

**FOOTHILL FIRE PROTECTION DISTRICT
REGULAR MEETING MINUTES
March 11, 2009**

Meeting called to order by Chairman, Gary West at 7:00 p.m.

1. Pledge of Allegiance

2. Roll Call

Directors Present: Ed Anderson, Jeff Palm, Ron Spradlin and Gary West

Directors Absent: Ken Glissman

Officers Present: Chief Mike Siligo and Secretary Linda West

Officers Absent: None

3. Public Comments

None.

4. Approval of Minutes – February 11, 2009 regular meeting and February 21, 2009 special meeting

Motion passed to approve the regular meeting minutes of February 11, 2009 as presented. (Spradlin/West – Approved 2 – 0 Abstain 2 – Anderson/Palm)

Motion passed to approve the special meeting minutes of February 21, 2009 as presented. (Anderson/Spradlin – Approved 4 – 0)

5. Finance Report

Bill Transmittal dated 03/11/09 in the amount of \$40,562.47, Bill Transmittal dated 03/11/09 in the amount of \$1,450.32 and Bill Transmittal dated 03/11/09 in the amount of \$165.00 were presented for review. (Attached) Copies of the Transmittals were available for public review. The following comments were made.

- Page 2: \$31,896.15 to L.N. Curtis & Sons' purchase for the grant turnout coats and pants; 50% will be reimbursed to the District.
- Page 2: \$175.00 to City of Industry for floodlight noted that \$50.00 was charged for shipping & postage. It was noted that this is a heavy light causing the higher postage rate.
- Page 2: \$90.00 to VSPUD is for the water bill.
- Page 2: \$511.11 to Moore Medical for stretcher is also payment for the grant; 50% will be reimbursed to the District.

Motion passed to approve for payment the Bill Transmittal dated 03/11/09 in the amount of \$40,562.47.

(West/Spradlin – Approved 4 – 0)

Fire Chief Siligo asked that he also be notified of any deposits for verification of correct revenue account credit (i.e., grant money).

The second transmittal for diesel fuel in the amount of \$1,450.32 to George W. Lowry, Inc. was added today when received for the diesel fuel to facilitate a prompt payment rather than hold over to April's meeting. Chief Siligo noted that Lowry, Inc. had again included tax charges that do not apply to a fire district. The Chief will contact Lowry, Inc. requesting a corrected statement and recommends this Bill Transmittal be paid at next month's meeting.

Motion FAILED for payment of the Bill Transmittal dated 03/11/09 in the amount of \$1,450.32 to George W. Lowry, Inc. due to a billing discrepancy.

(Spradlin/Anderson – Ayes – 4)

Motion passed to approve for payment the Bill Transmittal dated 03/11/09 in the amount of \$165.00 as presented covering Karyn Larson's bookkeeping services.

(Spradlin/Anderson – Approved 4 – 0)

5a. Budget Transfer

5a. Refund Exaction Fee to Developer

This refund of exaction fees collected will be tabled until the April meeting to allow for time to clarify its corresponding line item charge (no distinguishable line item on the account summary Expense side). The refund amount is \$2,728.00 and would also be detailed as the District does not have a W-9 or PEID for the developer, which the County requires before the issuance of any check. [Details of the request are included under agenda item Correspondence.]

5b. Budget Transfer

Budget Adjustment #1 (transfer) dated 03/11/09 in the amount of \$21,538.95 and Budget Adjustment #2 dated 03/11/09 in the amount of \$17,900.87 were presented for review. (Attached) Account Summary – Budget to Actual dated 03/10/09 was distributed for clarification of this agenda item. (Attached)

The following comments were made:

