

MAY 11, 2011
BOARD OF DIRECTORS' MEETING
DIAMOND SPRINGS / EL DORADO FIRE PROTECTION DISTRICT

PLACE: DIAMOND SPRINGS FIRE STATION
501 MAIN STREET
DIAMOND SPRINGS, CA 95667

Board of Directors' Meeting called to order at 7:08+.M. by President Charles Hoff.

ROLL CALL: PRESENT:

Bill Flynn
Ed Cunha - in at 7:12 PM
Pat Williams
Jackye Phillips
Asst. Chief Robert Combs
Chief Cunningham
Charles Hoff

ABSENT

Battalion Chief Ken Earle - absent

A quorum is present.

FLAG SALUTE:

Flag salute was lead by Robert Thatcher.

ADOPT AGENDA:

OLD BUSINESS #2. Rescue Fire District moved to be heard under **NEW BUSINESS #3.**
Motion made by Pat Williams to approve the Agenda as amended. Motion seconded by Jackye Phillips.
Carried.

MINUTES:

Minutes of the April 13, 2011 Board of Directors' Meeting read. Motion made by Bill Flynn to approve the minutes as submitted.. Motion seconded by Jackye Phillips.. Carried.

OPEN FORUM: For public testimony

No public comment.

TIME SENSITIVE MATTER as #1.

1. **Appropriations Limits:** Public Hearing.

CORRESPONDENCE:

› None

DISTRICT BILLS:

District bills in the amount of \$55,104.63 read into the record. Discussion held on the following bills:

- › **49er Communications:** communication upgrades under required FCC regulations. We will request funds be moved next month. This item did go out to bid, there were 3 components which were major for the District.
- › **DSEDFFA:** turnout fees are a \$9,000.00 to \$10,000.00 transaction.
- › **Suburban Propane:** We are now contracting with Suburban Propane with a 3 year contract and at a very good rate, 40 to 50 cents over. Suburban Propane will swap out the tanks with no additional fee.
- › **Bridgeport Building Supply:** for the public works project out at Station 44, landscaping, etc.
- › **California Overhead Door:** contracts and broken door.
- › **Zoll:** Defibulator maintenance.

Motion made by Jackye Phillips to pay the bills as submitted. Motion seconded by Pat Williams. Carried.

CHIEF'S REPORT: Covered by Asst. Chief Robert Combs.

- › **District Variance Report:** Public works project is progressing; trying to wrap it up. Kitchen remodel discussed for Station 49. Communication project is also wrapping up. Station 46 repair is scheduled for next year.
- › **Budget:** \$247,000.00 approximately to rollup with \$1.1 million in Reserves. Class 30, 40 and 60 discussed.
- › **JPA Variance Report:** \$1,081.00 plus or minus rollup and the JPA has been notified of the financial overrun. Current issue with the JPA is a blown engine this month, was a rebuilt engine and is in the shop again with a new engine being tested. The last 4 years audit were submitted to the JPA and Board of Supervisors. County Fire still has not settled their claim and also has not settled on appointing an auditor for the next 2 years. The County needs to approve an auditor. Exclusivity was discussed; hired a consultant to draft an appeal.

BATTALION CHIEF KEN EARLE'S REPORT: Covered by Asst. Chief Robert Combs. Report presented in the Board Packets.

- › **Calls:** 218 calls in April, call volume is picking up.
- › **Maintenance Projects:** 2 more problems with the truck which will be costly. Options were discussed along with ISO ratings which will cost us one point and will lower the ISO rating if we go without the truck. Pro's and con's discussed. Having a ladder truck affects insurance rates. The Change look into all options.
- › **Narrow banding:** Narrow banding discussed including training. This is major project for the transition.

ASST. CHIEF ROBERT COMB'S REPORT: Report presented in the Board Packets.

- › **Development Impact:** No change.
- › **2010 California Fire Code Amendment:** The amendments have been approved by the Board of Supervisors and were hand delivered to the Building Standards Commission.
- › **Grant Updates:** Grants are still out.
- › **Fire Prevention Officer's Association:** The Association is dealing with the added section creating an upheaval with the community; water flow and hydrant placement discussed. Sections state that there must be water flow for every building and specifics are defined. Hydrant requirements are problematic. Asst Chief Combs has created a creative interpretation to the codes and submit a letter to the Fire Marshall for approval; presented his interpretation for the change, is not finalized yet and will do a draft of his interpretation.

OLD BUSINESS: Public comment closed – no comment from the public.

