350 gallons, two AW139 water-dropping helicopters with a capacity of 420 gallons and one Bell 206-L command ship (no water-dropping capability). Regional resources, which may be available to assist the Department in the event of a major brush fire, include two leased Type I Helitankers, one by California Department of Forestry and the other by Los Angeles County Fire Department (LACOFD). Additionally, LACOFD leases two super-scooper aircraft and has an aerial fleet of two Firehawks and several smaller water-dropping helicopters similar to the Department's. However, regional resources are not guaranteed, as they are subject to conflicting priorities, deployment issues, and periodic grounding for service and maintenance at the time of the request.

In 2000, the City of Los Angeles became the first large, urban city in the United States to contract for firefighting aircraft services to augment its air attack assets. The Department evaluated numerous aircraft typings and identified the Type I Helitanker (Helitanker) as the appropriate vehicle to supplement its current air assets. The Helitanker has a 2,000-gallon tank capacity and the ability to replenish its tanks in less than 120 seconds from a variety of water sources, such as ocean, reservoirs, and swimming pools. It provides a formidable asset during the critical early stages of wind-driven brush fire control and mitigation.

In 2007, the Department entered into an Agreement with Erickson Air-Crane, Inc., for firefighting helitanker aircraft services for a one-year period and to provide two one-year extensions. The current Agreement term expires June 30, 2009. The FY 2009/10 Agreement incorporates the same terms and conditions, including performance period and prepaid flight hours as the current Agreement, with the exception of cost, which increases \$119,000 to \$2,601,000. Also, flight hours in excess of the 70 prepaid flight hours, will be invoiced at a rate of \$5,500 per flight hour, an increase of \$250 an hour over FY 2008/09.

The Department's FY 2009/10 proposed budget contains full funding for this contract.

**Conclusion:**

Approval of the contract is a vital component of fire protection and mitigation during the ongoing brush fire seasons. The Helitanker is a crucial, proven tool in achieving the optimum commitment plan undertaken by the Department to ensure fire/life safety throughout the City of Los Angeles.

Board report prepared by Michael L. Prendergast, Senior Management Analyst, Bureau of Emergency Services.

Attachment

DRAFT

**FIRST AMENDMENT TO AGREEMENT NO. C-113693  
BETWEEN  
THE CITY OF LOS ANGELES  
AND  
ERICKSON AIR-CRANE INCORPORATED**

**THIS** Agreement between the City of Los Angeles (hereinafter referred to as the "City"), a municipal corporation, acting by and through the Los Angeles Fire Department (hereinafter referred to as the "Fire Department"), and Erickson Air-Crane Incorporated, a Delaware corporation (hereinafter referred to as the "Contractor"), is entered into with reference to the following:

**WHEREAS**, the City contracts the services of a qualified company to provide Fire Fighting Helitanker Aircraft Services (hereinafter referred to as "helitanker") during the City's annual brush fire season to augment the air attack assets the Fire Department could bring to bear on a brush fire incident; and

**WHEREAS**, the parties entered into Agreement C-111921 for the period of July 18, 2007 through June 30, 2008, and said Agreement provided for two (2) one-year extensions; and

**WHEREAS**, the parties exercised the first one-year extension and entered into Agreement C-113693 for the period of July 1, 2008 through June 30, 2009, with one (1) one-year extension; and

**WHEREAS**, the City desires in this first amendment to exercise the one-year extension, and extend term of Contract No. C-113693 from July 1, 2009 up to and including June 30, 2010; and

**WHEREAS**, the compensation amounts to Contractor will be increasing, and the parties desire in this first amendment to adjust the figures to the agreed upon amounts; and

**NOW, THEREFORE**, in consideration of the above premises, and the mutual covenants and agreements herein contained, the parties hereto agree as follows:

**SECTION 2.**        **TERMS OF THE AGREEMENT** is hereby amended in its entirety as follows:

- A.     The term of this Agreement will commence on July 1, 2008, and will terminate on June 30, 2010.
- B.     Delete – As referenced under Section 9 – Limitation of City's Obligation to Make Payments to Contractor.

- C. The City has no further options to extend the term of this Agreement.
- D. Due to the need for the Contractor's services to be provided continuously on an ongoing basis, Contractor may have provided services prior to the execution of this Agreement. To the extent that said services were performed in accordance with the terms and conditions of this Agreement, those services are hereby ratified.
- E. Upon the City submitting written notification to the Contractor to commence performance, the base services period for FY 2009-10 will begin on a specific date to be determined by both parties and will end one hundred and seventy (170) days later. Services required beyond that date, but before the contract expires, will be compensated at the rate stated in Section 6.C.
- F. The Contractor and the Fire Department Air Operations Section will hold a Pre-Work Conference within forty-eight (48) hours of the arrival of the helitanker and the Contractor's crew at the Van Nuys Airport.
- G. The City may, at its discretion, and by the Fire Chief, extend the specific service period in any one (1) Fiscal Year by written authorization.

**SECTION 4.**      **FIRE DEPARTMENT RESPONSIBILITIES** is hereby amended in its entirety as follows:

- A. The Fire Department will provide the following items:
  - 1. The Fire Department will provide aircraft fuel, whether through repayment or by fuel dispensed, at the heliport where the helitanker will be based. Although the fuel will be provided, the Contractor is responsible for providing a fuel tender vehicle and driver for incident needs and must make all other arrangements necessary to dispense fuel to the helitanker; and
  - 2. All Class "A" foam.

