

**KENTFIELD FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS MEETING**

MEETING TYPE: Regular

DATE: Thursday, January 17, 2013

CALL TO ORDER: 6:32 p.m. by Chairman Gerbsman. Director Naso led the assembly in the Pledge of Allegiance.

ROLL CALL: All Directors were present. Also in attendance were Accountant Hom, Chief Smith and Recording Secretary Mulkeen.

Chief Smith thanked Director Naso for his dedicated service as the 2012 Board of Directors Chairman and presented him with a plaque. Director Naso thanked Chief Smith and noted the progress the board had made in 2012. He looks forward to continued progress with the new Chairman, Steve Gerbsman.

APPROVAL OF PRIOR MONTH'S MINUTES: M/S Murphy/Naso to approve the minutes of the previous month. All ayes.

PUBLIC COMMENT PERIOD: As there were no members of the public in attendance, no comments were received.

NEW BUSINESS:

1. Recording Secretary Mulkeen noted California Form 700, Statement of Economic Interests, were mailed to board members for completion with the Board packet. She asked members to complete the forms and return to the District by the end of the month. The forms will be maintained in the District office for the year.

UNFINISHED BUSINESS:

1. Chief Smith reiterated at the December meeting that he and Jennifer Vuillermet, County Counsel, were instructed by the Board to contact AT&T and move forward with two items: the first was to calculate total fees that county counsel has levied on the District with regards to our three year relationship with AT&T's request for an upgrade to this site. The second item, the Board asked Chief Smith and Counsel Vuillermet, in good faith, to re-establish contact and arrange a meeting to negotiate three or four issues on the contract side. The issues on the contract side, handled by Counsel Vuillermet, include the lease amount and KFD imposing a penalty clause (bond) if AT&T did not clean up the site after they leave. Chief Smith worked on the radio frequency testing and emissions and the request for proposed project design drawings. Chief Smith reported they had contact with AT&T and are scheduling a meeting at the end of the month, date to be determined, with District representatives. Counsel Vuillermet presented Counsel DeBene with the attorney fees, estimated at \$10,000 that the District had absorbed, in good faith, as we move forward with this negotiation. After some discussion, the Board expressed its continued interest and support of scheduling the meeting with AT&T and working with Attorney DeBene. The District Chairman Gerbsman and Director Naso will represent the District. The District expects AT&T's professional courtesy to move forward with negotiations and upgrade plans.

Chief Smith advised the Board that the District had received T-Mobile's agreement which upgrade.

Sprint has requested a substantial upgrade to their equipment. They will install new technology using smaller, more efficient equipment all within their lease space. Per our agreement they will read meter usage every six months. Sprint currently pays the District \$150 a month to cover electricity usage, and according to the contract at no time will it be less than \$150. Chief Smith has asked Sprint to let the District know where they are with the meter reading.

2. Chief Smith introduced Accountant Hom to present the mid-year financial report covering July through December 2012. Accountant Hom reported on the following budget categories:

District Total Revenues are at 50%. The District has received 55% of the property tax income; the balance due will be paid in two payments: April and June. The District figured Special Assessments exactly and is on budget, currently at 55%. KFD has not received its Excess ERAF (Education Revenue Augmentation Fund). Accountant Hom is hopeful it will post by the end of January. This figure is volatile as it depends on student enrollment and taxes that are beyond the scope of the evaluation of property. Plan Check Fees are at \$11,500 and cell site revenue is at 50%. The District did receive reimbursement on a worker's compensation absence but has yet to receive an estimated \$105,000 reimbursement from CalEMA for two fires the District responded to in 2012. Unfortunately the overtime has already been incurred for that time period because KFD

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had to back fill to cover worker's comp leave and the personnel responding to the CalEMA incidents. Total revenue is currently at \$2.1 million.

Salaries and Benefits are at 50%. Overtime costs YTD are at \$200,000, 61% of budget due to worker's compensation absences and outstanding reimbursements from CalEMA for two out of county fires. Accountant Hom advised the Board we may need to approach the Board in March to request a budgetary adjustment. Health insurance is at 60% due to District paying seven months of premiums in just six months. OPEB is on budget at 50%.

Service & Supply is at 53% of budget with no major concerns. County Dispatch invoices are not necessarily received during the month or quarter during which the expense occurred resulting in an underreporting of expenses in that particular category.

Capital Outlay is well under budget. We still have budgeted funds for SCBA. The District has not heard if the grant has been approved. If approved, the District will only use approximately \$20,000 of the \$180,000 budgeted.

Debt Service is currently at 51%. The District will make two payments this year for the fire station and one for Solar PV system which has a 0% interest loan.

The District budget is currently showing a \$36,000 surplus. The surplus will increase once the District is reimbursed the \$105,000 from CalEMA.

The Board reviewed some questions with Accountant Hom. Accountant Hom noted that property taxes are up \$50,000 from last year at the same time; commenting the economy is starting to turn around. He also pointed out that the Special Assessment taxes are flat. The only way to increase these taxes is to go to the voters or seek a COLA. Director Murray led a discussion with the Board on options to use to increase the special assessment taxes. The current special assessment, established in 1980, is .06 per square foot of living space without a COLA. After lengthy discussion among the Board members Chairman Gerbsman asked Chief Smith to gather data, consult with resources and create a plan of action to implement a measure and bring suggestions to the board for action at our next meeting. The Board recognized it has been a long time since they have gone to the voters seeking an increase in these Special Assessment taxes.

Chief Smith reviewed the current assigned and unassigned fund balance categories for the Board. He began his presentation with an historical perspective comparing 2003 accounts up to 2012, looking at trends and discussing reasons for account fluctuations. In 2003 the District had only half of the accounts; additional accounts were created due to funding needs. The Chief explained his goal in presenting this information is to inform the Board on where the funds are today so the Board can make recommendations on how to reallocate funds to meet the District's business needs. Chairman Gerbsman asked Chief Smith what he would recommend. The Chief recommended looking at the following funds: 1) Building Replacement Fund because it may be fifty years before these funds are needed. The District may consider reducing the amount in this fund or could refinance to a ten year loan in 2014 paying down some of the debt and reduce the interest rate. Then the District is financing a reduced amount at a lower rate. 2) The Compensated Absences Fund currently holds \$400,000. This amount covers absences for the entire staff's vacation, sick and holiday pay. However the liability for just one year's payout is only \$105,000. The Chief would consider moving \$300,000 from this fund. For contingencies and emergencies the Chief referenced the Best Practice handout in the Board packet, provided by Accountant Hom, written by the Government Finance Officers Association that recommends agencies have an estimated two months total budget in reserves. In summation Chief Smith noted the pie is the same size, it just may need to be sliced differently. A discussion needs to take place to decide on the logic of paying down the long term debt of OPEB trust, funding a fire station, including considerations of refinancing the existing debt at a preferred rate in 2014, and budgeting for unfunded retirement liabilities such as CalPERS. After some discussion Chairman Gerbsman suggested a sub-committee be formed to work with Chief Smith and Accountant Hom. Director Murray and Chairman Gerbsman volunteered to staff the sub-committee. The meeting will be scheduled for the end of January. The sub-committee will prioritize the funds and present the results at the next board meeting as an action item. Chief Smith recognized the Board for their outstanding job the last ten years, many of them lean, in maintaining the District's budget.

CORRESPONDENCE: None

Chairman Gerbsman thanked Chief Smith and Secretary Mulkeen for coordinating the Board sponsored reception. He felt it was small, intimate and informal and was enjoyed by all who attended.

DISTRICT OPERATIONS: The Incident Log and Overtime Report were reviewed.

DIRECTOR'S REPORT:

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CHIEF'S REPORT:

1. Chief Smith updated the Board on fire prevention activities. He referred Board members to the 2012 Fire Prevention Annual Report prepared by B/C Galli that was distributed at the meeting. Chief apologized for this report not being in the packet for review prior to the meeting. He recommended members read the report and contact him with any concerns. Chief Smith advised the board that B/C Galli has been out on a worker's compensation injury and hopes he will be able to return to work on modified work duty. For the past two months Chief Smith has been covering fire prevention duties but found it was very time consuming. He has hired Lynne Osgood on a part-time basis to fill the void and will use the funds from the extra hire category to pay her. Lynne came highly recommended by the Fire Marshalls at County Fire and Novato Fire. She is familiar with plan checks, sprinkler systems and working with the public. She will work Mondays and Wednesdays as needed.
2. Captain Glenn reported the Volunteer Firefighter program is on track to start the new program and test employees on Monday, January 21. Captain Glenn and Engineers Fox and Pomi will be on the evaluation committee. The tests will be conducted at Kentfield Fire District, run about two hours per firefighter, and evaluate basic evolutions including the proper use and deployment of ladders, breathing apparatus and hose lines.

OTHER: N/A

APPROVAL OF WARRANTS: M/S Murray/Corbet to approve Warrants No. 5134 to and including 5211 in the amount of \$347,539.08. All Ayes.

The next regular meeting will be held on Wednesday, February 27, 2013

A moment of silence was held for departed members.

M/S Gerbsman/McLeran to adjourn this meeting at 7:45 p.m. All ayes.

Respectfully submitted,

Sharon Mulkeen
Recording Secretary

**KENTFIELD FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS MEETING**

MEETING TYPE: Regular

DATE: Wednesday, February 27, 2013

CALL TO ORDER: 6:27 p.m. by Chairman Gerbsman. Chairman Gerbsman led the assembly in the Pledge of Allegiance.

ROLL CALL: All Directors were present except Director Murray. Also in attendance were Accountant Hom, Counsel Vuillermet, Chief Smith and Recording Secretary Mulkeen.

APPROVAL OF PRIOR MONTH'S MINUTES: M/S Naso/Corbet to approve the minutes of the previous month. All ayes.

PUBLIC COMMENT PERIOD: As there were no members of the public in attendance, no comments were received.

NEW BUSINESS:

1. Chief Smith introduced Resolution 1-2013 to continue the Ross Valley Paramedic Tax. Chief Smith explained the Board needs to approve the annual Ross Valley Paramedic Tax in order for the County Assessor to place the fee on the next property tax bill. All eight member agency boards of the Ross Valley must approve a similar Resolution. The assessment is going up \$1.00 this year to \$48.50. These assessments are approved every year and elected by the voters every four years. Resolution 1-2013 was introduced for Board consideration resolving the \$48.00 tax plus a 50 cent County administrative fee. Chief Smith asked the board to review and discuss the Resolution and vote via roll-call. After a short discussion M/S McLeran/Naso to approve the Resolution 1-2013 increasing the assessment to \$48.50 per taxable living unit or per 1,500 square feet of structure developed parcel in non-residential use for Ross Valley Paramedic Authority services during the fiscal year 2013-14. Roll Call: Corbet-Aye, Gerbsman-Aye, McLeran-Aye, Naso-Aye. Resolution passed. Chairman Gerbsman signed the Resolution. Director Murray will sign by the end of the week. A signed copy of the Resolution will be sent to Fire Chief Bob Sinnott for the record.
2. Chief Smith presented an overview of the Fire District tax assessment and Resolution which was passed in 1980. This special fire tax assessment approved a tax up to 6 cents per square foot of living space, without an inflation adjustment. In 1980 the tax was overwhelmingly approved. Through his research Chief Smith reported most of the Marin County jurisdictions and other areas in the state have fire assessments on the entire property square footage, inclusive of the garage and ancillary buildings. In presenting this to the Board, Chief Smith requested an open discussion, not a decision, on the current price point at 6 cents per square foot and how an increase might affect a property owner's total tax liability. Accountant Hom added it would also be beneficial to include a CPI adjustment. The Chief, based on last Board meeting discussions, is exploring different approaches to increase revenues that would benefit the District, helping to fill some of our short and long term financial goals. Counsel Vuillermet would work with Chief Smith to develop the Resolution, Ordinance and the ballot measure if the Board directs. She noted there is new case law on how the District may be able to structure special taxes. Specifically stating you can't have a variety in the amount of tax you tax different parcels. She will research the case and follow up with the Chief. Chief Smith presented property tax comparisons on four properties in our district (Greenbrae, Del Mesa, McAllister and Kent Woodlands) all reflecting the KFD assessment is less than 1% of the resident's property tax liability. Chief Smith requested the Board to discuss an increase to the fire tax assessment. Discussion ensued as the Board calculated numbers and looked at KFD funding needs.

Chief Smith introduced SCI Consulting Group Consultant Mary Shilts. Also present were Consultants Blair Aas and Jennifer Pearly. Mary thanked the Board for the opportunity to present what SCI Consulting can offer the District. She explained that SCI Consulting has been in business for 28 years and works with special districts and school districts to help manage source of funding through special tax or special assessments. Consultant Shilts gave an overview of the services the group offers, time lines, outreach and the end product. Consultant Shilts noted that the District has been a good custodian of the public funds but that there is a business need for more. She recommended that the District take the first step and conduct a survey in the community and ask them what they would support and what they would not support. The Districts they have worked with that went out and conducted a survey have seen a 95% success rate. They are a conservative firm and want their clients to succeed. The District will have two assessment options, parcel tax or benefit assessment. The survey will help determine which option would be supported by your community. After the presentation the Board had a question and answer period. Counsel Vuillermet asked if they provide a benefit assessment. SCI Consulting verified they do with an engineer on staff. Chairman Gerbsman asked about the cost of these services. Consultant Shilts explained the costs of the services they provide vary depending on which services are chosen. Consultant Shilts closed her presentation noting if KFD wanted to go forward they would be happy to provide the

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District with a proposal and fee schedule. She added, if you hire SCI Consulting they will present the best data analysis for the Board to decide to go forward with the assessment and if the data shows a “no go” they will provide recommendations on what to do to improve future chances. The Board thanked Mary for the presentation. After a Board discussion, the Board asked Chief Smith to request a proposal from SCI Consulting for presentation at our next meeting.

UNFINISHED BUSINESS:

1. Chief Smith began the presentation describing the District’s financial trends over the last several years: the 10 year CPI trend, flat property tax revenues for the last five years, the increase in annual personnel costs, flat service and supply costs for the last 4-5 years, and concern for the apparatus replacement fund. Chief Smith presented graphs and charts representing the current and proposed assigned balance reserves and the Reserve Fund Subcommittee recommendations. Chief Smith, Accountant Hom, Chairman Gerbsman and Director Murray made up the subcommittee and recommended realigning some of the funds to meet the District’s short and long term financial goals. Chief Smith explained that in the last ten years our assigned reserve accounts have increased with the creation of a number of additional categories based on business needs. The subcommittee recommended the following changes:

Apparatus (Acct 6910): increase apparatus reserves by \$100,000, from \$552,643 to \$652,643 in order to more closely meet the timeline to purchase new apparatus.

Building Replacement (Acct 6915): reduce the fund by \$200,000 from \$272,899 to \$72,899.

Compensated Absences (Acct 6920): reduce the fund by \$277,000 from \$407,973 to \$130,973. It is unlikely KFD personnel would expend all accrued vacation and sick leave in one year.

Contingencies and Emergencies (Acct 6925): increase the fund by \$100,000 from \$295,000 to \$395,000 in a long term, multiyear effort to meet the minimum of two months budget reserve as suggested by Accountant Hom and recommended by the Government Finance Officers Association best practice.

LDH (Hose) (Acct 6930): no proposed changes. Account remains at \$30,000.

Marin Emergency Radio Authority (Acct 6935): decrease the fund by \$35,000 from \$72,580 to \$37,580.

PERS Unfunded Liability (Acct 6940): increase the fund by \$373,100 from \$427,390 to \$800,490 to fill the liability for a retired miscellaneous employee and conform to KFD Resolution 2003-1.

OPEB (Acct 6942): no proposed changes. Account remains at \$199,983.

SCBA (Acct 6945): no proposed changes. Account remains at \$180,000.

General Insurance Deductible (Acct 6950): decrease the fund by \$13,100 from \$23,100 to \$10,000.

Health Insurance (Acct 6955): no proposed changes. Account remains at \$25,000.

Hydrants and Mains (Acct 6960): reduce the fund by \$20,000 from \$30,000 to \$10,000.

Mapping and Planning (Acct 6965): reduce the fund by \$28,000 from \$58,000 to \$30,000.

Heavy Rescue Equipment (Acct 6970): no proposed changes. Account remains at \$25,000.

Debt Service Sinking Fund (Acct 6975): no proposed changes. Account remains at \$250,000.

The Board reviewed the proposed 2013 fund balances and a short discussion ensued. Chief Smith reported he and Accountant Hom were pleased with the subcommittee work; that Chairman Gerbsman’s expertise and Director Murray’s historical perspective on how and why these funds were created in the 1990’s added to the process resulting in a very productive meeting. M/S McLeran/Naso to adopt the 2013 fund balance as presented by the subcommittee. All Ayes.

2. Chairman Gerbsman and Director Naso worked with Counsel Vuillermet and Chief Smith to address the AT&T Cell Site Contract issues. Chairman Gerbsman reported to the

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Board that the AT&T Cell Site Contract is agreeable to KFD. Counsel Vuillermet advised there was one issue AT&T was uncomfortable with but counsels have since resolved it and both sides are comfortable with the contract language. She feels this is a much better contract for the District. Before KFD can sign the contract AT&T needs to address two outstanding issues: the lease premises haven't been finalized and the EMF Report has not been submitted. Counsel Vuillermet would like to present the completed contract to the Board one last and final time with the actual attachments and exhibits at our next board meeting. Mario Vernizzi, from AT&T Mobility-Real Estate Administration, introduced Fu Chang of Vinculums, Director of Operations, who will be taking over operations going forward. Chief Smith reported the key issues with the District and the neighbors were the size and bulk of the structure and screening, and that the District, as good stewards, wanted to make sure that the EMF study was done correctly within legal limits. Chief Smith thinks if AT&T has the drawings and the report ready for a March presentation to the Board we will hear from the neighbors and what their concerns are if any. Then we can move forward with a clean slate with regards to the EMF report. Mr. Chang reported it will take 14-21 days to get the drawing and EMF report completed. Chairman Gerbsman noted our next scheduled meeting is March 20, given that date if the exhibits are not ready by then Mr. Chang was directed to contact Chief Smith to schedule a later date in March as the District would like to accommodate him. Chairman Gerbsman thanked Mario Vernizzi for his time and noted that KFD is pleased the process is moving forward.