- Chairman West noted that these budget transfers were necessary to correct negative balances on our budget to actual summary and are periodically done. Transfers are essentially transferred from other line items with positive balances to the lines with negative balances. Adjustments will also be requested by the Auditor's Office at the end of our fiscal year.
- Director Anderson noted that there are 10 accounts that have been "overdrawn" if you will, and the District is two-thirds through the budget process. He expressed his concern that any new expenditure will put the District in the "red."
- #1: Object 5151 corrected to read "Insurance"
- #1: Object 5001 charges were determined by the County to come from Object 5171 or 5172 instead.
- Gary Caldwell, Valley Springs, expressed concern on the Board's overspending or too loose of control over the budget. He noted some line items having very small balances that will probably require additional transfers. He further suggested that the Finance Committee place closer scrutiny to this process.
- Fire Chief Siligo explained that some purchases, such as the Menlo Park rig's final payment accounted for \$10,000 spent in the Capital Assets-Equipment 5701 account.
- Director Spradlin commented that while it looks like "we are bleeding terribly" now as these adjustments were not made earlier in the process. He also referred to the County's classification of "employees" and its impact to our budget line items after the budget was in place. Director Spradlin reassured that the District has some money and the adjustments have now become very obvious.
- Gary Caldwell, Valley Springs, expressed concern about upcoming expenses that haven't been budgeted. He cautioned the Board that you should find the revenue before you hire anyone. The Board needs to practice fiduciary control.
- In a response to a question about seasonal fire hires, Director Anderson stated that he didn't know if he would be supportive of hiring an extra fire fighter.
- Dave Sant, Wallace, asked for clarification of what was paid out of #5001 (Salaries/Wages – Permanent). Chief Siligo responded that the 3 paid positions are: Fire Chief, Assistant Chief and Battalion Chief. Sant continued that there are funds to continue operating and periodically there are negative balances, but total revenue [\$301,843.00] is approximately 41% and total expenses [\$210,242.05] total is approximately 30% for the year.
- Gary Caldwell, Valley Springs, stated that if you add the budgeted amounts of #5001 and #5271 they will exceed the \$37,600 originally budgeted.
- Chairman West noted that #5002 Extra Hire budgeted at \$18,840.00 was the line designated for the summer help.
- For clarification, #5477 Personal Mileage Reimbursement was used for the firefighter annual mileage refund award payouts.

**Motion passed to approve Budget Adjustments #1 and #2 (transfers) in the amounts of \$21,538.95 and \$ 17,900.87.
(Anderson/Palm – Approved 4-0)**

[The Secretary will attest to the action and forward to the Office of Auditor-Controller.]

6. Correspondence

- Letter from Jenny Lind Fire Protection District dated 02/18/09 regarding LAFCO annexation of the Southern New Hogan, Cane Lane and Milton area annexations. (Attached) Dennis McCord and Richard DeRivi thanked Chairman West for being instrumental in showing JLFPD support in this matter.
- Letter from Calaveras Community Development Agency dated 03/03/09 requesting exaction fee refund to the Wallace Mini Storage in the amount of \$2,728.00. (Attached) This permit originally issued in 2005, reinstated in 2007 and 2008 was ultimately withdrawn by the owner on February 19, 2009.
- Independent Financial Statements audit received from Blomberg & Griffin Accountancy Corporation covering the fiscal year ending June 30, 2008. (Attached) As stated in their Report on Internal Control Over Financial Reporting (page 18), results of tests disclosed no reportable or material weakness with the District. (Attached) [Noted that the Secretary has forwarded a copy to West America in accordance with our lease agreement.]
- Confirmation received from the Election Department concerning our earlier motion for All Mail ballots. Their records were updated to agree with ours that the District will remain a participant for All-Mail ballots until notified differently.
- Reminder that compliance by April 1st for the Directors submittal of Form 700 Statement of Economic Interests. No copy required to be held by the District.
- Letter from the Personnel Committee dated 03/04/09 to Chairman West regarding inappropriate checks written to a third party. (Attached) [Copies were made available.] The Chairman acknowledged he received the letter stating they had an issue, copies are provided for the public; I didn't answer it as he didn't think it needed an answer and anyone can perceive what they believe.
- Written response from Chairman West to Personnel Committee, with copies to Directors Anderson and Palm, regarding third-party checks. [Copies were made available.]

7. Development Ordinance Fee – Legal Review/Contract

Chairman West had a telephone discussion with CSDA who explained that the free 1 hour of legal service is extended through a third-party affiliate from a list of Sacramento attorneys. In speaking to a recommended Sacramento attorney, he is unable to give an estimate of any kind for this work and with a written follow-up; it still does not say what the projected costs would be. The Chairman did think it might be under \$5,000, when that figure was suggested to the attorney, but undeterminable at this time. Director Spradlin suggested using consultant Jan

Lopez to help reduce costs, who had agreed to work with the attorney once the specific problem areas were defined. The other option would be to seek more detailed assistance from County Counsel; however, their letter indicated the needed changes most likely in the residential part of the ordinance. Chairman West's conversation with the referred attorney did provide important information that neither the District nor the consultant were aware of – namely, that the District was required to publish a summary of the ordinance within 15 days of our adoption. Thus, technically, the ordinance adopted by the Board is not legally binding.

