



RANCHO SANTA FE FIRE PROTECTION DISTRICT
Regular Board of Directors Meeting
Minutes –December 13, 2017

These minutes reflect the order in which items appeared on the meeting agenda and do not necessarily reflect the order in which items were actually considered.

President Ashcraft called to order the regular session of the Rancho Santa Fe Fire Protection District Board of Directors at 1:00 pm.

Pledge of Allegiance

Battalion Chief Galindo led the assembly in the *Pledge of Allegiance*.

1. Roll Call

Directors Present: Ashcraft, Hillgren, Malin, Tanner, Stine

Directors Absent: None

Staff Present: Tony Michel, Fire Chief; Fred Cox, Deputy Chief; Chris Galindo, Battalion Chief; Marlene Donner, Fire Marshal; and Karlana Rannals, Board Clerk.

2. Public Comment

No one requested to speak to the Board.

3. Motion waiving reading in full of all Resolutions/Ordinances

MOTION BY DIRECTOR HILLGREN, SECOND BY DIRECTOR TANNER, and CARRIED 5 AYES; 0 NOES; 0 ABSENT; 0 ABSTAIN to waive reading in full of all resolutions and/or ordinances.

4. Consent Calendar

MOTION BY DIRECTOR HILLGREN, SECOND BY DIRECTOR TANNER, CARRIED 5 AYES; 0 NOES; 0 ABSENT; 0 ABSTAIN to approve the consent calendar as submitted.

a. *Board of Directors Minutes*

i) Board of Directors minutes of November 8, 2017

b. Receive and File

i) *Monthly/Quarterly Reports*

1. List of Demands Check 29432 thru 29534, Electronic Fire Transfers (EFT), and ACH Transfer(s) for the period November 1 – 30, 2017 totaling: \$ 259,969.35
Wire Transfer(s) period November 1 – 30, 2017 \$ 200,790.03
Payroll for the period November 1 – 30, 2017 \$ 852,986/17
TOTAL DISTRIBUTION \$1,313,745.55
2. Budget Review – July 1 – September 30, 2017
3. Cash Statement – September 30, 2017
4. Activity Reports – November, 2017
 - a) Operations
 - b) Training
 - c) Fire Prevention
 - d) Correspondence – letters/cards were received from the following members of the public:
 - 1) None

5. Old Business

a. Potential Forced Abatement

Chief Michel reported that at the last meeting the potential forced abatement discussed, the agenda noted an incorrect parcel number. The actual parcel number that was discussed at the November 2017 Board of Directors meeting was APN 268-230-23-00. This topic is necessary to ensure that the correct APN is documented for the minutes. He did note that since the last meeting, the resident had completed some of the work necessary on their property to improve the abatement.

6. Resolutions/Ordinances

a. Resolution No. 2017-14

Chief Michel informed the Board that this resolution is the result of direction given to him in prior closed sessions to amend the Memorandum of Understanding (MOU) language regarding wage increases in calendar year 2018 and 2019.

MOTION BY DIRECTOR HILLGREN, SECOND BY DIRECTOR MALIN, and ADOPTED Resolution No. 2017-14 *entitled* A Resolution of the Rancho Santa Fe Fire Protection District Board of Directors Adopting an Amendment No. 1 to the Memorandum of Understanding between the Rancho Santa Fe Fire Protection District and the Rancho Santa Fe Professional Firefighters Association – Local 4349, and authorize the President to execute Amendment No. 1 on the following roll call vote:

AYES:	Ashcraft, Hillgren, Malin, Stine, Tanner
NOES:	None
ABSTAIN:	None
ABSENT:	None

b. Resolution No. 2017-15

Chief Michel informed the Board that this resolution ratifies the salary adjustment of 2% for all classifications listed in the RSFFPA – Local 4349 MOU.