CORRESPONDENCE: Reviewed

DISTRICT OPERATIONS: The Incident Log and Overtime Report were reviewed.

CHIEF'S REPORT:

1. Chief Smith updated the Board on Fire Prevention activities. B/C Galli is still on disability leave. The District is working through the process with our worker's comp administrator on his care and physical therapy and potential modified duty assignment. In his absence Chief Smith expressed gratitude that Lynne Osgood is working for the District 16 hours a week. She is very busy with inspections and plan reviews.
2. Chief Smith reported the District sponsored Marin County Volunteer Firefighter Academy over the weekend. KFD trained the participants on salvage and overhaul. Mill Valley and Marinwood volunteer firefighters participated, training each on a specific topic.

The KFD volunteer firefighter evaluations are still in progress with two more to complete. Chief Smith feels the process with Captain Glenn leading the committee with Engineers Fox and Pomi is very comprehensive and fair. Captain Glenn will provide an evaluation report upon completion of this initial round. Chief Smith commented he is very pleased with the new training program and academy.

OTHER: N/A

APPROVAL OF WARRANTS: M/S Gerbsman/Corbet to approve Warrants No. 5212 to and including 5282 in the amount of \$369,859.23. All Ayes.

The next regular meeting will be held on Wednesday, March 20, 2013.

A moment of silence was held for Karen Shubin, B/C at St. Helena Station who recently passed away. Karen was Kentfield Volunteer Firefighter Kayla Shubin's Aunt. Karen's husband, Dave Shubin and his two brothers started their firefighter careers at the Kentfield Fire District.

Meeting adjourned at 7:55 p.m.

Respectfully submitted,

Sharon Mulkeen
Recording Secretary

**KENTFIELD FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS MEETING**

MEETING TYPE: Regular

DATE: Wednesday, March 20, 2013

CALL TO ORDER: 6:30 p.m. by Chairman Gerbsman. Chief Smith led the assembly in the Pledge of Allegiance.

ROLL CALL: All Directors were present. Also in attendance were Chief Smith and Recording Secretary Mulkeen.

APPROVAL OF PRIOR MONTH'S MINUTES: M/S McLeran/Naso to approve the minutes of the previous month. All ayes. Director Murray abstained.

PUBLIC COMMENT PERIOD: As there were no members of the public in attendance, no comments were received.

NEW BUSINESS:

1. Chief Smith introduced the Marin LAFCO Agency Ballot Election materials. He reiterated that there is one member from a special district that sits on this commission. As discussed in a previous meeting he had asked the Board if anyone was interested in being elected to this agency and we did not submit any candidate applications. Chief Smith asked the Board to discuss the nominees and rank them from 1 to 3. The ballot presented tonight lists four nominees with qualification letters attached: Lew Kious-Almonte Sanitary District, Jack Baker-North Marin Water District, Richard Snyder-Sanitary District 5, and Craig Murray-Las Gallinas Valley Sanitary District. Chairman Gerbsman polled the Board on the nominee recommendations and the following raking was decided: #1 Craig Murray, #2 Lew Kious, and #3 Richard Snyder. M/S McLeran/Murray to approve ranking as decided. All Ayes.
2. Code Section 54957) Title: Fire Chief was moved to the bottom of the agenda in an effort to complete our regular business and conclude with the meeting performance evaluation.
3. Financial Accounting Issues were addressed by Chief Smith. He had a previous conversation with Chairman Gerbsman regarding the financial accountability of KFD and the Board in light of the recent subcommittee meeting on designated reserves and assigned fund balances, and the media attention on other Marin public agencies fiscal responsibility or lack of responsibility and trust of the public's tax dollars. Chief Smith had asked Accountant Hom to attend tonight's meeting but was unable to attend due to other meeting commitments and sent his regrets. Chief Smith reviewed the current bill paying practice at KFD, defined by past auditors as separation of duties. At KFD when purchases are made a purchase order is created and signed by the company officer. The purchase order and receipts are attached and submitted to the District Secretary. When the bills are received Secretary Mulkeen attaches the receipts and/or purchase orders to the bills; each bill is categorized and reviewed by Chief Smith; checks are created and printed by Secretary Mulkeen. Chief Smith and Secretary Mulkeen do not have authority to sign the checks. The checks are signed by two Directors. At time of signage Directors review expenses to ensure they are appropriate if not Directors should question them. Subsequently the checks are mailed out to the vendors. When the cancelled checks are returned Accountant Hom is the only person that reconciles the checking account. Every month the Board receives the monthly Warrant List report in the Board packet for review and approval during the meeting. All monthly warrants are brought to the Board meeting in case a board member has a question on a bill. Chief Smith noted he and the Board haven't reviewed "best practices" in several years and suggested it may be time to take a look at our current practices and approve current practice or make recommendations to improve them. Director Murray commented he was comfortable with current practice but thought this would be a healthy exercise and supported the idea of creating a subcommittee to make recommendations and changes if needed. Chairman Gerbsman noted the issue is more public perception vs. reality and there is no question from his perspective of the ethics and integrity of the group. KFD has good practices but perhaps looking at "best practices" will improve our product. He asked for two board members to volunteer to work on the subcommittee. Directors Murray and Naso volunteered. Chairman Gerbsman directed them to work with Chief Smith and Accountant Hom to review practices and bring recommendations back to the Board meeting in May. Chairman Gerbsman asked Chief Smith to ask Accountant Hom to outline, in writing, his policies, practices and disciplines to present to the board; that the Chief outline his thoughts to reinforce best practices; and to schedule a meeting with Directors Murray and Naso, Accountant Hom and himself, have an open dialog and bring your findings back to the May board meeting. This will provide the Board with an audit trail the District will be comfortable with. He reiterated that as a Board we are dealing with perception over reality because of issues in other Marin agencies. We just want to make sure our bases are covered and we are doing the right thing. Director Murray added it's best to be proactive and Director McLeran noted KFD needs to demonstrate, above and beyond, that we use the best financial practices in trust of the public's tax

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dollars. The Board decided to be proactive in reviewing its financial policies, procedures, disciplines and best practices. Chairman Gerbsman thanked Chief Smith for his direction.

UNFINISHED BUSINESS:

1. Chief Smith informed the board on his meeting last week with the AT&T subcontractor, Vinculum, for a site visit. Vinculum was selected by AT&T to provide KFD with a RF Study and building plans. During their meeting the subcontractor respectfully requested a time extension, they had initially committed to 14-21 days, on the RF Study and building plans. The Vinculum subcontractor thought they could have the study and plans ready by March 28. Chief Smith told the subcontractor he would present this request to the Board. A discussion followed on meeting dates and timelines so the public is informed on this information. The Board concluded it will hold a special meeting April 4 or 5 for the AT&T presentation of the RF study and plans. Chief Smith will finalize the date with board members and invite the subcontractor. The board feels meeting with the AT&T subcontractor the first week of April will allow them time to review the information, disseminate the RF study and building plans to the community and staff in preparation for the May Board of Directors meeting. This will give the community ample notice to review the information and time to solicit their input and attend the May meeting if they choose.
2. John Bliss, Vice President of SCI Consulting was introduced by Chief Smith to present their Feasibility Analysis, Survey and Professional Consulting Services Proposal, which was emailed to board members this week and distributed at the meeting. Mr. Bliss thanked Chief Smith and the board members for the opportunity to present their proposal. Mr. Bliss noted SCI has been in business 28 years and has performed two to five assessments per year. The proposal before the board is for a mailed survey, a common step in the process, which gives the District answers to questions, i.e., optimal mechanism to use, timing, rate and threshold, and what the measure should encompass. The survey is mailed to property owners and renters that are registered to vote in the district with an estimated response of 20-30%. The responses give SCI feedback on whether to go forward with the measure or not and then how to package the assessment.

If KFD decides to move forward the second step involves selecting a funding mechanism: a special tax or a benefit assessment. A special tax requires 2/3rds of the registered voters to pass the measure.

The other option is a benefit assessment. It requires an engineer's report and a board resolution. It's a mailed balloting but not an election by California law so it is not handled by the Registrar of Voters but rather handled by your engineering consultant. If KFD hired SCI they would handle the engineering report. SCI will work with KFD to develop a balanced, unbiased ballot and notice. This approach is more expensive than a special tax to start up; it brings with it a slightly higher vulnerability to a legal challenge. What makes it attractive is it needs only 50% threshold of property owners to pass rather than a 2/3rds vote. The recent trend has been more benefit assessments but he has seen a growth in special assessments.

Estimate of cost for a benefit assessment is \$35,000; \$25,000 for a special tax. Charges from the Registrar of Voters are unknown.

Chief Smith asked if SCI would recommend a sunset. Mr. Bliss commented a sunset would be a decision from the District. His experience has been if you need a few more votes a sunset is added with a limit of less than 10 years. Common sunsets now are five and nine years. SCI does not recommend sunset and if they do it's because the agency is pushing the rate. Mr. Bliss recommended including a CPI in the measure noting it has been his experience that the fire service rates raise faster than the CPI rate.

Mr. Bliss continued with information on the outreach component of Phase Two. SCI's number one approach with outreach is going door to door, emphasizing face to face meetings and volunteer participation. They suggest the District personnel, the volunteer firefighter association, and board of directors walk the community. They provide the walk lists and scripts.

Chief Smith recommends the District go ahead with the survey, taking the first step in this process. The fee for this first step is \$4500. The Board members engaged Mr. Bliss in a question and answer session. Chairman Gerbsman requested Mr. Bliss provide more detail on the agreement and requested the following changes on the formal agreement: itemize services provided for \$4500, list services provided in Phase Two, itemize incidental expenses incurred as they relate to specific tasks and increase meetings in person from three to six. These changes would make the agreement reasonable and fair. Mr. Bliss was instructed to work with Chief Smith on the agreement. M/S Murray/McLeran to approve the SCI proposal to provide Feasibility Analysis, Survey and Professional Consulting Services with the changes requested by Chairman Gerbsman. All Ayes. The Board and Chief Smith thanked Mr. Bliss for his presentation.

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CORRESPONDENCE: N/A

DISTRICT OPERATIONS: The Incident Log and Overtime Report were reviewed.

CHIEF'S REPORT:

1. Chief Smith met with the KAOF President, Vice President and Secretary/Treasurer, the new association leadership, last week and reported he was pleased with the comprehensive attention to detail. The 2013 books are clean; the 2012 tax return is in progress and the leadership team has a plan in place to file the required forms on time. The Association had not heard from the IRS on prior year tax returns. Nor have they or their Accountant heard from the IRS on the Association's 501(c) status.
2. Chief Smith reported he received two letters from FEMA. The first letter stated that as a result of the sequestration FEMA lost \$104 million. A part of that was aid to firefighters. The second letter the District received from FEMA stated it was not a letter of grant approval however they were requesting the District's banking account and routing number for grant deposit of funds. This does not mean we have been awarded a grant. KFD has not received a final award letter. Chief Smith advised that past grants have been deposited in the Bank America account at the County of Marin where the money gets comingled with other Districts in the County, making it difficult to track for Accountant Hom. Chief Smith requested the direction of the Board to open a grant checking account at WestAmerica Bank making it easier for the Chief to manage funds and expenses and Accountant Hom to financially track funds. The account will be established similar to our current payroll account at WestAmerica Bank and have two Directors for signage. Officers on the Board, the Chairman, the Vice Chair and Secretary will need to sign the new account paperwork. All Board members were in agreement to allow Chief Smith to open the account at WestAmerica Bank.

OTHER: N/A

APPROVAL OF WARRANTS: M/S Murray/McLeran to approve Warrants No. 5283 to and including 5344 in the amount of \$250,892.69. All Ayes.

Meeting moved to **closed session** at 7:34 pm to conduct Public Employee Performance Evaluation (pursuant to Government Code Section 54957) Title: Fire Chief. The closed session concluded at 7:42 pm and resumed open session with no reportable action(s) taken by the Board.

A special meeting will be scheduled on April 4 or 5. The date will be determined by Chief Smith.

The next regular meeting will be held on Wednesday, April 17, 2013.

A moment of silence was held for departed members.

Move for adjournment by Murray, second by Corbet. All Ayes. Meeting adjourned at 7:44 pm.

Respectfully submitted,

Sharon Mulkeen
Recording Secretary

**KENTFIELD FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS MEETING**

MEETING TYPE: Special

DATE: Wednesday, April 3, 2013

CALL TO ORDER: 3:34 p.m. by Director Murray. Director McLeran led the assembly in the Pledge of Allegiance.

ROLL CALL: Directors Corbet, Murray and McLeran were present with the exception of Chairman Gerbsman. Director Naso joined the meeting at 4:00 pm remotely from location in San Diego. Also in attendance were Chief Smith and Recording Secretary Mulkeen.

APPROVAL OF PRIOR MONTH'S MINUTES: M/S Corbet/McLeran to approve the minutes of the previous month. All ayes.

PUBLIC COMMENT PERIOD: As there were no members of the public in attendance, no comments were received.

NEW BUSINESS:

- a. **CAL FIRE Grant Authorization Request:** Chief Smith referenced the CAL FIRE memorandum in the Board packet advising fire departments of 2013-14 grant opportunities under the Volunteer Fire Assistance Program for personal protective clothing and equipment. Chief Smith reported meeting with Engineer Johnston, who manages the District personal protective clothing, that the District could use \$10,000 to cover this expense. CAL FIRE is requesting approval, at the Board level, that the District Chief has authority to submit the grant application by April 22. M/S Murray/McLeran to authorize Chief Smith to submit the CAL FIRE application for Personal Protective Clothing and Equipment before the April 22 deadline. All Ayes.

UNFINISHED BUSINESS:

- a. **AT&T Cell Site Report:** Alan Casebier, from Vinculums introduced himself, Richard Weimer, AT&T Construction & Engineering and Rajat Mathur, P.E, of Hammett & Edison, Inc. who presented the cell site reports. Mr. Casebier distributed the site project description, Exhibit B-the proposed project plan and the Radio Frequency report created by Hammett & Edison, Inc. Mr. Mathur, a licensed professional engineer, reviewed the Radio Frequency report highlighting his findings. He reported all areas, except sections on the roof, are within FCC limits. He recommends that AT&T post signs on the roof, as required by FCC regulations, which warn of exposure limits. A discussion followed regarding the roof exposure limits and the Board's concern with personnel exposure. It was decided that Mr. Mathur will provide KFD with rooftop drawings that identify the sections exceeding the FCC limits and that construction crews could stripe those sections of the rooftop too. The team would verify the number of actual antennas currently on the roof. Mr. Weimer, noting concern from the Board, will create an action item and pull the proposed east facing antennas as far forward as possible to limit RFE exposure. Chief Smith thanked Mr. Mathur for presenting his report and asked if he or a representative from his company could attend our next board meeting on Wednesday, April 17 at 6:30 pm. The District would need someone from Hammett & Edison, Inc. to respond to public questions on the RF Study.

Upon review of Exhibit B, the proposed project plan, Chief Smith commented it was incomplete. The lease document refers to a specific premise. The premise exhibit should define the lease space, cable trays, antennas (active and dummies) and their sizes, heights and area on the roof. The District is requesting these definitions be included so the District does not have to renegotiate the lease again. For example identify antenna space A, space B, 4 feet tall, 2 inches wide, etc. Once the premise is defined and the lease is signed AT&T will not have to renegotiate access with the District to activate a dummy antenna. The District would have a clear picture of the proposed plan. Chief Smith inquired about the power route for AT&T's a/c power and if the details need to be in the premise. Mr. Casebier responded that an easement would be needed and he would look into that. A discussion ensued on methods of installing this power source and the need for the information to be on the exhibit. Mr. Casebier added his Construction Manager has talked with PG&E to get a determination and noted it will be a long process. He added they may still need a permit from the County to move forward. Chief Smith thought he had received permit information from the County and would advise Mr. Casebier after reviewing the KFD office files. Chief Smith is scheduled to meet with Mr. Casebier on Tuesday, April 9. If Mr. Casebier has an updated Exhibit B by Friday, April 12 he was advised to forward it to the District Office to be included in the Board packet for the next board meeting on Wednesday, April 17. If not, the District will distribute the current copy of Exhibit B to the board and the general public upon request. The Board thanked Mr. Casebier, Mr. Weimer and Mr. Mathur for their presentation and look forward to the April 17 meeting.

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- b. Kentfield Association of Professional Firefighters-Local #1775:** Director Murray referenced the KAPF memo in the Board packet requesting their 2013-14 contract negotiation process be placed on the next regular Board meeting agenda. B/C Hadfield commented a negotiation team will be selected at the next association meeting and representatives will attend the next Board meeting on Wednesday, April 17. Director Murray thanked B/C Hadfield and noted the Board looks forward to the negotiation.

The next regular meeting will be held on Wednesday, April 17, 2013.