Fire Chief Siligo stated that at the FCA meeting Jeff White, head of the Building Department, stated that the County is actually looking at putting in place a similar developer fee program. Mr. White stated he would engage County Counsel to discuss particulars, but most likely would use an outside agency to do the actual plan checks. If that does happen, the District would not need to go further with its project nor commit any more money to it. Fire Chief Siligo suggested the District perhaps should stall our project to see what the County decides to do.

Chairman West stated that approximately \$11,000 had been spent on the project.

Motion passed to put on hold any further work on the Development Ordinance Fee program until May 2009.
(Anderson/Spradlin – Approved 4-0)

8. Automatic Aid Contract – Jenny Lind Fire Protection District

The previously signed Automatic Aid Contract was resubmitted to the District as the first Agreement failed to include a signature line for both Boards. The Agreement has now been signed by District's chairmen and fire chiefs. (Attached) Fire Chief Siligo clarified that this Agreement does not allow either District personnel to travel on the other's equipment.

Motion passed to sign the corrected Fire Protection Agreement to Provide Automatic Aid with Jenny Lind Protection District effective February 18, 2009.
(Spradlin/Anderson – Approved 4-0)

9. Fire Chief's Report

Fire Chief Mike Siligo distributed his report to the Directors. (Attached)

- Calls totaled 37 for February, 62% were medical, 1 “smoke in the building” due to a closed chimney flue. YTD – 74 calls.
- Personnel totals 25 and Class B drivers total 10 or 40%.
- Station #1 sign now has bracket installed for lettering. Station #2 no change.
- E144 is in reserve; E146 outfitted with new tires; E147 and E148 need some preventive maintenance (P.M.) and is estimated by Don Clark at about \$500-\$1,000 per unit. It was noted that E147, Menlo Park unit, has not been serviced since its purchase. This work is expected to be required in the next couple of months and must be serviced at an

appropriately certified truck service shop. This P.M. has been provided in the budget and covers the remaining rigs requiring service.

- The grant items have been placed on the rigs.
- The manuals/CD's for the Building Fee Ordinance purchase comparisons were all about the same pricing.
- The Chief would like to make some improvements to Station #2 but is reluctant to suggest spending money until future plans for this station are discussed with VSPUD. He noted that 80% of the calls were coming out of Station #2.

Comments to the report follow:

- Director Palm suggested that Hi-Tech or Burton's maybe possible servicers for the P.M. work.
- Chairman West will prepare a thank you letter to Gary Tofanelli for the donated sign lettering.
- Lynn Siligo, Valley Springs, inquired as to the Station #2 purchase.
- Fire Chief Siligo said he has had numerous conversations with VSPUD saying they were waiting for us to initiate a meeting.
- Director Anderson stated he and the Chairman had meet in December 2008 and were told VSPUD was researching documents at the County, as previously reported.
- It was determined that the Fire Chief had been speaking to the VSPUD secretary and not the directors who the District had been in contact with [Connie Gleason]. The Fire Chief recommended that the Planning Committee make a phone call to VSPUD.
- Chairman West reiterated that VSPUD is bound by the LAFCO agreement affording the District the \$1.00 annual rent. He further couldn't see the District even trying to commit \$120,000 towards its purchase due to budget restraints.
- The Chief reiterated his concern for the budget and some modifications to the building that should be made, but it is not our building.
- Director Spradlin recalled that when VSPUD's attorney attended one of our meetings late in 2008 that they were making statements about seeking legal action against the District. He suggested we meet with them and restate the District is going to continue to occupy Station #2 at the \$1.00 annual rent and see if they just want to transfer the property over to the District.
- Gary Caldwell, Valley Springs, suggested a letter to VSPUD indicating there is no interest in the purchase of Station #2 and suggests that something be worked out to release them of any kind of liability, which was one of their talking points for wanting the District to purchase the property.