**B. Location of the Helitanker**

The daily staging facility will be located at the Van Nuys Airport adjacent to the Fire Department's Air Operations Section, with the Air Operations Section Commander providing day-to-day supervision. The Fire Department will provide an office to helitanker personnel, during staging hours. The Fire Department will provide water, telephone, fax, and other incidentals, as needed and as approved by the Fire Department.

**SECTION 6.        COMPENSATION AND METHOD OF PAYMENT** is hereby amended in its entirety as follows:

**A.        Base Price**

The City will pay a base price amount not to exceed \$2,601,000 to the Contractor, which includes a specific service period of 24.29 weeks (170 days) and seventy (70) flight hours in FY 2009-10; this is subject to funding, if any, provided in the City's FY 2009-10 budget. The City will notify the Contractor in writing if the funding, if any, is appropriated for the FY 2009-10 budget.

**B.        Normal Staging Hours and Hourly Flight Rate**

1.        Under the base price, the Contractor will provide the helitanker, pilots, mechanical support, and other support functions for a minimum of ten (10) hours per day. Emergency operations may be conducted from dawn to dusk. Extended-phase fires may require operations during daylight hours that extend beyond the ten (10) hour staging time. Flight hours extending beyond the ten (10) hour staging period will be deducted from the seventy (70) flight hours provided for in the base price amount under this Amendment, and the Contractor will bill the Fire Department at the hourly flight rate of \$5,500 per hour if the seventy (70) flight hours included in the base has been exceeded.
2.        The hourly flight rate provided for in this Amendment will not include pilot orientation, proficiency, or training flight time.
3.        The hourly flight rate specified in Section 6.B.1 will not be charged until the annual contract base price flight time minimums have been exceeded.

**C.        Service During Term After Base Services Period Ends**

1.        In the event that the City requires service beyond one hundred and seventy (170) days, the amount to be paid for each weekly (seven-day period) extension will be \$107,100 and include 2.90 flight hours or for a daily extension rate of \$15,300 per day including 0.41 flight hours.
2.        The Contractor will provide the helitanker, pilots, mechanical support, and other support functions for a minimum of ten (10) hours per day. Emergency operations may be conducted from dawn to dusk. Extended-phase fires may require operations during daylight hours that extend beyond the ten (10) hour staging time.

D. Operations Outside of the City

In the event that the City requests that the Contractor provide services outside of the City's boundaries pursuant to Section 3, the City will compensate the Contractor for flight time exceeding the cumulative accrued minimum flight hours at the hourly rate specified in Section 6.

E. Method of Payment

1. The City will make payment to the Contractor for the services performed after the receipt and approval of the invoices by the City's Representative. The City will not unreasonably withhold approval of invoices. In the event any invoice is not approved, the City's Representative will immediately send a notice to the Contractor setting forth therein the reason(s) said invoice was not approved. Upon receipt of such notice, the Contractor may re-invoice the City for the accepted portion of the invoice or cure the defects identified in the City Representative's notice. The City will pay the revised invoice as soon as practicable after its submission. If the City's Representative contests all or a portion of an invoice, the City's Representative and the Contractor will use their best efforts to resolve the disputed portion or portions of the invoice.

The invoice must include the following information:

- a. Name and address of company or firm;
- b. Name and address of the Fire Department;
- c. Date of the invoice and period covered;
- d. Reference to contract number;
- e. Description of completed task and amount due for the task;
- f. Payment terms, total due, and due date;
- g. Certification by a duly authorized officer;
- h. Discounts and terms; and
- i. Remittance Address (if different from company address)

All invoices will be submitted on the Company's letterhead, contain the company's official logo, or contain other unique and identifying information such as name and address of company or individual. Evidence that tasks have been completed, in the form of a report, brochure, or photograph, must be attached to all invoices. Invoices must be submitted within thirty (30) days of service, or monthly. Invoices are considered complete when appropriate documentation of services provided is signed off as satisfactory by the City's Representative or their designee.

Invoices and supporting documentation will be prepared at the sole expense and responsibility of the Contractor. The City will not compensate the Contractor for any costs incurred for invoice

preparation. The City may request, in writing, changes to the content and format of the invoices and supporting documentation to substantiate costs at any time.

2. Notwithstanding any other provision of this Amendment, any changes or additions thereto, including changes that will increase the City's total obligation will be accomplished only by a properly authorized written amendment to this Agreement. The City will not recognize any changes or additions made without the City's written authorization and the City will not be obligated to make any payment for such changes or additions.

Except as amended by this FIRST AMENDMENT, all other provisions of City Contract C-113693 shall remain in full force and effect. This amendment includes six (6) pages, and constitutes the complete understanding and agreement between the parties. This amendment is executed in four (4) copies, each of which is deemed to be an original.

[Signature page to follow.]



**IN WITNESS WHEREOF** the parties hereto have caused this Agreement to be executed by their respective duly authorized representatives.

**ERICKSON AIR-CRANE INCORPORATED**

DATE: \_\_\_\_\_

BY: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

DATE: \_\_\_\_\_

BY: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**THE CITY OF LOS ANGELES**

DATE: \_\_\_\_\_

BY: \_\_\_\_\_

DOUGLAS L. BARRY  
Fire Chief

**APPROVED AS TO FORM:**

**ATTEST:**

ROCKARD J. DELGADILLO  
City Attorney

KAREN E. KALFAYAN  
City Clerk

BY: \_\_\_\_\_

LAUREL L. LIGHTNER  
Assistant City Attorney

BY: \_\_\_\_\_

Deputy City Clerk

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

City Business License Number:

162768-85

Internal Revenue Service ID Number:

93-1307561/JGH-97-844221

Agreement Number:

C-113693-1