1. **2011-12 Appropriation Limits 2011-07:** This is a procedural matter setting the 2011/2012 District Proposition 4 Appropriations Limits at \$3,630,691.18. Will set a public hearing at the June Board of Directors' Meeting for the preliminary budget. Chief Cunningham explained the appropriations limit. Motion made by Jackye Phillips to adoption the 2011-12 Appropriation Limits 2011-07 as presented. Motion seconded by Bill Flynn. Public hearing closed at 8:10 P.M. Roll call vote as follows:

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|-----------------|-----|
| Bill Flynn | Aye |
| Ed Cunha | Aye |
| Pat Williams | Aye |
| Jackye Phillips | Aye |
| Charles Hoff | Aye |

Motion carried.
3. **Review of 2011 OPEB Final Report:** Debra Thompson is currently working on this project. Chief Cunningham discussed OPEB and the report, amount paid last year and this year. \$220,000.00 will be requested to add to the fund pool per the actuarial. Only required \$100,000.00 for 2012. PERS will allow the investment of \$220,000.00 for the initial year. Chief Cunningham explained further the investments to be made and why. \$177,000.00 is the advised amount which is the total liability for the District and the JPA. There will be an actuarial every 2 years. The actual investment will be determined on each years financial situation. Variables touched on. Prior actuarials were discussed and the errors involved. This will be an action item at the July meeting.
4. **LAFCO Runoff Election:** Chief Cunningham read the instructions: the Board selected the following nominees in order of:
 1. Charles Hoff
 2. Ken Humphreys

3. Barbara Winn
4. Ray Griffiths
5. Joseph Fuller
6. Guy Hooper
7. Shiva Fretzen

Motion made by Jackye Phillips to affirm the nominations. Motion seconded by Ed Cunha. Roll call vote as follows:

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|-----------------|-----|
| Bill Flynn | Aye |
| Ed Cunha | Aye |
| Pat Williams | Aye |
| Jackye Phillips | Aye |
| Charles Hoff | Aye |

Motion carried.

NEW BUSINESS:

1. **Preliminary Budget:** Draft budget for 2011-12 presented in the Board Packets. Chief Cunningham ran through the draft Preliminary Budget with \$3,238,757.97 projected which is lower than last year. \$1.2 million in reserves at the end of the year. This is based on what the CAO and Joe Harn are currently publishing as a 2% reduction. We are anticipating the same as last year, hit hard on residential growth. Anticipating using \$17,000.00 in Development Fees, no engine purchase anticipated. As far as cash flow, we are in great shape. It is anticipated that the next 3 years will be like it has been with no improvement. The South Lake Tahoe Fire Chief has resigned. Revenue discussed with a 2% reduction as well as a 2% reduction in tax revenues. Grants discussed as well as the budget summary. Station 49 remodel discussed. Projects and expenditures discussed. Class 30 at a 12% reduction. Class 40, \$31,000.00 increase due to training. Priority based training cycle discussed as well as training priorities for the Board. No big changes in personnel; Chief of Operations as a place holder. Costs going up with PERS, 10% increase on health insurance mid-year. Safety equipment touched on. Fire hose and wild land hose discussed, going to locking couplings.
2. **FASIS Board Election:** Chief Cunningham needs authorization to act as proxy with voting authority as it pertains to this election to nominate 2 members to the FASIS Board. Motion made by Jackye Phillips to authorize Chief Cunningham to act as the voting authority in the elections to the FASIS Board. Motion seconded by Bill Flynn. Roll call vote as follows:

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|-----------------|-----|
| Bill Flynn | Aye |
| Ed Cunha | Aye |
| Pat Williams | Aye |
| Jackye Phillips | Aye |
| Charles Hoff | Aye |

Motion carried.

3. **Rescue Fire District:** Pat Williams discussed their Board of Directors Meeting stating that Rescue likes the word "merger" rather than consolidation. LFCO will name the merger if that is the way we go. Talked about their discussions; financial realities are pretty bleak. Addresses incurred expenses we would have. Did not address specifics at the meeting. Jackye Phillips stated we would need to present a financial commitment for this; some figures were discussed. This would be a one year obligation @ \$196,000.00 cash contract in exchange for their Administrative services here. The contract may be extended at the end of the year going toward merger. Liabilities discussed. Need to get our ducks in a row. Rescue feels they are being pressured. E-RAF toughed on. Ed Cunha stated concerns regarding commitment to the grant and the debt we would incur stating this would slow our District down financially. Goals and concerns were discussed. It was stated that if we do this, this would be a political and altruistic decision. Rescue will have very little development in the upcoming years. Concerns stated. AB8 touched on. We are one of three solvent districts in the County. Ed Cunha stated we need to revisit the Long Range Plan, etc. Current impacts stated. Charles Hoff recommends we cease discussions as this is of no benefit to the District. The Committee will get together soon. Chief Cunningham needs to focus on building a better Fire District. He agreed this is not a good financial decision. Chief Cunningham stated if this moves ahead he wants to bring in Brian Veerkamp.

CLOSED SESSION: Opened at 10:12 PM

Back in session at 10:26 PM

The board directed Chief Cunningham to start the recruiting process for a new Chief.

NEW PURCHASES:

None.

EMPLOYEE/VOLUNTEER INPUT:

None.

Meeting adjourned,
Respectfully submitted

Caroline Falconer
Board Secretary