

SOUTH PLACER FIRE DISTRICT
BOARD OF DIRECTORS
Regular Board Meeting Minutes
January 21, 2015

REGULAR BUSINESS

The South Placer Fire District Board of Directors regular meeting was called to order on Wednesday, January 21, 2015 at 7:02 p.m. by President, Mike DeLaurentis.

Present:

Mike DeLaurentis, President
Dave Harris, Vice President
Sean Mullin, Clerk
Gary Grenfell, Director
Terri Ryland, Director

Absent:

None

Staff in Attendance:

Fire Chief, Lawrence Bettencourt
Board Secretary, Kathy Medeiros
Deputy Chief, Eric Walder

Public Comment: None

Closed Session: A closed session meeting regarding employment contract renewals with the South Placer Firefighter Local 3809, SPFAOA, and day staff took place at 6:30 p.m. between Chief Bettencourt and board members. President DeLaurentis reported that an offer was made to Local 3809 that is under review. SPFAOA has asked to meet with labor negotiators, and the Board has agreed. Day staff has come to full agreement with the new employment contracts.

Consent Agenda: Director Ryland made a motion to approve the consent agenda; seconded by Director Grenfell. Carried

Ayes: Mullin, Harris, DeLaurentis, Grenfell, Ryland Noes: None Abstain: None Absent: None

OLD BUSINESS

None

NEW BUSINESS

Nomination of Fire Chief Lawrence Bettencourt to Stand for Election to the Governing Board of the Fire Agencies Insurance Risk Authority (FAIRA): Staff recommends nomination of Fire Chief Lawrence Bettencourt to the FAIRA governing board for a two year term. Chief Bettencourt explained that FAIRA is a Joint Powers Authority (JPA) that provides property and liability insurance to Fire Districts in California. South Place Fire district is one of the founding members when the JPA began over 25 years ago. He continued that the Board will need to make a formal motion for his nomination on the FAIRA Governing Board. The election is to be held in April.

Director Ryland made a motion to nominate Chief Bettencourt to stand for election to the Governing Board of FAIRA in 2015. Seconded by Director Mullin. Carried

Ayes: Mullin, Harris, DeLaurentis, Grenfell, Ryland Noes: None Abstain: None Absent: None

Quarterly Budget Report: Staff recommends a short presentation on the status of the current budget. Chief Bettencourt reviewed the quarterly budget and current profit and loss statement. He noted that the District has received 55% of the Teeter program property tax revenue in December 2014. While new development fees have exceeded expectations, ambulance revenue is notably down. The current outstanding receivable for the Office of Emergency Services (OES) is \$277,225. For the 2014/15 fire season, total billings to OES for both in and out of county responses was \$372,000. Total expenditures were on target at 46.1% for the budgeted year. He continued that capital expenditures that were previously delayed have been approved for purchase due to the end of the dry financing period.

Fire Prevention/Facilities Division Chief Job Description Updates: Staff recommends review and approval of job description changes for Fire Prevention/Facility Maintenance Officer. (SPFD Policy 1141). Chief Bettencourt discussed the changes made by departments to Fire Prevention Divisions across the nation. The California Office of State Fire Training is rewriting the training class's curriculum for several training tracts. He continued that the position of Fire Prevention Officer is now commonly referred to as Community Risk Reduction /Facilities Maintenance Officer (CRR). The tasks assigned for the Community Risk Division include: approval and inspection of special event permits, water supply testing, weed abatement, fire protection engineering plan review and inspections for new construction, review and inspection of licensed care facilities for children and elderly, coordination of public education programs, and code enforcement for fire code violations. Chief Bettencourt recommended changing the position title as to allow the District to hire someone from outside the District. Once the position loses the fire investigation component and responsibility from post fire activities, it would no longer be a safety position. Captain Ritter is temporarily assigned to this position as a day shift. With Captain Ritter's completion of the new curriculum of fire prevention classes, he is now qualified to be a CRR. Chief Bettencourt continued that he is looking for Board authorization to approve the job description changes to the Fire Prevention/Facilities Division Chief Job Description.