A moment of silence was held for departed members.

M/S Murray/McLeran to adjourn meeting at 4:25 pm. All Ayes.

Respectfully submitted,

Sharon Mulkeen
Recording Secretary

**KENTFIELD FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS MEETING**

MEETING TYPE: Regular

DATE: Wednesday, April 17, 2013

CALL TO ORDER: 6:32 p.m. by Chairman Gerbsman. Director McLeran led the assembly in the Pledge of Allegiance.

ROLL CALL: All Directors were present. Also in attendance were Chief Smith and Recording Secretary Mulkeen.

APPROVAL OF PRIOR MONTH'S MINUTES: M/S Naso/McLeran to approve the minutes of the previous month. All ayes.

PUBLIC COMMENT PERIOD: There were no comments received from the public.

NEW BUSINESS:

- a. **Board of Director Confirmation of Office Holders: Chief Smith referenced this** document from the board packet. He explained the Marin County Department of Elections is confirming the list of office holders, terms in office, date of election or appointment and their private residence address only. This document is in preparation for the November 2013 election. Next month there will be a Resolution for the Board to review and vote on. Director Murray questioned the District paying for the publication of candidate's statements. A discussion followed resulting in a M/S Murray/Gerbsman to require the candidate pay for the publication of their statements and not the District. All Ayes. Director Murray as Secretary on the Board will sign the document.
- b. **FAIRA Governing Board of Directors Member Election Ballot:** Chief Smith introduced the ballot. FAIRA is a JPA providing liability insurance to Fire Districts. The FAIRA Board has four openings. The KFD Board of Directors was directed to review, discuss and vote on up to four Districts to be represented on this Board. Chief Smith recommended Alpine FPD, Aromas Tri-County FPD and Rancho Cucamonga FPD. After a brief discussion a M/S Murray/McLeran to vote for Alpine FPD, Aromas Tri-County FPD and Rancho Cucamonga FPD to fill the open positions on the FAIRA Board of Directors. All Ayes.
- c. **Current Staffing Situation:** Chief Smith presented his proposal to post a temporary firefighter position and requested Board approval to fund the position for an additional \$13,500 effective immediately. In addition he noted hiring a temporary firefighter would provide the District additional staff flexibility for emergency response and vacation coverage but will also provide a cost savings of approximately \$14,000 through fiscal year end. M/S McLeran/Naso to approve temporary firefighter position and the additional \$13,500 funding required. All Ayes.

UNFINISHED BUSINESS:

- a. **AT&T Cell Site Report:** Chairman Gerbsman asked Chief Smith to present the current status of the AT&T project and business relationship. Chief reiterated the project started three years ago; in 2012 the District started working diligently with AT&T representatives and met with the Board of Directors and Counsel a number of times regarding the contract. At the February 2013 meeting the representatives from AT&T told KFD they would have the Radio Frequency Study and Exhibit B, defining lease area and premise, ready in two to three weeks for the regularly scheduled board meeting. The Board offered an extension to the middle of April if needed. When the documents arrived today at 4:00 pm they were incomplete. Chief Smith voiced his frustration with the total lack of progress on this project for three years. Chairman Gerbsman firmly expressed the Board's frustration and sheer disappointment with AT&T's business practices, their incompetence and lack of movement on the project. Chairman Gerbsman recommended that the Board have a discussion that stops this project unless KFD receives a good faith gesture of \$10,000, as a lease agreement/good faith payment from AT&T based on completing this project. Chairman Gerbsman noted AT&T is responsible and accountable to the District to complete this project. If AT&T cannot perform in a reasonable amount of time the Chairman will suggest to the Board that KFD end the project.

Richard Weimer, of AT&T Network Services and Support, responded noting the project has not been managed efficiently and made a solid promise to complete the lease exhibits by Friday, April 26 or AT&T will call this deal dead.

At this time Rajat Mathur, P.E., a licensed professional engineer of Hammett & Edison, reviewed the Radio Frequency report distributed at the meeting, highlighting his projected radio frequency emissions. He reported all areas, except sections on the roof, are projected to be within FCC limits. His report categorized FCC exposure limits into two

**KENTFIELD FIRE PROTECTION DISTRICT
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categories: Occupational and Public. Mr. Mathur reported exposure limits are as follows: at ground level, from all three carriers, exposure is 7% of FCC public limits; the KFD dormitory is at .45% of public exposure limit; and the residences on the northeast side of the property are 4.2% of the public exposure limit. The fire station roof area has sections that are above the FCC occupational limits, noted in Figure 3 of his report. Radio frequency exposure is highest right in front of the antennas and dissipates with square footage distance. He noted the directional antennas point to the horizon to get the most coverage. Mr. Mathur added to prevent occupational exposure in these areas on the roof he recommends AT&T post a roof top sign warning of these exposure limits with contact information for power downs in light of roof repair work, routine maintenance or an emergency. Chairman Gerbsman requested Chief Smith create a District policy and procedure with protocol to document this process.

Dr. Goode, a neighborhood resident representing the court area behind the firehouse, questioned what was the exposure level to children at the crosswalk in front of the station? Mr. Mathur responded the exposure level is 7% of FCC public limits because the antennas point towards the horizon, at roof level, not towards the ground. After some discussion Mr. Mathur offered to visit the station and measure the current RF exposure levels on the roof, inside the station and the grounds surrounding the station. Chairman Gerbsman requested that Mr. Mathur return and re-measure these areas once the AT&T equipment has been installed and is operational of which Mr. Mathur agreed. Dr. Goode thought it would be important for him to contact residents living above the court area and advise them of this information. Director Murray asked Dr. Goode to inform his neighbors that KFD has always been concerned for its neighbors and would appreciate their feedback on this project. Chief Smith advised Dr. Goode of his desire to keep him informed, and that if he receives any proper drawings, elevations, dimensions and photo sims from AT&T he will forward them to him. Chairman Gerbsman thanked Mr. Mathur for his presentation.

- b. Kentfield Association of Professional Firefighters-Local #1775:** Captain Glenn reported he, Engineers McKnight and Viau are the negotiation team members this year. Engineer Trimble, as President of the organization, will attend meetings also. He distributed the Negotiation Ground Rules Agreement between the Kentfield Fire District and Kentfield Association of Professional Firefighters to the board members. The Board reviewed and accepted the ground rules. The Agreement was signed by Chairman Gerbsman and Captain Glenn. Captain Glenn requested a negotiation meeting date, preferably on A Shift. A meeting was scheduled for Monday, May 6 at 4:00 pm. Captain Glenn thanked the Board for their time.

CORRESPONDENCE: Thank you notes were reviewed.

REPORTS:

- a. March Overtime and Incident Reports:** Reviewed.
- b. Volunteer Program:** Captain Glenn updated the Board on the progress of the new program. The basic requirement standards changed requiring applicants to have either an EMT or Firefighter 1 certification. Captain Glenn reported KFD currently has two candidates in the background check process. Since the beginning of the year he, Engineers Fox and Pomi have tested and evaluated all the volunteers. The tests incorporated verbal and hands-on techniques. The evaluation team feels this is a good process and beneficial to all parties. Evaluation results were shared with Chief Smith. Chief Smith noted these evaluations will be considered, along with the interviews, for the Temporary Firefighter position. The Chief and B/C Hadfield will conduct the interviews immediately with a projected start date of May 1.

CHIEF'S REPORT:

- a. Update on California Board of Equalization SRA Fee Collection:** Chief Smith has been following this issue closely and reported the Board of Equalization has received 22,000 appeals. Their staff reportedly cannot keep up with the demand. The Board of Equalization suspended sending out bills in March. Meanwhile the State Legislature is reviewing alternate funding mechanisms.
- b. Update on Cal Fire and FEMA Grant submissions:** Chief Smith reported having met with Engineer Johnston and drafted the Cal Fire grant that will be mailed on Thursday, April 18. He thanked the Board for granting him permission to complete the grant application. KFD has not heard about the FEMA grant submitted last year but did receive a request from FEMA for KFD account information. Chief Smith reported he had established a grant specific account with WestAmerica Bank as directed and requested. Board members sign the signature card tonight.

The next regular meeting will be held on Wednesday, May 8, 2013.

**KENTFIELD FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS MEETING**

The SCI subcommittee meeting will be held on Wednesday, May 8, 2013 at 5:00 pm.

A moment of silence was held in memory of the Boston Marathon tragedy.

M/S Murray/McLeran to adjourn meeting at 7:59 pm. All Ayes.

Respectfully submitted,

Sharon Mulkeen
Recording Secretary

**KENTFIELD FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS MEETING**

MEETING TYPE: Regular

DATE: Wednesday, May 8, 2013

CALL TO ORDER: 6:25 p.m. by Chairman Gerbsman. Director Naso led the assembly in the Pledge of Allegiance.

ROLL CALL: All Directors were present except Director McLeran. Also in attendance was County Counsel Jennifer Vuillermet, Accountant Hom and Recording Secretary Mulkeen.

APPROVAL OF PRIOR MONTH'S MINUTES: M/S Naso/Corbet to approve the minutes of the previous month. All ayes.

PUBLIC COMMENT PERIOD: There were no comments received from the public.

UNFINISHED BUSINESS:

- a. **AT&T Lease Agreement:** Chairman Gerbsman indicated that Chief Smith had read the agreement carefully and that the District is ready to sign the lease. Counsel Vuillermet noted she was comfortable with the agreement also. Richard Weimer, AT&T Network Services and Support, presented the final lease agreement to Chairman Gerbsman. M/S Murray/Corbet to approve the lease agreement submitted by AT&T as it is presented today. All Ayes. The agreement was signed and notarized. Mr. Weimer thanked the Board for their time and advised the Board the \$10,000 "good faith" payment is being processed from AT&T's Atlanta office and should arrive in two weeks. Accountant Hom asked when the new rent will begin. Mr. Weimer responded at the commencement of construction. The Board thanked Mr. Weimer for completing this phase of the contract.
- b. **SCI Ballot Measure Committee Report & Update:** Mary Shilts and Steven Wolfe, SCI Consultants, distributed the draft survey and statement they have been working on with Chief Smith and the sub-committee. Chairman Gerbsman advised the Board that he and Director McLeran feel the material is 90% complete and asked the Board members to review the materials and provide constructive feedback and discuss timelines. Ms. Shilts noted that since the District is seeking additional revenue SCI's challenge is how best to communicate this message. The focus of the material is on the importance of the District in this community and its reputation as a strong pillar of the society to gain their support and give the District a solid foundation. A discussion followed regarding the material layout, inflation factor options, and the public's ability to understand the financial impact of the proposed tax increase. Generally the Board was impressed with the material but did recommend that an example calculating the tax increase formula be printed on the survey materials so residents understand the financial impact of the proposed tax increase. They also requested the existing photo be replaced with a photo of the pancake breakfast. Director Naso commented that he and Director McLeran have photos of this event. Ms. Shilts noted these recommendations and will alter the materials accordingly. She will forward the revised documents to Chairman Gerbsman for the sub-committee review.

Ms. Shilts explained SCI will mail 3,000 surveys to property owners and registered voters in the District with an expected 20-30% response (600-900 count) they will be testing two rates per square foot: 1500 surveys with one rate/1500 surveys with the second rate. The survey will incorporate a comments section; a valuable tool to find out what the public's opinion is of the important services KFD provides or services they want KFD to provide. It is also the section that people who oppose measures are more likely to give feedback. The materials will be packaged in an official envelope with Kentfield Fire District Official Survey written on the front. Included in the package will be a self-addressed stamped return envelope. The survey will also give residents the option to complete the survey online with coding specific to each survey. The surveys are targeted to be mailed May 17th or the week after. Ms. Shilts expects the surveys to be returned within five weeks. Results will be tabulated for presentation at the July Board meeting at which time SCI will make a recommendation and present the District's reasonable chances of the measure passing. The Board will have time to come to a decision and still be able to meet the deadline to submit this measure for the consolidated ballot for the November election. The results will provide what types of voters are likely or unlikely to support the funding measure, their voting history and what elections they show up to vote in, and whether a November election is the right time to go to ballot or if another time frame is indicated. Ms. Shilts collected the draft materials at the end of the presentation and will contact Chairman Gerbsman with the updated version.

- c. **November 5, 2013 KFD Board Election Resolution 2-2013:** Chairman Gerbsman introduced the Resolution and Murray/Naso made M/S to approve Resolution 2-2013 stating the Kentfield Fire Protection District proposing an election be held in its jurisdiction; requesting the Board of Supervisors to consolidate with any other election conducted on said date, and requesting election services by the Marin County Elections

**KENTFIELD FIRE PROTECTION DISTRICT
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Department. Roll call vote: Corbet-Aye, Gerbsman-Aye, Murray-Aye, Naso-Aye.
Resolution passed. The Resolution was signed and will be mailed to the Marin County
Elections Department.

NEW BUSINESS:

- a. **Fire Station Lease Purchase Refinancing Presentation and Discussion:** Accountant Hom advised the Board that Rick Brandis could not make the meeting due to a conflict. Accountant Hom then presented a brief overview of the current station financing analysis. He reported the initial loan has a 15 year term at an interest rate of 4.65%. In June 2014 KFD will have paid five years on the loan. At this juncture the District will have the first opportunity to refinance the loan. Accountant Hom reviewed the Summary of Refunding Results prepared by Rick Brandis and noted if the District refinanced to a ten year term at a rate of 2.75% the District could save approximately \$116,000 over the life of the ten year loan. Accountant Hom posed to the Board the option to evaluate locking in this rate now, at today's interest rate, or waiting until 2014 to commit. Another expense to consider is the cost of issuance of the new debt plus a 1% premium for the prepayment of the old debt. If the Board locks in the rate now, the District will be paying 2.75% in addition to the current 4.65% rate until June 30, 2014. Director Murray suggested approaching our current lender for a financial incentive to keep the loan with them and noted he thought the District should lock in the rate now. Chairman Gerbsman requested Accountant Hom review refunding figures with Chief Smith and calculate at what interest rate the District would break even. This item will be placed on the June Board meeting agenda when Rick Brandis can present this report.
- b. **CalPERS Side Fund:** Accountant Hom reviewed the CalPERS side fund documents distributed in the Board packet. Accountant Hom explained what the District is analyzing is whether to refinance or pay off the CalPERS side fund debt. The current interest rate of the side fund is 7.5%. The side fund debt is considered unsecured (because of the structure of it, it does not provide the investor with a tax exempt bond). Accountant Hom and Chief Smith concur that the \$250,000 in the reserves should be used to pay down the CalPERS side fund instead of lowering the debt on the Fire Station loan. Accountant Hom noted that based on the Brandis Tallman analysis paying off the debt is the best option. This item will be placed on the June Board meeting when Rick Brandis can present this report.
- c. **Subcommittee Report on District Fiscal Policies & Procedures:** This item will be moved to the June Board meeting because the subcommittee was unable to meet this month. Directors Murray and Naso will reschedule a meeting with Chief Smith.

CORRESPONDENCE: The Thank you note was reviewed from Girl Scout Troop 691.

REPORTS:

April Overtime and Incident Reports: Reviewed.

Although not on the agenda Director Naso advised the Board that the Annual Alicia Ann Ruch Burn Relay event is scheduled for Wednesday, May 22. The relay will start in Healdsburg and proceed down through Marin raising funds for burn victims. He noted the KAOF always contributes but was asking Board members if interested to make a personal donation after the meeting.

CHIEF'S REPORT:

- a. **Update on FEMA Grant:** This item will be moved to the June Board meeting because Chief Smith could not attend this meeting.
- b. **Temporary Firefighter Position:** This item will be moved to the June Board meeting because Chief Smith could not attend this meeting.

APPROVAL OF WARRANTS: M/S Murray/Naso to approve Warrants No. 5400 to and including 5467 in the amount of \$293,391.18. All Ayes.

The next regular meeting will be held on Thursday, June 20, 2013.

A moment of silence was held in memory of retired Director Paul D. Smith.

M/S Murray/Naso to adjourn meeting at 7:24 pm. All Ayes.

Respectfully submitted,

Sharon Mulkeen
Recording Secretary

**KENTFIELD FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS MEETING**

MEETING TYPE: Regular

DATE: Thursday, June 20, 2013

CALL TO ORDER: 6:32 p.m. by Vice Chairman Corbet. Director Naso led the assembly in the Pledge of Allegiance.

ROLL CALL: All Directors were present except Chairman Gerbsman. Chairman Gerbsman was ill and joined the meeting telephonically from his residence. Also in attendance were Accountant Hom, Chief Smith and Recording Secretary Mulkeen.

APPROVAL OF PRIOR MONTH'S MINUTES: M/S Murray/Naso to approve the minutes of the previous month. All ayes. Director McLeran abstained.

PUBLIC COMMENT PERIOD: There were no comments received from the public.