**Motion passed to write a letter to VSPUD concerning Station #2 that the District has no interest in purchasing the station requesting VSPUD deed the property to FFPD to release their liability exposure.
(Spradlin/Anderson – Approved 4-0)**

10. Possible Extension of Firefighter Hours & Wage Adjustment

Fire Chief Siligo asked that this item be tabled to the April meeting. Director Anderson stated that his perspective was essentially that the funds were coming out of funds for the part-time help. Thus the Battalion Chief was taking the wages of two part-time help which leads him to conclude that he can't agree to hire the summer part-time help at this time. The Board agreed to table this matter to the April meeting.

11. Policy Review – Capital Asset/Surplus Equipment

Fire Chief Siligo provided a draft of the subject policy requesting comments. (Attached) It was noted that the Fire Chief did not have any policy to model this draft after. Director Anderson complimented the Chief on its contents; however, did question the legality of the first sentence, page 2, granting the Fire Chief authority to sell anything (up to \$100.00) without Board approval. Noting the taxpayers' money is entrusted to the Board, any purchase or sale, regardless of the amount, requires authorization by the Board. Director Anderson also inquired as to advertising requirements that might extend to the local newspapers in addition to our website. The Fire Chief inquired as to any possible expenses to the District for County Counsel's review. Chairman West stated they had not charged in the past, but may very well consider it in the future and would trust that we would be notified of any change in their policy. At this time Supervisor Gary Tofanelli entered the meeting and the Board deemed this question of charges for legal review by County Counsel could best be answered by the Supervisor. Supervisor Tofanelli stated that while this topic had been discussed somewhat, he considered it to be a "dead" issue for now. Director Anderson applauded Supervisor Tofanelli on his efforts in this matter. Chairman West offered to take the policy to County Counsel for review.

11. Directors Comments

Director Spradlin read in its entirety a memo from the Personnel Committee (Director Spradlin and Member Glissman) regarding the Committee's Selection of the Fire District Clerk. (Attached) The memo suggested cancelling the March 14th interviews of the top 3 candidates selected by the Personnel Committee and accept their recommendation to be approved by the full Board of Directors. Chairman West stated that the Personnel Committee was asked to narrow the selection to 3-5 candidates for the final selection by the full Board, through the use of an additional interview to take place on March 14th at the special meeting. He indicated this was no change in the process, saying the Personnel Committee does not have the voting power to make the final hire selection. While the February minutes did not reflect that a special meeting would be held, Director Anderson recalled that it was discussed and confirmed that the hiring required full Board approval. Director Palm recalled that the Personnel Committee would narrow the choice of acceptable applicants. Director Spradlin indicated he had a family commitment and unfortunately would not be available for the special meeting.

12. Adjournment

Meeting adjourned at approximately 8:45 p.m.

Approved by,

Submitted by,

Gary West
Chairman

Linda West
Secretary

Attachments

1. Bill Transmittal dated 03/11/09
2. Bill Transmittal dated 03/11/09 for Karyn Larson
3. Bill Transmittal dated 03/11/09 for George W. Lowry, Inc. (rescinded)
4. Special District Budget Adjustment #1 & #2
5. Account Summary – Budget to Actual As of 03/10/09
6. Letter dated 02/18/09 from Jenny Lind Fire Protection District re LAFCO Annexation (Southern New Hogan, Cane Lane & Milton Area)
7. Letter dated 03/03/09 from Calaveras County Community Development Agency re exaction fee refund to Wallace Mini Storage
8. Blomberg & Griffin Accountancy Corp. audit for Fiscal Year ending June 30, 2008 and Report on Internal Control Over Financial Reporting
9. Letter dated 03/04/09 to Chairman West from Personnel Director Spradlin & Personnel Committee Member Glissman re third-party reimbursement
10. Response letter to all Board of Directors and Fire Chief re Personnel Committee letter on third-party reimbursement
11. Automatic Aid Agreement with Jenny Lind Fire Protection District as of 02/18/09
12. Fire Chief's Reports dated 03/11/09 with addendums
13. Memo dated 03/10/09 from the Personnel Committee to the Board re the Committee's selection of the Fire District Clerk