Director Grenfell made a motion to authorize Chief Bettencourt to make the changes as presented to the Fire Prevention/Facilities Division Chief Job Description. Seconded by Director Mullin. Carried

Ayes: Mullin, Harris, DeLaurentis, Grenfell, Ryland Noes: None Abstain: None Absent: None

Portal to Portal Resolution for the California Fire Assistance Agreement (CFAA): Staff recommends review and approval of the resolution approving portal to portal reimbursement for all personnel assigned to emergency incidents through the CFAA agreement. Chief Bettencourt defined the CFAA agreement as the formal document for reimbursement of local government agency responses to emergency incidents throughout California. These agreements are currently being re-written for agreement to payment, accommodations, and training. In order to be reimbursed for the District employees' time from home base to home base (portal to portal), we will need to include additional language in the MOU and a Board Resolution. This Resolution will identify the terms and conditions for the reimbursement for District response to incidents outside the jurisdiction.

Chief Bettencourt asked the Board of Directors to pass Resolution No. 4-2014/2015. A motion was made by Director Ryland and seconded by Director Harris. Board of Directors approved Resolution No. 4-2014/2015.

Roll Call:

Ayes: Grenfell, Ryland, Mullin, Harris, DeLaurentis Noes: None Abstain: None Absent: None

INFORMATION AND DISCUSSION

Plan to Replace Retiring Fire Chief Lawrence Bettencourt: Staff recommends discussion and comments on the plan to replace the Fire Chief. The current Fire Chief has a planned retirement date of December 2015. The District currently has hiring lists in place for Apprentice, Firefighter/Paramedic, Engineer, Captain, and Battalion Chief. Chief Bettencourt explained the need for discussion on filling the Fire Chief's position and the vacant Fire Prevention/Community Risk Reduction Officer position from qualified personnel within the Fire District. The current Board approved organizational plan was displayed with salaries at 81.6% of general revenue. He then demonstrated a proposed organizational plan for 2015/16 staffing. He suggested the Board begin with hiring of a new Fire Chief in order to maximize the training time the new appointment will require. The position would require a minimum of 3 months turnover to introduce the successor to other agencies such as FAIRA and FASIS. He continued that interviews should begin in March, with a Board decision in April. If the internal candidates are not approved for the position, the Board would need a minimum of a 6 month time frame to recruit additional outside applicants. The goal would be to begin promotions in July to allow a new Fire Chief an opportunity to take part in the staffing from the District's current hiring list in place. President DeLaurentis noted that the new organizational plan appeared to be well thought out and appropriate. The Board agreed to meet tentatively on March 19th, 2015 from 4-7 p.m. to interview the internally qualified Fire Chief candidates.

California Public Employee Retirement System (CalPERS) Side Fund Payoff: Staff recommends a short presentation and discussion on financing the approximately \$2,100,000 side fund and other unfunded liabilities for the Safety (3% @ 55) and Miscellaneous Employees (3% @ 60) classic retirement systems. Jeff Small from Capitol Public Finance Group (CPFPG) presented a short slide presentation discussing the savings achieved by refinancing the District's current side fund debt with CalPERS. He explained the recent changes made to the 2014 CalPERS actuary reports that were in accordance with the 2013 PEPR legislation (Public Employees Public Reform Act). With the new act, CalPERS has changed the interest rates, mortality rates, and amortization of unfunded liabilities. He suggested the District also consider financing other District liabilities such as the Other Post Employment Benefit (OPEB) and unfunded total pension liability of \$8.3 million to reduce overall payment obligations. At the current payment arrangement with CalPERS, annual payments of approximately \$400,000 to \$850,000 over the next 10 years will be calculated using a CalPERS interest rate of 7.5% for the Safety and Miscellaneous plans retirement plan alone. He continued that CPFPG would evaluate the financial options in phase 1, Implementation of the refinancing would occur in phase 2. CPFPG would act as the District's Financial Advisor and provide recommendations related to all aspects of debt issuance. Chief Bettencourt noted that refinancing all of the District's liabilities could leave uncertainty with regards to gains and losses. He recommended to the Board that the District not get in a position to fully fund the uncertain debts. Chief Bettencourt continued that refinancing of the side fund made the most sense due to it is a certain debt. The District could re-finance the side fund at rates of 5 - 5.25% to obtain savings of \$17,000 per year in interest costs.