UNFINISHED BUSINESS:

- a. Fire Station Lease Purchase Refinancing:** Last year Chief Smith brought to the Board's attention the option to refinance the station in 2014 and noted conversations he had with Accountant Hom regarding this opportunity. Chief Smith contacted Rick Brandis of Brandis Tallman LLC to analyze the District's options. Chief Smith introduced Mr. Brandis and Accountant Hom to review the refinancing analysis. Upon Mr. Brandis' introduction he noted that Brandis Tallman LLC is the investment banking firm that bonded and underwrote the initial financing structure for the Fire District. Mr. Brandis advised the Board that he ran a refunding model for the District and presented three iterations. **Option One:** Knowing that the loan cannot be repaid until June 2014 the District can refinance at today's rate and place the money in an escrow account to pay off the loan in 2014. Because interest loan rates are lower today the escrow account earnings would be low. As a result the District would incur a negative arbitrage and would be paying more than it was earning. Refunding today would result in minimal savings. Mr. Brandis provided the following example: Currently the outstanding loan with principal and interest is \$3,949,000 over the remaining term of loan, 10 years. If the District refinanced today at 2.75% the total debt service would be \$3,814,000 a \$135,000 savings, or \$12,282 a year. That's a fair savings but the District will lose \$8,000 a month from the escrow account due to the negative arbitrage. **Option Two:** The District refinances today and makes a \$250,000 contribution to the fund. This option provides more savings. Instead of saving \$135,000 as illustrated in Option 1 the illustrated savings would be \$425,000. At face value this looks favorable but it really is the District's contribution that makes the difference: an extra \$25,000 or a total of about \$38,000 a year or \$12,000 a year if you don't make the contribution. In this scenario making a contribution to the loan does not save the District money. The District is not gaining anything while spending down cash reserves. **Option Three:** Wait until June 2014 because of the negative arbitrage incurred with the two previous options. If interest rates don't go up the rate remains at 2.75% and the savings would be better. Without the proposed \$250,000 contribution the District is earning \$22,000 a year in savings. Given these three options Mr. Brandis recommends that the District not refinance at this time and advised the District to wait. Mr. Brandis will monitor the market and continue to provide the refunding model to the District at the current market rate at that time and look at the results in the next three to six months. Accountant Hom agrees it is in the best interest of the taxpayers for the District to monitor the interest rates quarterly. The Board discussed the options and agreed with the recommendation to monitor the rates in three to four months and take appropriate action if market conditions warrant.
- b. CalPERS Side Fund:** Chief Smith reintroduced the CalPERS Side Fund topic noting the District has paid down the Safety side fund for the last three years, and last fiscal year paid an additional \$250,000 toward the fund buy-down. Currently the District is charged 7.5% per annum interest on any side-fund balances. Chief Smith had previously asked Mr. Brandis and Accountant Hom if this would be a good time to refinance the \$1.5 million debt at a lower rate and save the District in the short or long term. Mr. Brandis and Accountant Hom prepared and reviewed options for the Board of Directors as follows. Mr. Brandis explained the District has two side-fund obligations: Safety and Miscellaneous. The current interest rate is 7.75%; next year the rate adjusts down to 7.50%. The current market interest rate for refunding is 4%. The reason the CalPERS current loan rate is higher is because the loan is considered a pension obligation bond and the earned interest is taxable to the bond holder. Mr. Brandis noted the District will not save anything by refinancing because CalPERS sets amortization as a percentage of payroll. Mr. Brandis looked at the valuation report and constructed an amortization for the District's side fund starting at 7.75% down to 7.50% for the remaining term. But the District's actual payments are based on actual payroll and CalPERS actuarial reporting schedule is two years behind on current year actual payroll. CalPERS didn't factor in the District's payroll had recently changed and is not growing at their predicted rate. Chief Smith recently gave updated payroll figures to Mr. Brandis

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and he ran a new calculation. The results showed that the District payroll was down, further reducing the District's contribution to CalPERS. **The District's actual interest rate is 4%.** When Mr. Brandis ran the model based on what CalPERS has projected the District is paying and what the District is actually paying there were no savings to refinancing. If the District does refinance it will be at a 4% cost of \$2400. Mr. Brandis and Accountant Hom recommended it was better to make a contribution and not to refinance now noting the District made a \$250,000 contribution in June 2011. Chief Smith recommended the District stay in a holding pattern and continue to pay down the side fund as amortized. Mr. Brandis and Accountant Hom concurred. The Board was also in agreement. Chief Smith thanked Mr. Brandis for his time and effort on the analysis and his presentation to the board. Chief Smith noted the District may look at refinancing the CalPERS side fund again within the next several months. Mr. Brandis and Accountant Hom also recommended that the Board consider paying down the Miscellaneous 3% @ 60 side fund at the next Board meeting. Chief Smith advised the actuarial will have that information by late August/September.

- c. SCI Consulting Project Update:** Ms. Shilts advised the Board the surveys were mailed out before the Memorial Day Holiday. At this time they have received 17% back, she was expecting 22-23%. Ms. Shilts feels they have enough responses to run a statistical sampling calculation. Many of the surveys had written comments which give her firm an excellent idea of the communities' concerns to fashion a community outreach plan. The results of the survey will be presented at the July regular Board of Directors meeting. In order to meet the Marin County Registrar of Voters August 1 deadline the Board decided to schedule a special meeting on July 17 to discuss the results and make a decision on whether to initiate a measure with the November consolidated election, vote on a Board Resolution, opt for the direct mail ballot or to hold the measure for a later date.
- d. LAFCO Agency Special District Member and Special Alternate Member Nominations:** Chief Smith advised the Board that Mr. Craig Murray, previously an alternate with LAFCO, has stepped up to become a full member leaving an opening for an alternate member. Chief Smith asked if any Board members were interested in being nominated for the alternate member seat. There was no interest by Board members at this time.

NEW BUSINESS:

- a. Closed Session for public employee labor negotiations:** Vice Chairman Corbet asked that this item be moved to the end of New Business. All Board members were in agreement.
- b. Special Tax Assessment:** Chief Smith referred to the four page Special Tax Assessment documents in the Board packet, noting that he and Chairman Gerbsman concurred that the 2013/14 special tax assessment should be assessed at the full six cent rate. The Chief asked the Board for their acceptance. M/S by McLeran/Naso to accept the special tax assessment transmittal at six cents for the 2013/14 fiscal year as presented. All Ayes.
- c. Fire District Resolution #3-2013:** M/S Murray/McLeran to adopt Resolution #3-2013 supporting the 2013/14 special tax assessment at six cents per square foot. Roll call vote; Corbet-Aye; McLeran-Aye; Murray-Aye; Naso-Aye.
- d. Marin Grand Jury Report, Marin's Retirement Health Care Benefits: The Money Isn't There:** Chief Smith advised the Board this report was received by Chairman Gerbsman a few days before it became public. The report outlines Marin County public agencies financial resources for retiree health care and asks agencies to address a number of questions by September 3. Chief Smith asked Accountant Hom to review the key recommendations in the report. Accountant Hom noted each recommendation needed to be reviewed in light of the District's business model with the stakeholders. Accountant Hom reviewed salient points as follows; R1-Agencies should begin setting aside each year's funds for amortizing its retiree health care benefits. Accountant Hom noted Kentfield Fire District has been contributing substantially to OPEB for the last four years; R2- Begin a program to lower the amortization period for funding retiree health care. Accountant Hom commented Kentfield Fire District is working with Bickmore Risk, our actuarial, to discuss our amortization at the end of the month; R3-Negotiate caps on amounts the agency commits to pay existing and new employees for health care. Accountant Hom suggested considering this recommendation and placing a cap on healthcare expenses with a possible new tier; R4-Negotiate a higher retirement age than the currently applicable age for commencement of retiree health care benefits. Accountant Hom noted this higher retirement age consideration needs to be discussed with the Staff and Board; R5-Require active employees to make a contribution towards the cost of their retiree health care benefit. Accountant Hom noted employee contributions to their retiree health care benefit should be discussed with the Staff and Board; R6-Place a link on the agency website to provide the latest actuarial valuation of its AAL and UAAL, its percent funded, its discount rate and projected outlays. This

**KENTFIELD FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS MEETING**

recommendation is easy to comply by adding a link on the Kentfield Fire District website noted Accountant Hom. Chief Smith reported that Kentfield Fire District has been contributing to the retiree health care fund for four years, with a current balance of approximately \$800,000 and a projected balance of \$1 million by the end of 2013/14 fiscal year. A discussion ensued with the Board on ways to approach the report. It was decided a subcommittee would convene to address the key recommendations. Chief Smith, Accountant Hom, Chairman Gerbsman, Director Murray and Engineer Trimble will be on the subcommittee. They will schedule a meeting and report their findings at our July 10 Board meeting.

- e. **2013/14 Preliminary Budget Review:** Chief Smith reviewed the 2013/14 preliminary budget by page. Highlights as follows: Revenue includes the addition of the SCBA grant award of \$158,000 under Aid-Other Government Agencies. Funds not included are projected revenue from the tax measure in November and the AT&T cell rent increase. Neither of these revenues are expected to be collected until after F/Y 2013-14. Under Salary and Benefits, code 1035-Payment at Retirement is a calculation of retiring B/C's accumulated sick leave payout; code 1515-Health Benefits shows a significant increase; code 1010-Extra Hire includes an extra \$16,000 for a temporary firefighter and incorporates the salary for Lynne Osgood, part-time Fire Prevention Inspector. The temporary firefighter position will terminate at the end of the calendar year pending B/C Galli's retirement; code 1530-PERS Retirement/Employer rate shows 2% projected increase; 1560-OPEB projection up to \$200,000. Services & Supplies: code 2080-Worker's Comp Insurance rate increased from last year from \$120,000 to \$150,000. Capital Outlay includes the money budgeted for the SCBAs, also noted was the projected expense to replace the server and computers for \$40,000. To balance the preliminary budget Accountant Hom recommends \$106,000 be moved out of the reserve fund. A discussion followed with board members reviewing the budget. M/S Murray/McLeran to adopt the preliminary budget as presented. All Ayes.
- f. **Fire Hydrant Activation on Hillside Avenue:** Chief Smith was happy to report that hydrants and mains have been installed on Hillside Avenue, a very narrow street. This 2013 Fire Flow project in conjunction with the Water District continues to provide greater safety to residents.
- g. **Closed Session for public employee labor negotiations:** The Board moved to closed session at 8:04 pm. The Board returned to public forum at 8:20 pm with Director Murray noting they had nothing to report. However the Board Labor Subcommittee will schedule another meeting with the Labor Negotiations Team.

CORRESPONDENCE: Reviewed.

REPORTS:

- c. **May Overtime and Incident Reports:** Reviewed.

DIRECTOR'S REPORT: Director Naso requested these items be moved to the July Board meeting due to the full agenda. All Board members agreed.

CHIEF'S REPORT:

- a. **Update on FEMA Grant:** Chief Smith reported the District was awarded the FEMA Grant for \$158,000. Chief Smith met with B/C Galli and Engineer Johnston to review details and to finalize the bid purchase process. The Board will need to formally accept the grant along with the grant conditions. KFD will request the funds after the BOD accepts the grant.
- b. **Temporary Firefighter Position:** Chief Smith reported Steve Kikawa was selected as the temporary firefighter out of six to seven candidates. He will work until the full-time position is posted and the examination process begins, estimated around December 2013.
- c. **KFD Board Election:** Chief Smith reported the Candidate Nomination Packets will be ready for pick up on July 15. Current sitting Board members up for re-election need to personally pick up these packets at the Civic Center.
- d. **New KFD County Counsel, Jenna Brady:** Chief Smith announced that past counsel, Jennifer Vuillermet, moved out of state to relocate with her husband. Counsel Jenna Brady has been assigned to our District. Counsel Brady comes to the District with ten years experience and a law degree from USF.
- e. **Fire Protection in Kent Woodlands:** Chief Smith reported he will meet with Sheriff Lieutenant and the KWPOA next week to work on their evacuation exercise. The KWPOA newsletter had several fire related articles, including an article written by Captain Glenn on CMTC training in the Woodlands. Chief Smith also noted that KFD responded to a structure fire on Goodhill Road this month.

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APPROVAL OF WARRANTS: M/S McLeran/Murray to approve Warrants No. 5468 to and including 5536 in the amount of \$303,452.29. All Ayes.

The next regular meeting will be held on Wednesday, July 10, 2013.

Meeting adjourned at 8:40 pm.

Respectfully submitted,

Sharon Mulkeen
Recording Secretary

**KENTFIELD FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS MEETING**

MEETING TYPE: Regular

DATE: Wednesday, July 10, 2013

CALL TO ORDER: 6:30 p.m. by Chairman Gerbsman. Director Naso led the assembly in the Pledge of Allegiance.

ROLL CALL: All Directors were present. Also in attendance were Accountant Hom, Chief Smith and Recording Secretary Mulkeen.

APPROVAL OF PRIOR MONTH'S MINUTES: M/S Murray/Corbet to approve the minutes of the previous month. All ayes.

PUBLIC COMMENT PERIOD: There were no comments received from the public.

UNFINISHED BUSINESS:

- a. **SCI Consulting-Presentation of Survey Results:** Director Gerbsman welcomed Ms. Mary Shilts of SCI to present the Kentfield Fire District Revenue Feasibility Survey Results. Ms. Shilts introduced colleagues Leeann McCabe and Steven Wolf who worked on this survey. Ms. Shilts reported her firm mailed 3,000 surveys on May 25 and received 409 responses, a 14.5% return. The results showed that overall the community would support the tax assessment increase at 8 or 12 cents per square foot with a CPI. Ms. Shilts recommends going forward with the tax assessment measure at 10 cents per square foot, adding the ancillary structures into the District's methodology and adding the CPI. The data predicts the measure will pass due to the community's high level of support and the District's excellent standing. Ms. Shilts also recommends KFD focus efforts on top community priorities: fiscal responsibility and current levels of service; communicate the District's strong accountability and oversight of funds; build a coalition of supporters; and consolidate with the November 2013 election. Ms. Shilts reiterated if the District decides to move forward it is critical to meet the ballot measure deadline submittal date of August 9. Ms. Shilts submitted a draft proposal for services during this next phase of the process. SCI Consulting can assist the District with developing the critical ballot language and develop an outreach plan. The outreach plan will incorporate walk and telephone lists and a map to target those constituents who requested more information on the measure, in addition to creating flyers, if requested, promoting the measure. This service will also provide assistance with subsequent years' tax submittals. A lengthy discussion ensued among Board members and Ms. Shilts on the survey results, campaign methodology, strategies, and fees. The fees for these services range from \$8,000 - \$20,000 and are negotiable. The Board thanked Ms. Shilts and her team for a well prepared, professional presentation.

The Board continued to discuss the two proposed tax assessment rates, weighing the pros and cons, in addition to the outreach plan. B/C Galli added the Kentfield Association of Firefighters has had success with previous measures by sending out mailers, noting it was important to mail these before the absentee ballots are distributed. At the conclusion of the discussion Directors McLeran/Naso M/S to support the SCI Consulting Group Kentfield Fire District Revenue Feasibility Survey Results and accept the recommendation of the survey to increase the tax assessment rate to 10 cents per square foot of living area inclusive of the ancillary structures and garage space and incorporate a CPI. All ayes. After considerable discussion Director McLeran volunteered to lead the outreach component and coordinate with Chief Smith to review the proposal with Ms. Shilts finalizing the outreach details prior to our Special Board Meeting later this month.

- b. **FEMA Grant/BOD Acceptance of Conditions:** Chief Smith reported he been meeting for several weeks with B/C Galli and Engineer Johnston to present information to the Board on this grant. He referenced the FEMA Grant memo sent in the board packet noting the terms and conditions of accepting this Grant Award. Specifically the District will need to adhere to certain administrative and audit requirements which will be managed by the Chief. B/C Galli presented a memo, distributed to the Board at the meeting, on three vendor proposals for purchasing the Self-Contained Breathing Apparatus. B/C Galli recommended purchasing the Scott X-3 vendor for \$197,449.08. The grant will cover \$158,309.00 and the District will fund the remaining balance due of \$39,140.08 from the SCBA reserves account. B/C Galli suggested contacting the Marin IJ to run an article on receiving this FEMA Grant to publicize the District's fiscal responsibility. The Board concurred. Directors Murray/Gerbsman M/S to accept the Scott X-3 bid for \$197,449.08 to purchase the Self-Contained Breathing Apparatus. All ayes. The Board thanked B/C Galli for working on the bid.
- c. **Marin County Grand Jury Report, Marin's Retirement Health Care Benefits:** Chief Smith referred to the subcommittee's draft response to the Grand Jury's Finding distributed in the Board packet. The subcommittee members include Chairman Gerbsman, Director Murray, Engineer Trimble, Accountant Hom and Chief Smith.

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They met last week and reviewed the substance of the report and Chief Smith recorded the subcommittee's findings and recommendations. A few of the subcommittee's responses to the Grand Jury recommendations include: the District will post financial statements on the website; the District has already increased the retirement age from 55 to 57 years for new safety hires; and will consider increasing the safety retirement health benefit vesting period from five to fifteen years for new safety hires with an "on the job" injury clause. The clause specifies if a safety employee is injured on the job, has served less than five years and is approved for permanent retirement disability, the safety employee would be covered with the retiree health benefit as if they served the current 15 years required. Chief Smith opened a discussion with the Board on the Grand Jury Findings and KFD's Recommendations noting the final reply is due to the Marin Grand Jury by September 3. Director Gerbsman thinks KFD is in a favorable position given the Grand Jury's findings and noted the District's responses were well organized and accurate. After the discussion Director Gerbsman asked the Board members to review the subcommittee's findings and respond to Chief Smith by Tuesday, July 16 with feedback to be incorporated in the report for the Board of Directors Special Meeting scheduled for later this month.

- d. Public Employee Labor Negotiations:** Captain Glenn, representing the Kentfield Association of Professional Firefighters, advised the Board the Safety Personnel requested a salary increase on their next contract at last month's meeting. They would however like to postpone negotiations until the beginning of 2014 due to the budget and continue their existing contract until that time. The Board was in agreement. Chairman Gerbsman advised Captain Glenn to schedule this item with Chief Smith for the January 2014 Board of Directors meeting.