MOTION BY DIRECTOR TANNER, SECOND BY DIRECTOR HILLGREN, and ADOPTED Resolution No. 2017-15 *entitled* A Resolution of the Rancho Santa Fe Fire Protection District Board of Directors Authorizing a Salary Increase for Classifications Listed In The Memorandum Of Understanding Between Rancho Santa Fe Fire Protection District And The Rancho Santa Fe Professional Firefighters Association – Local 4349 on the following roll call vote:

AYES:	Ashcraft, Hillgren, Malin, Stine, Tanner
NOES:	None
ABSTAIN:	None
ABSENT:	None

c. Resolution No. 2017-16

Chief Michel informed the Board that this resolution is the result of direction given to him in prior closed sessions to amend the Memorandum of Understanding (MOU) language regarding wage increases in calendar year 2018 and 2019.

MOTION BY DIRECTOR MALIN, SECOND BY DIRECTOR HILLGREN, and ADOPTED Resolution No. 2017-16 *entitled* A Resolution of the Rancho Santa Fe Fire Protection District Board of Directors Adopting an Amendment No. 1 to the Memorandum of Understanding between the Rancho Santa Fe Fire Protection District and the Rancho Santa Fe Fire Protection District Employees Association, and authorize the President to execute Amendment No. 1 on the following roll call vote:

AYES:	Ashcraft, Hillgren, Malin, Stine, Tanner
NOES:	None
ABSTAIN:	None
ABSENT:	None

d. Resolution No. 2017-17

Chief Michel informed the Board that this resolution ratifies the salary adjustment of 2% for all classifications listed in the RSFFPDEA MOU.

MOTION BY DIRECTOR MALIN, SECOND BY DIRECTOR HILLGREN, and ADOPTED Resolution No. 2017-17 *entitled* A Resolution of the Rancho Santa Fe Fire Protection District Board of Directors Authorizing a Salary Increase for Classifications Listed In The Memorandum Of Understanding Between Rancho Santa Fe Fire Protection District And The Rancho Santa Fe Fire Protection District Employees Association on the following roll call vote:

AYES:	Ashcraft, Hillgren, Malin, Stine, Tanner
NOES:	None
ABSTAIN:	None
ABSENT:	None

e. Resolution No. 2017-18

Chief Michel informed the Board that this resolution is the result of direction given to him in prior closed sessions to amend only the top end of the salary range for all management personnel starting calendar year 2018.

MOTION BY DIRECTOR HILLGREN, SECOND BY DIRECTOR MALIN, and ADOPTED Resolution No. 2017-18 *entitled* A Resolution of the Rancho Santa Fe Fire Protection District Board of Directors Authorizing a Salary Increase for Classifications Listed In The Memorandum Of Understanding Between Rancho Santa Fe Fire Protection District And The Rancho Santa Fe Fire Protection District Employees Association on the following roll call vote:

AYES:	Ashcraft, Hillgren, Malin, Stine, Tanner
NOES:	None
ABSTAIN:	None
ABSENT:	None

f. Resolution No. 2017-19

Chief Michel reported that this resolution adopting a pay schedule is necessary because of the revised compensation schedule from the recently negotiated MOU's, which will be posted to the District's website per CalPERS regulations.

MOTION BY DIRECTOR MALIN BY DIRECTOR HILLGREN, and APPROVED Resolution No. 2017-19 *entitled* A Resolution of the Board of Directors of the Rancho Santa Fe Fire Protection District Adopting a Pay Schedule in Accordance with California Code of Regulations, Title 2, Section 570.5 on a roll call vote:

AYES: Ashcraft, Hillgren, Malin, Stine, Tanner
NOES: None
ABSTAIN: None
ABSENT: None

g. Resolution No. 2017-20

Chief Michel reported that this resolution is required by CalPERS to employ a retired annuitant to fill the vacant position of Battalion Chief resulting from the retirement in December for Battalion Chief Chris Galindo. BC Galindo has agreed to return to the District filling the administrative/training Battalion Chief position until the replacement is hired. The District will distribute the recruitment announcement prior to the January 2, 2018 employment date. Staff responded to questions from the Board.