Chief Bettencourt noted that the presentation was an informational discussion item for now, yet if the District does not act soon the CalPERS pension rates are increasing to 1.4% for 2015/16 and 2.4% for 2016/17. He continued that staff needs Board direction for further review and cost analysis. Director Mullin remarked on the importance of knowing about all financing options and inquired regarding the costs for CPFPG to continue to explore possible financing plans. Mr. Small responded that CPFPG would submit a proposal of costs about \$10,000 for the planning phase to discover the feasibility of the financing. In addition, he remarked that to his knowledge there were no judicial proceedings required for a Fire District to refinance the side fund. If legal counsel were to require a judicial proceeding, there would need to be a 90 day process at a cost of \$15,000.

Chief Bettencourt reiterated that the District has 3 options: 1) to do nothing, 2) to refinance the side fund of \$2.1 million, and 3) to look at all refinancing possibilities.

President DeLaurentis agreed that the District should move forward with reviewing all available options of refinancing. He continued that he would prefer the Finance Committee to meet with CPFPG and report all findings to the Board. CPFPG would then bring only items that require Board action. The Board agreed to allow the standing Finance Committee continue to explore possible financing options with CPFPG.

Correspondence: A card thanking the District staff on behalf of the City of Roseville Fire Department for assistance with coverage during the funeral services for retired Fire Captain Tracy Chimenti. Notes of thanks to District staff for their assistance during the Granite Bay High Every 15 Minutes event, a vehicle accident, and an emergency with the pet of a resident. A letter of commendation for Captain Ellingford, Engineer Roberts, and Engineer/Paramedic VanVoltinburg for their flood protection assistance at a residence during the recent rain storm.

Chief's Report:

- The Brace Road overpass will be closed at Interstate 80 from 1/27-1/28 during the project, Raise I-80, raising the overpasses 16.6 inches for increasing commerce.
- Engineer Matt Tribur thanked the Board and public via email for their generous donations for the toys for tots drive at Paul Martin's Restaurant.
- A recent structure fire had 15 District employees on site at the first alarm.
- The District has accumulated over 19,000 training hours in the last year.
- 6 new intern firefighters will begin in February 2015 for a 1 year internship.
- Chief Bettencourt is the Operational Area Coordinator for 1 more year, Deputy Chief Walder is the alternate.
- There was a meeting at Placer County offices regarding the distribution of funds from Proposition 172, the statewide 1/2 cent sales tax increase. Supervisors Holmes and Montgomery met with 6 local Fire Chiefs, and the Board President from each department. At this time, Supervisor Holmes would like to wait for the LAFCO study in June/July to further review current county funding and district boundaries.

Functions: A firefighter appreciation dinner is still in discussions to be scheduled for late February or March. At this time, it will not be conjoined with Loomis Fire District.

Board/Staff Comments: None

Future Agenda Items: Yearly Ambulance Revenue review, 2014/15 Goals Update

There being no further business to come before the Board, the meeting adjourned at 8:22 p.m. The next regular meeting will be held on Wednesday, February 18, 2015.

Respectfully submitted,

A handwritten signature in black ink that reads "Kathy Medeiros". The signature is written in a cursive, flowing style.

Recording Secretary, Kathy Medeiros