NEW BUSINESS:

- a. OPEB Actuarial Valuation Proposal from Bickmore Risk: 2013 & 2015:** Chief Smith introduced the Bickmore Risk Engagement Letter for the OPEB Actuarial Valuation Services to the Board. He explained the District is required to complete these valuations every two years. Chief Smith asked the Board to review the proposal and requested their action on engaging Bickmore Risk to conduct the 2013 and 2015 actuarial valuations. Directors McLeran/Murray M/S to retain Bickmore Risk to conduct the 2013 OPEB actuarial valuation for the District. All Ayes.

CORRESPONDENCE: Reviewed.

REPORTS:

June Overtime and Incident Reports: Reviewed

DIRECTOR'S REPORT: Director Naso requested these items be moved to next month's regular Board meeting due to the full agenda. All Board members agreed. Chief Smith asked Director Naso to forward any information or reports on these topics to the District office so they may be distributed with the Board packet next month.

CHIEF'S REPORT:

- a. Open Space Meeting:** Chief Smith is currently in a working group with the Marin County Open Space District and a small contingent of Marin County Fire Chiefs discussing the draft Vegetation Management Plan for open space district preserves in the County of Marin. The Chief believes the draft is not in alignment with fire service needs/concerns. The Fire Chiefs' Association will address issues regarding defensible space, access and egress, and vegetation modifications, fire breaks, etc. Both sides are committed to a results oriented process.
- b. State Responsibility Area:** Chief Smith reported the State Board of Equalization will be sending out SRA bills again within the next two months. The Chief is disappointed with this fee because it is an issue for our constituents, noted by the recent survey, none of the revenue comes to the District, and the District will be going to them requesting their support of our ballot measure for a tax assessment increase.
- c. 4th of July Fire:** Chief Smith reported this fire started 1½ miles up the Indian Fire Road at Blythdale Ridge. Response to the fire was fast with municipal as well as wild land response. Chief Smith explained this was a good exercise for cooperating agencies as twelve sheriff units were sent to the College of Marin to stage if an evacuation was ordered. The fire was caused by PG&E lines arcing.

APPROVAL OF WARRANTS: M/S Murray/Gerbsman to approve Warrants No. 5537 to and including 5589 in the amount of \$439,159.98. All Ayes.

**KENTFIELD FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS MEETING**

The next special meeting will be held on Wednesday, July 17, 2013 at 6:30 pm.

A moment of silence was held in honor of Mr. & Mrs. Paul D. Smith and Mr. Dave Kyne who recently passed and the nineteen firefighters of the Prescott Fire Department in Arizona who perished in the Yarnell Hill fire.

Meeting adjourned at 8:22 pm.

Respectfully submitted,

Sharon Mulkeen
Recording Secretary

**KENTFIELD FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS MEETING**

MEETING TYPE: Special

DATE: Wednesday, July 24, 2013

CALL TO ORDER: 6:32 p.m. by Chairman Gerbsman. Director Naso led the assembly in the Pledge of Allegiance.

ROLL CALL: All Directors were present except Director Murray. Also in attendance were Accountant Hom, Chief Smith and Recording Secretary Mulkeen.

APPROVAL OF PRIOR MONTH'S MINUTES: Director Naso/McLeran M/S to approve the minutes of the previous month. All ayes.

PUBLIC COMMENT PERIOD: There were no comments received from the public.

UNFINISHED BUSINESS:

- a. **SCI Proposal** – Chief Smith introduced the SCI proposal and fee structure, distributed at the meeting, and recommended the Board approve both. The Chief reported he and Ms. Shilts have been working on the consolidated election component for the board for a couple of weeks and he personally feels the District has a solid basis for moving forward with the election process. Chief asked Ms. Shilts to present her proposal and requested the Board address questions for any clarification, followed by a review of the special tax assessment. Ms. Mary Shilts will review the November special tax assessment consolidated election process in detail.

Ms. Shilts explained the SCI Consulting proposal incorporates two tasks: one, assistance with the methodology, election materials and tax report, including copies of the resolution distributed tonight, the ballot question that is part of the proposed resolution and ballot text; and two, informational outreach, the PR piece, that SCI Consulting would provide to our constituents. Mary Shilts of SCI Consulting noted that they will provide constituents with handouts, web page information and assistance with an open house. After a brief discussion Directors McLeran/Corbet M/S to approve and adopt Task 1 and Task 2 of the SCI Proposal to provide special tax ballot measure and educational outreach consulting services for a local revenue measure as presented. All ayes.

The Board discussed the special tax assessment resolution and preliminary timeline to meet critical deadlines. The next step in the process is writing the Argument in Support of the District position on the measure, due by August 19, with a draft submission for review on August 9. Ms. Shilts will put the overall strategy and preliminary Argument together and coordinate with Chief Smith and the subcommittee (Accountant Hom, Directors McLeran and Naso and Engineer Trimble) to review it before the subcommittee meeting. Engineer Trimble expressed interest in the Association receiving the Q&A component in order to prepare the staff with timely information in order to address questions posed by the District tax payers. Ms. Shilts acknowledged she will compile a draft Q&A form for review by the subcommittee. Chief Smith will coordinate with the subcommittee members and schedule the meeting to finalize the Argument and review the Q&A form. Chairman Gerbsman recommended that Chief Smith report back to the Board on the final version of the Argument at the next regular meeting on August 21.

- b. **Fire District Resolution 4-2013:** Chief Smith presented the resolution for consideration with the Board. Chief advised the Board he has been working closely with Ms. Shilts and County Counsel Brady and reported the resolution was approved by County Counsel Brady. Chief Smith is confident the resolution meets the District's requirements. The Board discussed the resolution. Directors McLeran/Gerbsman M/S to approve the resolution. Roll call vote: Naso-Aye; McLeran-Aye; Gerbsman-Aye; Corbert-Aye. The Chief will deliver the Resolution to the Registrar of Voters office on Friday, July 26.
- c. **Marin County Grand Jury Report, Marin's Retirement Health Care Benefits:** Chief Smith read the Grand Jury Findings and the Responses prepared by the subcommittee members. The subcommittee members include Chairman Gerbsman, Director Murray, Engineer Trimble, Accountant Hom and Chief Smith. The Grand Jury Findings and Recommendations and the District Responses to each are as follows:

Finding 1: We find that many of Marin's local governments and special districts are failing to pre-fund future costs for retired employees by making investments to cover promised benefits for active employees. This jeopardizes the certainty that retiree health care benefits promised to current employees will be paid.

KFD Response Finding1: The Kentfield Fire District has recognized the advantage of pre-funding costs of future health care benefits and has made a significant investment of funds with regards to funding the promised benefits. As this District has addressed this issue independent of other Marin cities, schools, and districts, we neither can agree nor disagree with this Grand Jury finding.

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Finding 2: The failure of the majority of entities studies in this investigation to begin an investment program to provide a portion of the needed funds to pay for retiree health care benefits leads to generation shifting of the payment responsibility. Thus it appears to be, at the least unethical, and even a breach of fiduciary responsibility.

KFD Response Finding 2: This District has invested approximately \$800,000 into a Trust investment account with CalPERS. According to the District's 2011 valuation performed by Bickmore Risk, the unfunded actuarial accrued liability is approximately \$1.9 million. Therefore, the District believes that it is upholding its fiduciary responsibility to its constituents.

Finding 3: The extreme 30-year amortization period used by most entities minimizes the annual cost of funding the liability gap and further defers to future generations the compensation owed to present employees who provide services to present taxpayers and customers. Shorter amortization periods should be required for reasons of equity and to ensure that the promised benefits will be provided.

KFD Response Finding 3: The District agrees with the Grand Jury finding relative to the 30 year amortization of retirement health care costs. It is reasonable for the Grand Jury to suggest that a shorter amortization period be investigated by this District.

Chairman Gerbsman requested Chief Smith to add, KFD signed an actuarial agreement with Bickmore Risk on July 10, 2013. Bickmore Risk is going to look at 20, 25 and 30 year amortization periods.

Finding 4: By capping retiree health care benefits, the City of San Rafael has reasonable certainty as to what those costs are. Other entities studied here that promise to pay for future retiree health care with uncertain and likely rapidly increasing costs are accepting and unknown and potentially very costly risk.

KFD Response Finding 4: The District agrees that future retiree health care costs are uncertain.

The Board agreed to add the following to above response, KFD continues to review health care costs with our partners in the association on an annual basis.

Finding 5: Because a few Marin County cities and other entities studied provide very limited benefits yet still appear able to meet community service needs, and because providing such benefits is increasingly rare in the private sector, such benefits appear to be unnecessary for attracting and retaining employees. Accordingly, for active and newly hired employees, the benefits should be trimmed and costs should be shared between the employees and their employer.

KFD Response Finding 5: Need to have further discussion points: (1) KFD has history of good employee retention rate (2) trim benefits/why (3) Cost sharing issues (4) Active vs. new-hire discussion.

Chairman Gerbsman recommends adding the District has had, and will continue to have, discussions with our partners in the Association regarding the level of health care benefit. The District recognizes the staff's high retention rate correlates with the benefits provided. Issues may be of concern to other jurisdictions in the area of benefits cost/sharing however health care benefits for KFD active and new hires are continually under review. In addition the Association has chosen not to seek salary increases for a number of years and for the last five years the District has made contributions to its unfunded healthcare retirement liability.

Finding 6: Marin entities using "Pay-Go" funding are paying only the current year health care benefits of those already retired. This ignores the reasonably known rising costs to cover future retirees who are already heading for retirement. Some actuarial valuation reports the Grand Jury studies provide those future "Pay-Go" estimates year-by-year, so they should be readily available from the actuary's valuations. Estimates of those annual costs for each of the next 10 years should be provided to the public so that those who will incur the costs can know those costs.

KFD Response Finding 6: The District disagrees with the Grand Jury assertion that ten year health care projections be completed. The District believes that an accurate ten year projection is wrought with difficulties and possible errors. Components of the National Affordable Care Act further complicate long-range projects.

Chairman Gerbsman requested the following information be included in KFD's Response to Finding 6: KFD's policy is to review health care costs on an annual basis through the budget process. This District has invested approximately \$800,000 into a Trust investment account with CalPERS. According to the District's 2011 valuation performed

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by Bickmore Risk, the unfunded actuarial accrued liability is approximately \$1.9 million. Therefore, the District believes that it is upholding its fiduciary responsibility to its constituents.

Finding 7: Employers studied for this report should include an age-60, or even later, date for retiree health care benefits to commence in future negotiations with employees and their representatives.

KFD Response Finding 7: The District disagrees with this finding as Safety employees (i.e., District firefighters) are eligible for regular service retirement at age 55, age 57 for PEPRA retirees and all transition to Medicare at age 65.

Finding 8: The results of retiree health care actuarial cost analyses are summarized if at all only in obscure notes to annual financial statements. The public is entitled to more readily accessible explanation of these costs because the public will bear those costs.

KFD Response Finding 8: The District agrees with the Grand Jury relative to the fact that retiree health care actuarial costs analyses are only obscurely noted in the annual financial statement. To ensure transparency the District the financial statements are on our website, www.kentfieldfire.org, and a link to the District's actuarial statements from Bickmore Risk will be added.

Finding 9: There is wide range of retiree health care benefits offered among the entities studied in this investigation. No clear explanation for the range from minimal to extremely generous is readily available. Those entities that are promising relatively generous benefits should provide clear justifications to their citizens and customers.

KFD Response Finding 9: The District neither agrees nor disagrees with this broadly worded finding. The Kentfield Fire District does not know how or why other agencies in the study came to agreement with regard to offering their employee benefit package. All public agencies should be able to explain and justify, as well as fund, whatever benefits are provided their employees.

Finding 10: Most of the entities the Grand Jury investigated are using fairly reasonable discount rates of 4% - 5% per year to bring back to today in actuarial valuations the future annual costs of retiree health care benefits. However, some are using the higher and highly questionable rate assumptions that are not justified by the investments (if any) that they have made to grow and fund the future benefits. The result is to understate the total funding needed today and in future years, to pay for those future benefits.

KFD Response Finding 10: The District can neither agree nor disagree with this finding relative to the discount rate applied by various actuaries in various actuarial studies; However we agree that assigning too low of a discount rate could unreasonably increase the Annual Required Contribution to the investment Trust, conversely too high a rate could result in unreasonable earnings projections, consequently underfunding the fund. The District's discount rate is a function of the investment strategy selection determined by the Board and assigned by the CalPERS/CERBT Trust.

Marin Grand Jury Recommendations: The Grand Jury recommends that each Marin County local government, special district and school district:

Recommendation 1: Begin setting aside in separate investment accounts, if it is not already doing so, each year's funds for amortizing its retiree health care benefits' UAAL, in addition to its "Pay-Go" funding of those benefits for present retirees.

KFD Response Recommendation 1: The Kentfield Fire District entered into the CalPERS/CERBT Trust in F/Y 2009-2010 with the intention of prefunding retiree health care cost long term. The District has continued to contribute the full annual ARC to the Trust as well as submitting monthly "Pay-Go" health insurance obligations to CalPERS-PEMCA.

Recommendation 2: Begin a program to lower the amortization period for funding its retiree health care benefits UAAL from as much as 30 years presently, to approach (within 10 years), the commonly used 17-year amortization period for retiree pension funding.

KFD Response Recommendation 2: The District will request the 2013 actuarial report to present both 25 year and 20 year amortization projections. The average employment career for District personnel is approximately 25 years of service.

Recommendation 3: Negotiate caps on the amounts it commits to pay existing and new employees for retiree health care benefits.

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KFD Response Recommendation 3: *The District Board and Union leadership will meet and confer on the issue of funding existing and future employee health care benefits paid upon retirement.*

Recommendation 4: Negotiate a higher retirement age than the currently applicable age for the commencement of retiree health care benefits.

KFD Response Recommendation 4: *The District has recently enacted this recommendation for new Safety employees. New employee retirement age is now 57 years, as opposed to 55 years. This effectively reduces from 10 years to 8 years the age from retirement to Medicare enrollment, reducing the funding liability for the District. Additionally, several years ago the District increased the normal retirement age from age 50 to age 55. Both of these actions of increasing normal retirement age had a positive effect on both CalPERS and OPEB (costs to the District) liability.*

Recommendation 5: Require active employees to make a contribution towards the cost of their retiree health care benefit.

KFD Response Recommendation 5: *The District Board and Union leadership will meet and confer relative to addressing a retiree health care cost sharing formula.*

Chief Smith added: The subcommittee discussed options of adding a health care savings account, vesting of healthcare benefits without negatively implicating the retirement. The Association is in agreement to change the vesting of healthcare benefits from 5 to 15 years. The District continues to review potential options that might extend the vesting period.

Recommendation 6: Place a link on its website to provide the latest actuarial valuation of its AAL, its UAAL, its consequent percent funded, its discount rate (annual percentage) used to determine these values, and a projection of outlays ("Pay-Go") for retiree health care benefits for each of the current and subsequent 10 years.

KFD Response Recommendation 6: *Under consideration – weblink; Bickmore data.*

Chief Smith added: The District has provided a link on its website with the latest actuarial valuations discount rates and projection of Pay-Go healthcare retiree benefits.

Chief Smith will finalize the KFD Responses and present them to the Board for their approval at the August 21 regular meeting.

NEW BUSINESS: N/A

CORRESPONDENCE: Reviewed.

REPORTS: N/A

CHIEF'S REPORT: N/A

APPROVAL OF WARRANTS: N/A

The next regular meeting will be held on Wednesday, August 21, 2013 at 6:30 pm.

A moment of silence was held for departed members.

Meeting adjourned at 7:29 pm.

Respectfully submitted,

Sharon Mulkeen
Recording Secretary

**KENTFIELD FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS MEETING**

MEETING TYPE: Regular

DATE: Wednesday, August 21, 2013

CALL TO ORDER: 6:30 p.m. by Chairman Gerbsman. Director Murray led the assembly in the Pledge of Allegiance.

ROLL CALL: All Directors. Also in attendance were Accountant Hom, Chief Smith and Recording Secretary Mulkeen.

APPROVAL OF PRIOR MONTH'S MINUTES: Directors Naso/McLeran M/S to approve the minutes of the previous month. Director Murray abstained. All ayes.

PUBLIC COMMENT PERIOD: There were no comments received from the public.

UNFINISHED BUSINESS:

- a. **Marin Grand Jury Report:** Chief Smith presented the final Marin Grand Jury Report on health care benefits response distributed in the board packet to the board members. The Chief reported he updated the responses to the findings and recommendations from the input of the board's special meeting on July 24, 2013. Chairman Gerbsman asked the board to review the District's responses and acknowledge their acceptance. The board members unanimously approved the District responses. Directors Murray/McLeran M/S to approve the District's responses to the Marin Grand Jury Report. All ayes. Chief Smith thanked the subcommittee, Accountant Hom and Engineer Dan Trimble for participating in this process. The Board also thanked Chief Smith for all of his time and effort on this report.

- b. **County of Marin Community Development Agency Public Notice: AT&T/Viniculum KFD Design Review:** Chief Smith report the Board had approved a new contract with AT&T for a lease and site upgrade at KFD. He reported receiving a public notice from the County of Marin Community Development Agency informing the District there will not be a public hearing on the AT&T/Viniculum Design Review for the Kentfield Fire District Station. Since receiving this information, Chief Smith has spoken with Scott Greeley, Planner at the Community Development Agency, and was able to secure a public meeting at the College of Marin Student Center on Wednesday, August 28 at 7:30 pm. Chief Smith and Chairman Gerbsman will attend. Chief Smith hopes the RF and Noise studies, in addition to the architectural drawings, will be ready and presented at the meeting. Chairman Gerbsman noted it is important that the meetings are open and that the District is committed to the neighbors. He reiterated, once the studies and drawings are finalized by the Development Agency, that the District add this item to our next Board agenda meeting and invite the neighbors for public comment and that the Board vote on it. Chief Smith advised he will contact Dr. Good, a concerned neighbor, about this public meeting.