MOTION BY DIRECTOR MALIN BY DIRECTOR HILLGREN, and APPROVED Resolution No. 2017-20 *entitled* A Resolution of the Board of Directors of the Rancho Santa Fe Fire Protection District Appointing Interim Battalion Chief and Approving an Employment Agreement for retired Annuitant Chris F. Galindo on a roll call vote:

AYES: Ashcraft, Hillgren, Malin, Stine, Tanner
NOES: None
ABSTAIN: None
ABSENT: None

7. New Business

a. *Independent Auditor's Report FY 2016/2017*

Director Malin reported that the finance ad hoc committee (Directors' Malin and Tanner, Chief Michel and Karlana Rannals) met with Paul Kaymark CPA to review the draft audit report for FY17.

He reminded his board colleagues of the financial statements requirement (GASB 68), which reports the full pension liability. Although the board has taken action to make accelerated payments to reduce the District's pension obligation, it has increased because of the poor investment performance of CalPERS.

Director Malin informed the Board that the ad hoc committee was satisfied with the discussion in the meeting; the District received a clean report from the auditors and recommended that the Board accept the report as distributed. The ad hoc committee responded to questions from the Board.

MOTION BY DIRECTOR HILLGREN, SECOND BY DIRECTOR STINE, CARRIED 5 AYES; 0 NOES; 0 ABSENT; 0 ABSTAIN to accept the FY 2016/2017 independent audit prepared by The Punn Group as distributed.

b. *Budget Authorization*

Chief McQuead summarized the staff report. He reported that two of the three training tower burn room's, which are used primarily for "Class A" training fires, are no longer in a safe useable condition. The district used budgeted funds from FY16/17 and FY17/18 for a total of \$36,198.00 towards materials and labor to repair damaged materials in the two (2) burn rooms. The continuous use of simulated fires in the burn rooms for training has contributed to the heat damage and degradation of the burn rooms underlying structural components and insulation that could not been seen until the contractor began the originally budgeted and planned repairs. The proposal submitted by Fire Facilities, Inc. for the additional amount of \$27,674.00, will provide the necessary repairs that are required to place the two lower burn rooms in a safe and serviceable condition and will allow "Class A" training fires to resume for training.

MOTION BY DIRECTOR HILLGREN, SECOND BY DIRECTOR STINE, CARRIED 5 AYES; 0 NOES; 0 ABSENT; 0 ABSTAIN to authorize the expense of \$46,201, which includes the cost for the additional repairs to the Class A burn rooms in the training tower. In addition, the Board of Directors authorized the Fire Chief to execute an agreement with *Fire Facilities*, the selected vendor to perform the repairs.

c. *Surplus of Equipment*

Chief Michel reported that since the Division Chief Positions will be eliminated due to the reorganization at RSF6, the staff vehicle 0383 assigned to this position is no longer necessary. This staff vehicle is now 14 years old with 139,840 miles, and is no longer viable as a fleet vehicle due to age, mileage, and mechanical problems. The Kelly Blue Book trade in value is \$1,400. Staff recommends that vehicle # 0383 is deemed surplus and be sold to Fire Etc. for store credit based on their offer of \$1,500.

MOTION BY DIRECTOR HILLGREN, SECOND BY DIRECTOR STINE, and CARRIED 5 AYES; 0 NOES; 0 ABSENT; 0 ABSTAIN to accept staff's recommendation and authorize the disposal of staff vehicle 0383 and the vehicle is sold to Fire Etc., in exchange of store credit based on their offer of \$1,500.

Ten-minute recess

d. *CalPERS Unfunded Accrued Liability*

Ms. Rannals reported that since the implementation of GASB 68, the District is required to acknowledge any pension unfunded accrued liability. The challenge in managing the UAL is that between the Board of Directors policy to fund 100% of the District's capital accumulated depreciation and the cash for the UAL, there is not enough in cash assets to do both. She reported that the District could save a significant amount of money in interest payments if staff can budget for accelerated UAL payments, should the budget allow. She distributed information to demonstrate the effectiveness of making additional payments to reduce the District's UAL for all pension plans. The recommendation is to budget for the 20-year payment schedule on an informal basis. This offers the District the greatest flexibility in reducing the UAL for all plans.