- c. **KFD Argument in Favor of Measure G (Special Tax for ER Medical/Fire Response):** Chief Smith reported he delivered the Argument in favor of Measure G to Dan Miller, Registrar of Voters on Monday, August 19. He noted Directors Corbet and McLeran, Captain Glenn (Greenbrae resident), Acting Captain Fox (Kentfield resident) and Paul Homrighausen (Kent Woodlands resident and member of the KWPOA public safety committee) signed the Argument. The subcommittee and Chief have planned the following public outreach events: Committee meeting on September 11; a presentation scheduled for 9/23; outreach at the Greenbrae annual property owners picnic at the end of September; the disaster preparedness exercise on October 5; a presentation at the Young at Heart Seniors on October 7; and the station open house on October 13. Chief noted that SCI Consulting will attend the September and October board meetings as we prepare for the November election. Chairman Gerbsman asked about talking points with residents. Chief Smith reported the outreach material the District can provide is limited to "statement of facts information" on Measure G. Chief noted the statement of facts will be ready in ten days. The Chief added that when Board members talk with residents the Directors should focus on the facts, yet deliver them in a personal context. Directors McLeran/Murray M/S to approve Argument in Favor of Measure G as stated in the Board packet. All ayes.

NEW BUSINESS:

- a. **MERA Presentation:** Chief Smith introduced Mr. Dave Jeffries, MERA Project Manager and Mr. Alex Anderson, MERA Special Project Administrative Assistant to the Board noting they will provide answers to questions during the presentation. Chief Smith began the presentation defining MERA's (Marin Emergency Radio Authority) function and mission. Created in 1998, with twenty-five county agencies (cities, towns, fire districts) and other partner agencies, i.e. Golden Gate Transit and National Recreation Area, US Coast Guard, etc. to address the communication issues between police, fire and public works. He explained MERA faces three challenges: 1) The system has aged: designed

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to handle 1580 to 2500 users it is currently stretched to accommodate 2897 users, system control equipment is no longer available and repair parts are difficult to find; for this reason alone they would need a new system by 2018; 2) Regulatory deadlines require a new system to meet FCC requirements: HR 3630 legislation by February 2021; 3) Work towards a better system: purchase a system with improved capacity and coverage for the county and bay area region, comply with FCC mandates, and provide new radios, 911 dispatch terminals, computer hardware and software. The projected cost for the new system is estimated at \$46.5 million. MERA surveyed residents on options to pay for the new system: parcel tax or bond. They also researched low interest loans and grants. Based on the survey MERA sees the parcel tax as the best option and has targeted the November 2014 ballot. If the parcel tax does not pass member agencies would be responsible for paying for the new generation system. MERA's action plan includes public presentations through November 2013; review/address feedback and questions through January 2014; seek endorsements from MERA member agencies from February through May 2014, and by August 2014 request the Board of Supervisors to create a countrywide ballot measure.

The Board had a brief question/answer session with Mr. Jeffries resulting in a few suggestions to improve the video presented and noted support from the Board in moving forward with the parcel tax measure. At the conclusion of the presentation Mr. Jeffries asked the Board to forward any questions or suggestions to Chief Smith. The Board thanked Mr. Jeffries and Mr. Anderson for attending the meeting.

- b. Annual Appropriations Limit/Excess (FY 2012-13):** Accountant Dan Hom reviewed the Property Tax Appropriations Limit/Excess documents distributed in the board packet. He explained this calculation is a State requirement. All taxes collected in excess (special taxes) must be approved by the voters or the District has to refund the money. Currently the District has an approved excess tax approved by voters for the amount of \$1.5 million. Following a short discussion on this material Directors Naso/McLeran M/S to approve the KFD Property Tax Appropriations Limit/Excess calculation for the fiscal year 2012-13. All ayes.
- c. LAFCO Election for Alternate Special District Member:** Chief Smith asked the Board to vote on the open seat for the LAFCO Alternate Special District Member. He reminded the Board that several months ago there was an opportunity for a KFD Board member to be placed on the LAFCO election ballot. At that time there was no interest. The Regular Special District Member position was filled by Mr. Craig Murray, previously the Alternate Special District Member, leaving this position open. After some discussion Directors Naso/McLeran M/S to approve candidate Mary Sylla, first choice; Russ Greenfield, second choice; and Jack Baker as third choice. All ayes.
- d. Kentfield Association of Firefighters Report: Pancake Breakfast; State of Business Affairs:** KAOF President Mr. Steve Kikawa reported that he and KAOF Vice President Andrew Marty met with Chief Smith and discussed the current state of the Association. He reported the number of active volunteer firefighters, 5 residents and 4 volunteers, has decreased. These volunteers, although committed to the District, are hesitant to be active in the organization. They currently have an open Secretary/Treasurer position. The volunteer firefighters are working several jobs, attending classes, and focused on getting a professional position and do not have the time to commit to the Association. President Kikawa has asked Association members to offer ideas/suggestions on what the purpose of the organization will be going forward and how it will look and work. Captain Glenn explained the Kentfield Fire program has changed requiring an EMT or Firefighter 1 Certificate in addition to an increase in hours worked per month. Chief Smith added countrywide most fire departments are struggling to recruit volunteers. President Kikawa reported they have discussed changing the current program by eliminating volunteers and keeping the sleepers. The District seems to be built on the integrity of the resident firefighter program. Current professionals and volunteers see its importance and having just volunteers is not enough. One of the current standards required of a volunteer, not a resident, is to live within 12 minutes of the station. It is becoming increasingly difficult to find candidates meeting this standard. Captain Glenn added he would like to increase the numbers in the resident program and have two residents on duty working a 24 hour shift which would complement the professional staff.

Chief Smith and Captain Glenn advised they are working on a marketing plan to advertise the KFD Resident Program and plan to network with the Santa Rosa and San Francisco Fire Academies to post Resident Firefighter positions and increase the District's visibility. Chief Smith reported speaking with the Director of the Santa Rosa Academy this week and he will solicit the last three graduating classes. A discussion ensued with the Board on the Volunteer and Resident Firefighter programs and recruiting options. Chief Smith and Captain Glenn will continue with the recruitment plan. The Board thanked President Kikawa for his commitment to the Association and to Volunteer Firefighters Andrew Marty and Keith Larson for keeping the momentum. The Board and Chief Smith also thanked Captain Glenn, KFD's training Captain, for working tirelessly with the volunteers and residents and for his high level of professionalism.

**KENTFIELD FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS MEETING**

CORRESPONDENCE: N/A

REPORTS:

- a. **Overtime, Incident (July):** Reviewed

CHIEF'S REPORT:

- a. **FEMA Grant Update:** Chief Smith reported the District received three bids from the SCBAs vendors; the lowest \$28,000 higher than projected during the grant application process. Chief Smith spoke with the FEMA Grant Director, Doug Woods, who recommended the Chief write a proposal and try and capture the excess \$28,000 through grant dust (surplus money left over from other grant expenditures). The Chief advised he will put a proposal together and submit it by the end of the week.

- b. **Kent Woodland October 5th Evacuation Exercise:** Chief Smith reported he has been working with Paul Homrighausen and the KWPOA Fire Safety Committee, the Sheriff's Department and College of Marin to coordinate the Saturday, October 5 Disaster preparedness exercise. Last year's event was successful with 80 homes participating. This year they have increased participation to 131 homes. He noted the KWPOA Fire Committee is an enthusiastic and committed group of people. Chief Smith added he will create a press release to advertise this exercise.

APPROVAL OF WARRANTS: M/S Murray/McLeran to approve Warrants No. 5590 to and including 5646 in the amount of \$337,188.30. All ayes.

The next regular meeting will be held on Wednesday, September 18, 2013 at 6:30 pm.

A moment of silence was held for departed members.

Meeting adjourned at 8:15 pm.

Respectfully submitted,

Sharon Mulkeen
Recording Secretary

**KENTFIELD FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS MEETING**

MEETING TYPE: Regular

DATE: Wednesday, September 18, 2013

CALL TO ORDER: 6:30 p.m. by Chairman Gerbsman. Director Naso led the assembly in the Pledge of Allegiance.

ROLL CALL: All Directors were present except Director McLeran. Also in attendance were Accountant Hom, Chief Smith and Recording Secretary Mulkeen.

APPROVAL OF PRIOR MONTH'S MINUTES: Directors Murray/Corbet M/S to approve the minutes of the previous month. All ayes.

PUBLIC COMMENT PERIOD: There were no comments received from the public.

UNFINISHED BUSINESS:

- a. **AT&T Roof Cell Site Upgrade:** Chief Smith reminded the Board that after the last meeting he met with AT&T representatives. He reported AT&T had a number of items to work on for the District: 1) the design review approval 2) setting up an additional public meeting, and 3) the design/construction piece with the proposed construction schedule. Chairman Gerbsman reported he and Chief Smith attended the Kentfield Planning Advisory Board meeting at 7:30 pm on August 28 to hear the AT&T design review issues. Initially the County of Marin Community Development Agency was going to approve these plans without a public meeting, per their protocol. Chief Smith and Chairman Gerbsman approached the Advisory Board and requested an open hearing on behalf of the commitment the District had made to the neighboring community to discuss EMF and installation issues that had previously been discussed at past regular KFD Board meetings. Chairman Gerbsman reiterated that the August 28th meeting was held at the District's request otherwise there would not have been an additional public forum. He added six to eight members of the Friends of Kentfield organization arrived at approximately 8 pm, near the end of the presentation and discussion by AT&T and their subcontractor. Chairman Gerbsman reported AT&T's presentation included EMF engineer Bill Hammond's report that the EMF limits were well below those allowed by the FCC. Mrs. Laura Good asked if the District had reviewed these plans with the Kentfield Schools' Foundation Board. Chairman Gerbsman replied the District had not and if she felt it appropriate she could contact them. Chief Smith added that Bill Hammond also tested current levels in the work/living areas of the station as well as the current levels at Dr. Good's back deck. The EMF reports were favorable with all levels below FCC limits. Chief Smith commented that Mr. Jeremy Tejrjian, who was attending as a representative of the Marin Community Development Agency, was satisfied with AT&T and their subcontractors design application and would approve the project. The Notice of Administrative Decision, dated September 16, 2013, was distributed at the meeting.

Chairman Gerbsman reported a number of neighbors, who live in the neighborhood above the fire house, attended the meeting and expressed concern about the esthetics of the station rooftop and a strong desire that this issue be addressed. Chairman Gerbsman voiced his disappointment in hearing this concern for the first time so late in the process. Chairman Gerbsman asserted the Board would like to take action and address this issue. AT&T offered \$10,000 to help with the design and implementation of some type of screening to improve the esthetics for the neighbors and the District to keep the construction moving forward. The community verbalized appreciation to AT&T but reiterated they are unhappy with the esthetics of the current fire station roof in addition to issues with the College redevelopment. Chairman Gerbsman reiterated the District will respond to the communities' concerns. Chief Smith informed the Board that he investigated some options; contacted the architect and reported the design could fall within the \$10,000 AT&T budget. After Board discussion Chief Smith was directed to 1) confirm AT&T's \$10,000 commitment is solid; 2) contact the architect and get bid proposals and design fees; and 3) present the findings at the October meeting. Chief Smith acknowledged the direction and will report back to the Board in October. Chief Smith reported speaking on the phone with AT&T Representative Cindel Pena after the KPAB meeting. She expects to have drawings in the next several weeks, move forward with the permit process and present the drawings to the board for review at the October meeting.

- b. **SCI Measure G Update:** Chief Smith advised the Board that he and Chairman Gerbsman participated in a conference call with reporter Gary Klein, from the Marin IJ to discuss the District's Measure G on the November ballot. Chief Smith reported Mr. Klein was asking what the District was planning on using the money for and if it was going to go to salary increases for the District staff. Chairman Gerbsman replied that fiscal responsibility was the main concern of the Board and the District and that they are strategically planning to maintain the future of our fire district infrastructure. Chief added the District had not asked the District voters to increase the special assessment since its inception in 1980 at six cents per square foot. If the measure is approved the rate would not automatically increase to 10 cents, the Board would need to review the District finances and vote on the special assessment annually. Also that due to economic times

**KENTFIELD FIRE PROTECTION DISTRICT
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and by agreement with the fire association, the firefighters had not received a raise in the last three years. Engineer Trimble reported having a similar conversation with Mr. Klein confirming the information reported by Chief Smith and Chairman Gerbsman. The Board appreciated Engineer Trimble's courtesy of responding to Gary Klein. Chief Smith reported receiving a call from Brad Breithaupt, Marin IJ Opinion Page Editor, offering their endorsement if the District was interested. Ms. Mary Shilts, SCI Consultant, commented on the Marin IJ conversations noting that Chief Smith, Engineer Trimble and Chairman Gerbsman covered the facts exceptionally well. Ms. Shilts recommended that if the Editor of the Marin IJ offered an endorsement of Measure G, it would be appropriate for the Chief to ask for it.

Ms. Shilts advised the Board to prepare for Mr. Klein's article and to respond appropriately to any community questions. Moving forward with the election calendar Ms. Shilts noted there are two more critical dates: the next board meeting on October 16 and the November 5th election. This meeting Ordinance No. 113 will be read, imposing a special tax for emergency medical response and fire protection and increase the Kentfield Fire District's appropriation limit in the amount of this special tax and voted on by the Board at the October 16th meeting. Within fifteen days of Board approval Ordinance No. 113 needs to be published in the newspaper listing how each Board member voted. She expects election ballots will be mailed on October 7. Ms. Shilts instructed the Board to continue with their excellent outreach and education of Measure G to the community. She noted the KAOF has initiated some campaigning and that the District will attend the Greenbrae Homeowners' annual picnic at the end of the month, conduct an evacuation drill with the Kent Woodlands Property Association on October 5 in addition to the KAOF pancake breakfast scheduled on October 13. Ms. Shilts worked with the KAOF on the Measure G pamphlet and will have the final product delivered to the station by early next week. A copy of the pamphlet was distributed to the Board for review. Chief Smith added he will get a supply of pamphlets to Board members by Thursday, September 26. Ms. Shilts and Chief Smith reiterated the Board's focus is to inform and educate the community on Measure G, not to advocate.

NEW BUSINESS:

- a. **OPEB Actuarial Study Report:** Chief Smith reminded the board the District engaged Bickmore Risk to do our actuarial report for FY ending 6/30/13. He reported that he, Accountant Dan and Secretary Mulkeen worked on preliminary data collection. Bickmore Risk advised the District they would have the report ready in November/December. The Board discussed the Marin Grand Jury Report recommendations to have agencies look at amortization periods and reduce them to 20-25 years. Chief looked at the District's census and thought it made sense to run an amortization at 25 years noting the District's average firefighter career is 20+ years. Chief explained if benefits are earned and financed while employees work for the District there is no unfunded liability after they retire/leave. The Board concurred with the Chief's recommendation to run the amortization scenario for 25 years. Accountant Hom and Chief Smith noted it may increase our expenses. The study will be presented to the Board to review and approve upon completion.
- b. **RVPA Staff Report:** Chief Smith referenced the RVPA Staff Report in the board packet noting that Bob Sinnott, Executive Director, was advising all member agencies that the current RVPA Four Year Tax expires November 2014. The current tax rate is \$51.00 per household and noted an increase in the tax rate will be requested at that time. Chief Smith advised the Board that in eight months they would need to discuss the rate increase and adoption of a Resolution.
- c. **Ordinance No. 113:** Chief Smith and Chairman Gerbsman read the proposed Ordinance imposing a special tax for emergency medical response and fire protection and increasing the Kentfield Fire District's appropriation limit in the amount of this special tax. (See addendum for the Ordinance) Chief Smith explained the Board will read the Ordinance again at the October meeting and vote on the Ordinance at that time.
- d. **Resolution 5-2013** Approving the CalPERS tax deferred member paid contribution: Chief Smith introduced the resolution explaining that CalPERS established a new retirement tier called PEPRA named after the Public Employees Pension Reform Act effective 1/1/2013. Chief Smith explained PEPRA employees are required to make their pension contribution from their paychecks. This resolution will allow District PEPRA members to elect to have their pension contribution deducted pretax, as allowed by the provision of the Internal Revenue Code section 414 (h)(2). After Board discussion Directors Murray/Naso M/S to approve Resolution 5-2013 approving the tax deferred member paid contributions –IRC 414(h)(2) employer pick up. All Ayes. Roll Call Vote: Corbert-Aye; Gerbsman-Aye; Murray-Aye; Naso-Aye. Director McLeran absent. The resolution was signed by Chairman Gerbsman and Director Murray.

At 7:20 pm Chairman Gerbsman excused himself from the meeting; Director Corbet assumed the Chair.

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- e. **Unaudited Fiscal Year 2012-13 Financial Report:** Accountant Hom noted the fiscal year 2012-13 accounts were in order and ready for presentation to the auditor. Account Hom reported the following unaudited financial highlights:

Property Taxes are on target at \$3.3 million; 99% of budget.

Special Tax Assessment at budget @ \$400,000 – right on target.

Supplemental Assessments, code 9041– is up three times the projected budget.

Accountant Hom notes this is an encouraging sign that real estate properties are turning over for higher valuations.

Excess ERAF income is up \$40,000 from the projected budget. This figure is hard to project due to school funding and enrollment figures.

Revenue: Use of Property/Money – The District was \$10,000 short on plan check fees, projected at \$30,000; this was offset by the AT&T signing bonus to the District for \$10,000 for the cell site development. Code 9930/Worker's Comp income of \$46,000 from FASIS for an injured member's claim; as the District incurs OT to back fill that position (P/T Fire Prevention Officer and temporary FF) that's partially offset by the money the District receives from FASIS. State Fire fees collected are less than budgeted. The District has not been reimbursed by CalFIRE for the Spring Fire in May (an estimated \$16,000). It takes up to six months to receive payment from CalFIRE. The Rim Fire reimbursement is also outstanding. Accountant Hom assured the Board that the District accounts could handle this temporary expenditure until payment is received.

Total revenue is right on target at \$4.3 M; budget at \$4.33 M. \$29,000 positive. Potential future revenue streams may materialize next fiscal year with additional AT&T and Measure G funds.

Under Expenditures, Salary and Benefits are the District's biggest expense at \$3.2 million. The District did not payout on item 1035/Payment @ Retirement for \$50,000 for vacation and sick leave buy out. Accountant Hom reported Chief Smith had budgeted for this item in the 13/14 FY budget too. The District did exceed budget projections in the extra hire category, item 1010 that we hadn't budgeted for last year. Those costs include the Fire Inspector and Firefighter extra hire and OT incurred due to the ongoing worker's comp leave for a Battalion Chief's position.

Under Other expenses, Admin expenses were higher than projected. Accountant Hom explained the category included legal and background investigation fees, making up half of the total. He recommended that Chief Smith pull these items out of Admin Expense and creates separate line items on the next budget for better transparency. Chief Smith agreed with the recommendation and stated the increase in legal fees were due to AT&T contract issues. Accountant Hom reported total services and supplies came in at 90% of budget.

Capital outlay category budgeted for the SCBA purchase of \$180,000. Due to the FEMA grant uncertainty, the District did not spend the money. Chief Smith also budgeted for the SCBAs in the FY 13/14 budget.

Debt Service category spent what the District budgeted. Accountant Hom noted the District will have another opportunity to consider refinancing the building renovation loan in a couple of months, closer to the anniversary of the loan.

In conclusion Account Hom reported the District spent \$4 million of the \$4.4 million budgeted, \$360,000 under budget. Under spending was due to not purchasing the SCBAs at \$180,000 and not paying the \$50,000 vacation/sick payout. This leaves the District at the end of FY 12/13 with a surplus of \$235,000.

Chief Smith reminded the board that the initial SCBA grant was written two years ago requesting \$158,000; the cost analysis came in last month at \$194,000. Due to the delta between the figures Chief Smith reported contacting the FEMA Grants Manager requesting an amendment due to this price increase. The FEMA Grant Manager approved the amendment and is giving the District \$1,000 per apparatus (purchasing 22) plus state sales tax – an estimated total of \$25,000. Chief Smith expressed his appreciation that the District was able to acquire these extra funds noting fifteen years ago the District paid \$68,000 for SCBAs. Chief Smith thanked B/C Hadfield and Engineer Johnston for working on this project on behalf of the District.

CORRESPONDENCE: Chief Smith advised the Board the District had received a thank you from Carol Abraham this week. She sent the note to thank the District for thinking of her and for the flowers and fire district picture collage.

REPORTS:

- b. **Overtime, Incident (August):** Reviewed

CHIEF'S REPORT:

- a. **Rim Fire Deployment:** Chief Smith reported the OES was deployed to the Rim Fire on August 21. The Rim Fire was one of the largest acreage fires in California history. Chief reported everyone returned; we had one minor worker's comp injury that he did not expect to turn into a long term issue. Engineer Johnston, on the strike team, said their team, along with the San Francisco OES, was assigned to protect the structures at Camp Mather in the middle of the fire. Engineer Johnston noted it was rare for an OES to be

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assigned to the middle of the fire. Director Murray thanked Engineer Johnston for the information and for the teams work on Camp Mather.

- b. The CSDA Special District Conference** is scheduled for November 18-20 in Napa for Board of Directors. Chief thought the Leadership Academy Conference looked good and encouraged Board members to attend. Board members were asked to contact Secretary Mulkeen in ten days to make a reservation.
- c. The FDAC Annual Conference** is scheduled for April 10-12, 2014 in Napa. This conference is specific to fire districts. Chief reported he will distribute the agenda upon receipt.
- d. Marin Open Space District Vegetation Management Plan Update:** Chief Smith advised the Board he and other fire chiefs have been meeting with the Marin County Open Space District on their pending Vegetation Management Plan. The Marin fire agencies were never contacted and asked for input when this plan began to take shape three years ago. The fire district borders on open space district lands and their vegetation and defensible space directly impacts adjacent Kentfield. The Chief felt it was imperative that this district have a representative and got involved. He reported the groups have been meeting the last several months and today was the last meeting before they put the modified draft plan together. He is pleased with the progress the fire agencies have made. Marin County Fire Chiefs Association members are engaged with the process and are anticipating endorsing the plan.

Director Naso, referencing KAOF President Kikawa's comments on soliciting for the volunteer firefighter program last Board meeting, presented a list of radio and television contacts for public service announcements to Chief Smith. Chief Smith thanked him for the information.

APPROVAL OF WARRANTS: M/S Naso/Murray to approve Warrants No. 5647 to and including 5720 in the amount of \$423,828.89. All ayes.

The next regular meeting will be held on Wednesday, October 16, 2013 at 6:30 pm.

A moment of silence was held for our departed members, the victims of the shooting at the Naval Yard in WDC, also to keep Carol Abraham in our prayers.

Directors Murray/Naso M/S to adjourn the meeting at 7:50 pm.

Respectfully submitted,

Sharon Mulkeen
Recording Secretary

**KENTFIELD FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS MEETING**

MEETING TYPE: Regular

DATE: Wednesday, October 16, 2013

CALL TO ORDER: 6:30 p.m. by Chairman Gerbsman. Director Corbet led the assembly in the Pledge of Allegiance.

ROLL CALL: All Directors were present except Director Murray. Also in attendance were Chief Smith and Recording Secretary Mulkeen.

APPROVAL OF PRIOR MONTH'S MINUTES: Directors Corbet/Naso M/S to approve the minutes of the previous month. All ayes. Director McLeran abstained.

PUBLIC COMMENT PERIOD: There were no comments received from the public.

UNFINISHED BUSINESS: Chairman Gerbsman moved SCI Measure G Update to the first item on the agenda.

- a. **SCI Measure G Update:** Mr. John Bliss, Vice President of SCI, reported his firm hearing positive feedback on Measure G. He stated absentee ballots were mailed a week ago Monday and that 75% of voters will mail their ballots back within five days of receiving them. Mr. Bliss encouraged the District to continue outreach and maintain their excellent level of service. He also suggested the District prepare statements for response to the media post election. Chief Smith commented that a Marin IJ reporter attended the Pancake Breakfast and the article was in the Monday, October 14th edition. He added the District is working on an opinion editorial piece with the Marin Independent Journal on the November 12th Blood Drive.
- b. **Public Hearing on Ordinance No. 113:** A summary of Ordinance No.113 imposing a special tax for emergency medical response and fire protection and increasing the Kentfield Fire District's appropriation limit in the amount of this special tax was read. Chairman Gerbsman explained to the Board a ballot misprint noting the ballot synopsis reads the new fire tax will be 10¢ per building square foot, not "up to 10¢ per building square foot". Chief Smith reported the full text of Measure G ballot measure correctly reads "up to 10¢ per building square foot". Chairman Gerbsman reported everyone he has spoken with is supporting the measure. Chairman Gerbsman declared an open public hearing for Ordinance No. 113. There were no public comments. Chairman Gerbsman closed the public hearing. He requested a roll call vote: Corbet/yes, Gerbsman/yes, McLeran/yes, Naso/yes. Director Murray absent. Ordinance No. 113 passed. Chief Smith advised the board that Ordinance No.113 will be noticed in the Marin IJ the last week of October per public agency protocol.
- c. **AT&T Cell Site Project Update:** Chief Smith reported he had not heard from AT&T and did not have an update to report.
- d. **LAFCO Selection of Alternate Special District Member:** Chief Smith reminded the Board they had voted several months ago for an alternate Special District member. He reported that LAFCO announced the new alternate is Mr. Jack Baker of the North Marin Water District.

NEW BUSINESS:

- a. **Ordinance No. 114:** Chairman Gerbsman introduced the adoption of Ordinance No. 114, which adopts, by reference, portions of the California Fire Code, the International Fire Code and the International Wildland Urban Interface Code required by the State of California Building and Fire Standards every three years to stay current. Chief Smith recommended reading the Ordinance by title; set a public hearing for our next board meeting, once approved submit the Ordinance to the County, and publish it in the local paper. Chairman Gerbsman read the summary of Ordinance No. 114: "An Ordinance of the Kentfield Fire District adopting and modifying the California Fire Code, International Fire Code, and Appendix A of the International Wildland-Urban Interface Code prescribing regulations governing conditions hazardous to life and property resulting from fire or explosion; providing for the issuance of permits for hazardous uses or operations; and defining the powers and duties of the fire prevention bureau and officers." Chief Smith reported every three years a contingent of County Fire Prevention Officers meet to review the code and make recommendations to Marin County agencies. Chief Smith noted Section 11, page 5 of 25, an amendment to the code, is due to local climatic conditions unique to Marin County. The District adopts more stringent codes than the basic codes to adhere to the more severe fire conditions in the area, for instance the fire resistant roof ordinance. The code change recommendation gives fire agencies authority to leverage homeowner's property regarding vegetation management. The new code will allow agencies to present vegetation issues not addressed by property owners to the Board of Directors. The Board will have authority to order the property be cleaned and to place a lien if necessary. Chairman Gerbsman disclosed he recently had a neighbor with a vegetation problem. He reported the problem to Chief Smith who had Prevention Officer Osgood come visit the property. She addressed the issue with the property owner and Chairman Gerbsman reports that the vegetation issue is being addressed by the

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property owner now. Chief Smith reported that the Kent Woodlands Homeowners Association Safety Committee wants KFD to be more aggressive with vegetation management.

- b. Appointment of KFD Directors for term commencing January 2014 and ending December 2017:** Vice Chairman Corbet read the Oath of Office to Directors Gerbsman, McLeran and Naso. All Directors were sworn in.

CORRESPONDENCE: Reviewed. Chief Smith expressed his desire to thank Paul Homrighausen and Barry Evergettis for their efforts on the evacuation drill. The Board discussed several recognition formats to be finalized at the next meeting.

REPORTS:

- c. Overtime, Incident (September):** Reviewed

DIRECTOR'S REPORT: N/A

CHIEF'S REPORT:

- a. Pancake Breakfast and Open House:** Chief Smith stated an estimated 600 people attended the breakfast. All reports were positive. Chairman Gerbsman noted, even though the lines were long, people were very patient. He thought the firefighters did a great job. Chief Smith commented about 100 Measure G pamphlets were picked up by the public. He did not hear any adversarial comments from attendees.
- b. Kent Woodlands Evacuation Exercise:** Chief Smith advised the board that the exercise on October 5th was a success. He acknowledged working with the Sheriff's Department and Office of Emergency Services and reported there were 15-20 law enforcement personnel (including search and rescue), five engines from Marin fire agencies and 200 residents at the exercise. The event was well publicized by the KWPOA through two newsletters, a mailer, door hangers with evacuation information, and two TENS messages. On the day of the exercise fire trucks drove up into the neighborhoods and the Sheriff's Department directed evacuee's cars into the College of Marin parking lot. Chief Smith noted there are a few processes that could be improved for next year's exercise.
- c. District Succession Planning:** Chief Smith expressed his desire to address succession planning in light of the District's future staff changes. He recommended looking at the whole organization; evaluate how KFD is doing business and how to improve. He requested the Board have a workshop to review this matter after November 6. Chairman Gerbsman suggested Chief Smith work on a framework and scenarios and provide this information to the Board by the December meeting. Chief Smith advised he will work with the staff on the details of the plan.

Chairman Gerbsman asked about the review status of the District's financial policies and procedures. Chief Smith explained that the review was first introduced by Director Naso in the April meeting. A subcommittee was formed and started reviewing the policies and procedures. This process was placed on hold in May as a result of the Chief's family obligations. He recently spoke with Director Murray and Dan Hom and acknowledged his desire to get back on track with the finance policies and procedures noting his commitment to the Board. Chief Smith further explained he had been focusing on Measure G, the Kent Woodlands Evacuation Drill and the Pancake Breakfast. After some discussion with the Board, Chief Smith committed to getting the review completed by February 2014.

Director Naso asked permission to invite CalFire Air Tanker Operators to attend our next Board meeting and give a short presentation of this past fire season. After a short discussion the Board was okay with this invitation as long as they were given a limited time frame to present their report.

APPROVAL OF WARRANTS: M/S Naso/McLeran to approve Warrants No. 5721 to and including 5775 in the amount of \$336,401.38. All ayes.

The next regular meeting will be held on Wednesday, November 20, 2013 at 6:30 pm.

A moment of silence was held for our departed members.

The meeting adjourned at 7:16 pm.

Respectfully submitted,

Sharon Mulkeen
Recording Secretary

**KENTFIELD FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS MEETING**

MEETING TYPE: Regular

DATE: Wednesday, November 20, 2013

Chief Smith announced the passing of Carol Abraham, our long time Administrative Secretary, this past Tuesday morning. The crew went down to the house today to pass our condolences on to Henry and his daughters and left some food, salads and flowers. A celebration of life will be scheduled in the near future. We will post that information on our website. Additionally earlier this month, Mike Hadfield, Michael Murray and the Chief attended the services of long time Director Frank Tessin. Frank retired in 2003 and passed away this month. Chief Smith asked that the closing moment of silence be dedicated to these two committed members.

CALL TO ORDER: 6:34 p.m. by Chairman Gerbsman. Chief Smith led the assembly in the Pledge of Allegiance.

ROLL CALL: All Directors were present. Also in attendance were Chief Smith, County Counsel Brady and Recording Secretary Mulkeen.

APPROVAL OF PRIOR MONTH'S MINUTES: Directors Naso/Corbet M/S to approve the minutes of the previous month. All ayes. Director Murray abstained.

PUBLIC COMMENT PERIOD: There were no comments received from the public.

Chief Smith introduced Firefighter Steve Kikawa, KAOF President. Firefighter Kikawa thanked the Board on behalf of the volunteer and professional firefighters for their support and participation with the pancake breakfast. He also expressed his thanks to Chief Smith and the paid staff for supporting the volunteer association. The breakfast was a success due to their participation. The Board also thanked the volunteer and professional firefighter associations for their hard work and a job well done.

PUBLIC RECOGNITION:

- a. Chief Smith introduced Barry Evergettis and Kathy Goldsmith of the Kent Woodlands Property Owner's Association. Chief Smith explained that Barry Evergettis and Paul Homrighausen worked with the Chief on disaster preparation and the evacuation drill conducted in the Kent Woodlands neighborhood last month. The success of the drill was due to Mr. Evergettis and Mr. Homrighausen's participation. Chief Smith commented that Mr. Homrighausen couldn't make tonight's meeting but wanted to extend his thank you to the Board. The disaster sub-committee met four to five times with OES and Sheriff's Office personnel and planned the area to evacuate. It took lots of coordination from the committee who distributed disaster preparedness information door to door. Chief Smith noted the necessity of buy in from the homeowners for the drill to be successful. Chief Smith read the Board approved Resolution to Mr. Evergettis. Mr. Evergettis acknowledged volunteers in the community who gave their time to be involved in the drill and thanked Chief Smith, the Directors and KFD staff for their time and dedication to fire prevention. Chief Smith will recognize Mr. Homrighausen at a future event.

UNFINISHED BUSINESS:

- a. **Resolution 7-2013 Finding of Fact with Ordinance No. 114:** Chief Smith noted Ordinance No. 114 was first read at a public hearing in October. In that ordinance there was a finding of fact to adopt changes to the state ordinance due to local conditions specific to Kentfield. This evening the Board will adopt Resolution 7-2013 in support of Ordinance No. 114 adopting portions of the California Fire code, the International Fire Code and the International Wildland Urban Interface Code Findings of Fact. Directors Murray/Corbet M/S to adopt the Resolution 7-2013 and Findings of Fact relative to Ordinance No. 114 as presented in the Board packet by roll call vote: Corbet-Aye; Gerbsman-Aye; McLeran-Aye; Murray-Aye; Naso-Aye.
- b. Chairman Gerbsman opened the public hearing for the final reading of Ordinance No. 2013-114. Chairman Gerbsman read the summary of the Ordinance. There were no comments from the public. Chairman Gerbsman closed the public hearing. Directors McLeran/Murray M/S to adopt Ordinance No.2013-114 as presented. Roll call vote: Corbet-Aye; Gerbsman-Aye; McLeran-Aye; Murray-Aye; Naso-Aye. Chief Smith advised the Board that a summary of this Ordinance will be posted in the Marin IJ, as required, the week of November 25; go before the Board of Supervisors on December 2 for ratification; and, be sent to the California Building Standards Commission for file to become effective January 2, 2014.
- c. **Measure G Update:** Chief Smith announced the Measure G campaign was successful with 75.5% in favor of the measure. He thanked the Board and Engineer Trimble, representing the Association, for their work on the measure and recognized Directors McLeran and Corbet, Captain Glenn, Engineer Fox and resident Paul Homrighausen for

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signing the argument in favor of the measure. Engineer Trimble thanked the Board for all their work. He also recognized Mary Shilts of SCI Consulting for her professionalism and responsiveness to his inquiries and stated he felt she met all her commitments to the staff in supporting Measure G. Chief Smith noted he spoke with Accountant Hom and they will meet to review the details of the COLA, explaining every year after 2014 the District will have to account for what the COLA will be, based on the Bay Area CPI. Ms. Shilts of SCI Consulting can provide this service with a contract or she can give the information to Accountant Hom on gratis. Chairman Gerbsman inquired if the District had made final payment to SCI Consulting. Chief Smith reported the final statement had not arrived. Chief noted as a budgeting item he will ask the Board to approve adding a budget line item for professional services and pay SCI Consulting from this code. Chairman Gerbsman thanked Chief Smith and everyone who worked on this measure.