In addition, Chief Michel reported that since it is unlikely that the District will be replacing all equipment and facilities at the same time, the funding policy for accumulated depreciation could be reduced from the current board direction of 100% to 70% to soften the impact on the financial statements.

Staff recommended the following action:

1. Budget and prepay in July each year UAL payments for all pension plans based on the 20 year schedule provided by CalPERS; and
2. Adjust the Board policy of funding the accumulated depreciation from 100% to the minimum of 70% for FY18. This reserve will be evaluated each fiscal year, with the goal of increasing back to 100%.

MOTION BY DIRECTOR HILLGREN, SECOND BY DIRECTOR TANNER, CARRIED 5 AYES; 0 NOES; 0 ABSENT; 0 ABSTAIN to authorize an additional payment in FY18, up to \$500,000 for all pension plans with a UAL. Staff was requested to report at the next regular meeting the final amount transferred to CalPERS.

MOTION BY DIRECTOR TANNER, SECOND BY DIRECTOR STINE, CARRIED 5 AYES; 0 NOES; 0 ABSENT; 0 ABSTAIN to modify the board policy of funding the accumulated depreciation from 100% to a minimum of unspecified reserves to 70% for FY18.

8. Oral Report

a. Fire Chief – Michel

i) District Activities

1. Fire activity/staffing: resulting from the recent fires, the expressed his appreciation to all staff that showed up for the extra staffing. The District deployed five engines, and all stations fully staffed. The OES engine was still assigned to the Thomas fire.
2. Fire weather: predicted to continue thru January 2018. The fire spread and behavior has been extreme. Staff plans to apply lessons learned to the Fire District.

b. Operations – Deputy Chief

Chief Cox summarized the previous month's activity, noting district personnel responded to 270 calls in November. He provided a detailed update on the Thomas and Lilac fires. He also reported that the fuel moisture continues to remain low. A new hire academy will begin January 2, 2018 with four possibly five new hires.

c. Elfin Forest Volunteer Division – Division Chief

No report.

d. Training – Battalion Chief

Chief McQuead that the new hire academy will begin at the New Year to accommodate the promotions, retired chief from resulting from the SAFER Grant. He has retained the services of Mike Bryant retired chief officer from Los Angeles City to conduct promotional and advancement training for district personnel.

e. Fire Prevention – Fire Marshal

FM Donner reported that retired chief Mike Calhoun will join the prevention staff as extra help starting January 2018. Harmony Grove continues to be busy with inspections and they are work with Scripps Clinic on a tenant improvement.

Director Tanner departed the meeting at 4:00 pm.

f. Administrative Manager

No report.

- g. Board of Directors
 - i) North County Dispatch JPA – Update: Ashcraft – reported on the meeting held November 30, 2017. The Board discussed the CalPERS UAL and how to address accelerated payments.
 - ii) County Service Area – 17 – Update: Hillgren – no report.
 - iii) Comments
 - 1. Malin – discussed an article on the environmental policy
 - 2. Stine – he thought the latest pancake breakfast at RSF2 was the best yet. In addition, he is suggesting a sign for the training facility.
 - 3. Hillgren – expressed her appreciation to Sandra Reyes for putting together the directory with all employees’ names and photos.

Ten-minute recess

9. Closed Session

- a. Pursuant to section 54957, the board met in closed session from 4:20 – 4:28 pm to discuss the following:
Public Employee Performance Evaluation
Title: Fire Chief
All board members listed except Director Tanner attended the closed session.

Upon reconvening to open session, President Ashcraft reported that the Board of Directors discussed a salary adjustment for the Fire Chief.

MOTION BY DIRECTOR MALIN, SECOND BY DIRECTOR STINE, CARRIED 4 AYES; 0 NOES; 1 ABSENT; 0 ABSTAIN to authorize an increase to the salary of the Fire Chief by 2%.

10. Adjournment

Meeting adjourned at 4:32 pm.

Karlana Rannals
Secretary

James H Ashcraft
President