- d. **AT&T Cell Site Project Proposal/Update:** Chairman Gerbsman explained this “visual screening” proposal was a product of the Kentfield Planning Advisory Board meeting that he and the Chief attended where Fire District neighbors voiced concerns about the aesthetics of the KFD roof. The proposals objective was to address what can be done to shield the roof for those neighbors living above the fire house. AT&T committed \$10,000 towards this budget at the meeting. Chief Smith was directed by the Board to get a bid on what some of the architectural options would be. Chief Smith contacted Don Dommer Associates and referenced the proposal in the Board packet. Chief explained that the design will be presented as a 3D model of different angles of the proposed screen. The Chief requested approval of the proposal. Chairman Gerbsman noted several steps in the progress of this project: 1) confirm that AT&T is committed to fund the \$10,000 as promised; 2) recognize that once the design plans are presented it doesn't mean KFD is committed to moving forward and 3) does the model meet the priorities of the community and KFD. Director Naso raised concerns about the design style and issues with accessing the roof. Chief Smith responded that the design could be more like a lattice /pergola style. The District's HVAC consultant suggested a design that can be disassembled if work needed to be done on the roof top equipment. After a board discussion Directors Murray/McLeran M/S to approve Don Dommer Associates' proposal study to lessen the adjoining neighbors view of the lower roof subject to written confirmation of AT&T's financial participation as they had promised at past meeting. All Ayes.

NEW BUSINESS:

- a. **Closed Session:** Board moved to closed session at 6:52 pm to conference with counsel regarding existing litigation – Gov't Code § 54956.9(a); Workers Compensation Claims #100001555 and #13000992. Board returned to open session at 7:34 pm with nothing to report on worker's compensation claim 13000992; Board reported they will make a motion for a resolution on worker's compensation claim 100001555.
- b. **B/C Galli Retirement/Resolution 9-2013:** Chairman Gerbsman moved this item up from 6d to 6b to follow the order of the meeting. Directors McLeran/Naso M/S to adopt Resolution 9-2013 by the Board as presented in the board packet for the application of disability retirement for James A. Galli. Roll call vote: Corbet/Aye; Gerbsman/Aye; McLeran/Aye; Murray/Aye; Naso/Aye. Chief Smith noted the Board has passed Resolution 9-2013 approving this application of disability retirement for B/C Jim Galli with an effective date of December 4, 2013.
- c. **Resolution 6-2013:** Chief Smith informed the Board that the Ross Valley Paramedic Authority Board met in November and is recommending a \$3 incremental increase plus a 50-cent administrative fee bringing the total RVPA tax to \$51.50 for the 2014/15 fiscal year. Chief Smith recommended that the Board approve the resolution. The District's RVPA representative, Director Corbet agreed with the recommendation, without further comment. Chairman Gerbsman read the summary of Resolution 6-2013 and asked for public comment. There was no public comment. Directors Corbet/McLeran M/S to support Resolution 6-2013 the Ross Valley Paramedic Tax Rate for 2014-15. Roll call vote: Corbet/Aye; Gerbsman/Aye; McLeran/Aye; Murray/Aye; Naso/Aye.
- d. **Resolution 8-2013:** Chief Smith advised the Board that the District applied for a 50/50 match grant for volunteer firefighter protective clothing from Cal Fire in Spring 2013, requesting \$10,000. He reported hearing from Cal Fire that they would fund the grant for \$3,745; in which the District would be responsible to match in kind. The Agreement before the Board binds KFD to Cal Fire purchasing standards, bidding guidelines and accounting of purchase with conditions including that KFD implements a Drug Free Awareness Program and give all of our employees a copy of the drug free statement. Chairman Gerbsman asked if KFD had budgeted money for this and if KFD has a drug policy written and if so has it been presented to the board? Chief Smith responded yes, he has a line item budget for fire equipment and supplies for \$18,000. Chief Smith informed the Board that KFD does have a Drug policy in place, written some years ago and Board approved. Chief Smith asked Engineer Trimble (Association Rep), to convey this policy with the officers so they can review with their respective shifts and union

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personnel. Engineer Trimble was asked to report results back to the Board. At the conclusion of a discussion, Directors Murray/McLeran M/S to adopt Resolution 8-2013, the California Volunteer Fire Assistance grant for wildland personal protective equipment from the Department of Forestry and Fire. Roll call vote: Corbet/Aye; Gerbsman/Aye; McLeran/Aye; Murray/Aye; Naso/Aye.

- e. **New Firefighter Recruitment:** Chief Smith reported meeting with staff to review the current Firefighter job description. He advised he had contacted FireHire, an agency that prequalifies firefighters in California to screen and test applicants, to post the position on their website and use their services. They have California approved standardized written and agility tests. Chief Smith recommends moving forward with both a lateral firefighter and entry level firefighter positions through FireHire, post positions on the District website and send job postings to Fire Academies. He noted the minimum requirements are high school diploma, some college, Firefighter 1 and EMT. Chief Smith is optimistic and plans to announce the position the first week of December, open applications from December 1 through January 1, schedule interviews in January with a hire by the end of the first quarter 2014. Chief Smith asked the Board for their authority to advertise the position. After some discussion the Board gave Chief Smith permission to start this process and keep the Board advised of its status. Chief Smith also requested the Board's approval to extend the funding for the temporary firefighter position, currently approved to December 2013, for two to three months. The Board advised Chief Smith to extend the funding for up to three months at his discretion.

CORRESPONDENCE: Reviewed.

REPORTS:

- a. **Overtime, Incident (October):** Reviewed

CHIEF'S REPORT:

- a. **Succession Planning Update:** Chief reported he meets approximately once a month with the officers and lately has been discussing succession planning in light of the upcoming retirement of one of the officer's. Chief asked the Board for input on their vision of how they want the District structure/model to look like as they put the succession planning together. Chief Smith then opened a conversation if the Board wished to consider the District merging with another Department/District or share its administrative services as part of the new model. After the discussion the Board's consensus was to remain independent. Chairman Gerbsman suggested the Board create a subcommittee to generate two to three models and then present the information to the full board. After further discussion Directors McLeran and Murray were appointed to the subcommittee. Chief Smith acknowledged and thanked the Board for their fiscal knowledge and ability to make financial decisions in a timely manner.
- b. **Public Records Act Request:** Chief Smith advised the Board that he had recently received a request for information regarding healthcare benefits that the District provides for board members, present and retired. The Board passed a resolution in 2001 that allows retired board members after meeting the minimum required years of service to stay on the District's health plan and the board member pays the premium. Chief Smith reported he will put a response together next week.
- c. **KFD Holiday Party:** Chief Smith is planning a holiday party at Woodlands Café with Tara, the Event Coordinator. The event date is yet to be determined. It will be a casual event with passed appetizers. Current staff, Board and past members will be invited.

DIRECTOR'S REPORT: Chairman Gerbsman expressed his concern to the Board regarding correspondence that recently came to his attention that Director Naso sent as a private citizen referencing his KFD Board membership. He noted that the District is not associated with the personal matter and going forward advised Director Naso to continue to express his concerns as a private citizen separate from his board membership. Director Naso acknowledged the Chairman and was in agreement.

Engineer Trimble, on behalf of the KAPF, advised the Board that the union would like to open negotiations and requested this item be placed on the December agenda.

APPROVAL OF WARRANTS: M/S Murray/McLeran to approve Warrants No. 5776 to and including 5845 in the amount of \$334,306.49. All ayes.

The next regular meeting will be held on Wednesday, December 18, 2013 at 6:30 pm.

A moment of silence was held for our recently departed members, Frank Tessin and Carol Abraham and their families.

Directors Murray/McLeran M/S to adjourn the meeting at 8:16 pm. All Ayes.

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Respectfully submitted,

Sharon Mulkeen
Recording Secretary

**KENTFIELD FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS MEETING**

MEETING TYPE: Regular

DATE: Wednesday, December 18, 2013

CALL TO ORDER: 6:31 p.m. by Chairman Gerbsman. Director McLeran led the assembly in the Pledge of Allegiance.

ROLL CALL: All Directors were present. Also in attendance were Chief Smith, Accountant Hom and Recording Secretary Mulkeen.

APPROVAL OF PRIOR MONTH'S MINUTES: Directors Murray/Naso M/S to approve the minutes of the previous month. All ayes.

PUBLIC COMMENT PERIOD: There were no comments received from the public.

UNFINISHED BUSINESS:

- a. **Measure G/Certificate of Canvass of Vote/Statement of Results:** Chief Smith referred to the Elections Dept documents in the board packet noting our successful measure with the official Certificate of Canvass of Vote and the official final statement of votes casts from precincts which give the District the authority to tax. Chief Smith thanked the leadership team from the Board and the KAOF on their work on the measure. Chairman Gerbsman also thanked Chief Smith for his work on Measure G.
- b. **Fire Station Lease Purchase Refinancing Presentation and Discussion:** Chief Smith reminded the board that six months ago Mr. Rick Brandis made a Board presentation and talked with the Board about the possibility of refinancing the note on the fire station by June 1, 2014. At that time the Board decided to wait and ask Mr. Brandis to return at the end of the year to review the numbers. Chief Smith introduced Mr. Rick Brandis of Brandis Tallman to present his refinancing models. Mr. Brandis presented two models to the Board: the first closing in February 2014 and the second, May 2014. Mr. Brandis explained the earliest the District could refinance is June 2014. In the first scenario, closing in February 2014, the savings is 2.42% producing \$8,300 in savings. The industry minimum standard to refinance is 3% savings. The second scenario, which is closer to the call date of June 30, 2014 would close the end of May, would save \$12,000 a year, and meet the minimum savings standard with a 3.34% savings rate and a net savings of \$100,000 overall. Mr. Brandis recommended waiting to see what the market shows in March. Accountant Hom also recommended waiting suggesting the District review the numbers every month noting that 3.4% is the benchmark. Chief Smith agreed stating it is important to save the tax payers money and thinks waiting is a good option for the Board. After a Board discussion they decided to wait and asked Mr. Brandis to provide financial scenarios to the District by January 9, 2014 and February 13, 2014, respectfully, in anticipation of the BOD meetings in 2014.
- c. **AT&T Cell Site Project Proposal/Update:** Chief Smith received information two weeks ago from Mr. Zachary Carter of AT&T who is working on the screening scenario. Mr. Carter ran the \$10,000 project incentive for the architectural study fee to AT&T five days ago. Mr. Carter advised Chief Smith that AT&T may have to amend the agreement with the District if AT&T accepts this study fee. Chairman Gerbsman asked if the Chief had heard any comments from the neighbors at which time Chief Smith replied he had not.
- d. **Kentfield Association of Professional Firefighters Intro to Negotiations:** Captain Glenn addressed the Board requesting a meeting with the Committee to reopen the firefighter negotiations for 2014. After some discussion it was decided a Board Committee with Director Murray and Chairman Gerbsman will convene and meet with Captain Glenn tentatively on Friday, January 17, 2014 or Friday, January 24, 2014 at 3:30 pm.

NEW BUSINESS:

- a. **2013-14 FY Budget:** Accountant Hom explained at the time this budget was created he and Chief Smith grouped consulting and legal fees under administrative expenses. At this time Accountant Hom and Chief Smith are proposing and seeking Board approval to 1) back out legal and consulting expenses from the administrative expenses category; 2) amend the budget and create two new categories: consulting fees and legal fees; and 3) transfer \$5,000 from the existing administrative account into legal fees and transfer \$42,000 from unassigned reserves into the budget under a new consulting fees expense account. Accountant Hom added making these changes would provide more detail/transparency for the Board. A decision followed with Directors Gerbsman/McLeran M/S to create two line items: legal fees and consulting fees, move \$5,000 from administrative expenses to a new legal fees account, and add \$42,000 to the budget by moving \$42,000 from unassigned reserves to a new account, consulting fees. All Ayes.

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- b. John Maher Accountancy Audit Services Agreement:** Accountant Hom presented the service agreement and asked for Board approval to sign it and use Maher Accountancy for the District 2012-13 audit. Director Naso asked how long it had been since the District has announced a request for proposal. Chief Smith replied the District has worked with Maher Accountancy for the last seven years and that as a standard, there is no policy in place, the District usually seeks proposals every five years. After some discussion the Board approved the Audit Agreement and requested Chief Smith create a District policy and RFP to review at the February Board meeting. At that time the Board may choose to announce a request for proposals. Accountant Hom recommended the request go out in the February-March time frame in order to meet the auditor's timeline.

- c. Nominations for Board of Director Officers 2014:** Directors Gerbsman/Murray M/S to nominate Director Corbet to Chairman; Directors McLeran/Corbet M/S to nominate Director Murray to Vice Chairman; and Directors Murray/Gerbsman M/S to nominate Director McLeran to Secretary. All Ayes.

CORRESPONDENCE: Reviewed. Chief Smith thanked the staff for all they did the last several months for Carol and her family; He also extended his thanks to B/C Hadfield for joining him in the celebration of Director Frank Tessin's life. Frank was a Director for this District and retired in 2003. Director Naso added we will miss them both. They did a lot for this fire district. We will always remember them and look forward to the celebration of life service for Carol in the spring. May they rest in peace.

REPORTS:

- a. Overtime, Incident (November):** Reviewed

CHIEF'S REPORT:

- a. MERA Report (moved to first item):** Chief Smith reported that he and Director Naso attended the MERA meeting this month. Chief reminded the Board that MERA gave a presentation to the District last summer outlining their proposed project (new generation MERA), their timeline and ideas for generating funding. At this recent meeting Chief Smith reported MERA plans to move forward with a survey to evaluate a \$20 property tax fee per residential parcel per year. The new system is estimated to cost \$40 million. Our staff will stay apprised on the operational component; the radio system and the communication center are scheduled to roll out in 2015, with Fire Departments/Districts switching to MERA in 2016-17. The plan will reuse existing sites and plan to add four or five additional sites: Golden Gate Bridge, Mount Sutro Towers, Martha's in Tiburon and one up north and one in the west. This project hinges on positive tax payer support. Director Naso added he speaks with dispatchers in Southern Contra Costa and Alameda counties on a daily basis and found they are pleased with the clarity of the new system they are using. Chairman Gerbsman noted concern that the last presentation lacked a substantial public campaign. Chief Smith advised that MERA hired a marketing consultant to handle the publicity and public outreach campaign.

- b. Succession Planning Update:** Chief Smith presented and reviewed the current staffing, the proposed staffing model and the costs worksheet with the Board. Chief Smith explained he worked with subcommittee members Director Murray and Chairman Gerbsman on reviewing and creating this new staffing model. With the new staffing model Chief Smith would like to move the two Acting Captains into full-time Captain roles giving them more experience, stabilizing the Captain leadership on two shifts, and giving this new leadership a better opportunity to meet goals and objectives. Chief Smith complimented the staff on this past year noting the difficulty with the leadership transition. The proposed model would move the B/C position from running an engine company to handle more administrative functions and perhaps offer opportunities beyond our District to participate in area wide functions. Part of the reason for moving this plan forward is to give Mike, Dave, Ned and Mark a chance to grow on the administrative side. Chief Smith thinks it would be helpful to the District as it moves forward that our company officers and B/C have a good balance of street skills and the appropriate balance of administrative skills. He plans on meeting with officers and cross training on administrative functions. The Chief would like to implement this model next year, perhaps in February 2014, after contract negotiations. To continue succession planning Chief Smith informed the Board he plans to announce an Acting Captain's test in mid-2014. Chairman Murray commented he appreciated the opportunity he had working on this proposed model and values the work time the Captains will have as a result of moving the B/C position into an administrative role. It will free up some of the Captain's time and everyone will have a chance to share vertically and laterally which is beneficial for the staff. Engineer Trimble, union representative, commented that the entire professional staff is unanimously behind this model. A discussion followed with Board members and staff reviewing options, timelines and contractual issues. At the conclusion of the discussion Chairman Gerbsman, on behalf of the Board, announced the Board was not going to make a decision on finalizing this staffing model at this time. He recommended the staff give some thought to anticipating issues, maintain an open dialog and follow logical steps to this new model.

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APPROVAL OF WARRANTS: M/S Murray/McLeran to approve warrants no. 5846 to and including 5902 in the amount of \$259,149.88. All ayes.

The next regular meeting will be held on Wednesday, January 15, 2014 at 6:30 pm.

A moment of silence was held for our recently departed members. Chief Smith and Director Naso shared some thoughts and sentiments of Carol Abraham, long time KFD Administrative Assistant.

Directors Murray/McLeran M/S to adjourn the meeting at 8:00 pm. All Ayes.

Respectfully submitted,

Sharon Mulkeen
Recording Secretary