



SCOTTS VALLEY FIRE PROTECTION DISTRICT

7 Erba Lane, Scotts Valley, California 95066 (831) 438-0211 Fax (831) 438-0383

MINUTES OF THE SCOTTS VALLEY FIRE PROTECTION DISTRICT BOARD OF DIRECTORS REGULAR MEETING OF August 12, 2020

Notice of Teleconferenced Meeting

Pursuant to Governor Newsom's Executive Order N-25-20 regarding COVID-19, members of the Scotts Valley Fire Protection District Board of Directors and staff participated in this meeting by teleconference. To reduce the spread of COVID-19, members of the public were encouraged to listen to the meeting from their homes via teleconference by calling +1 408-638-0968, enter the meeting number when prompted (98201736803) and entering Access Code 261307 or connecting to the meeting online via their computer, smart phone or tablet at the following link: <https://zoom.us/j/98201736803?pwd=OHB5dU5VNWRyU0lYWVRlRjVUMW9sUT09>

1. Call to Order

The Regular Meeting of the Board of Directors of the Scotts Valley Fire Protection District (SVFPD) was held on Wednesday, August 12, 2020. President Pisciotta called the meeting to order at 6:00 p.m.

2. Closed Session: Government Code §54957.7

- 2.1 Conference with Labor Negotiators: Government Code §54957.6
Agency Designated Representatives: Robert Campbell and Joe Parker
Employee Organization: All

At 6:01 p.m., President Pisciotta announced that the Board would be going into Closed Session for the Item listed in 2.1.

3. Open Session Call to Order

- 3.1 Pledge of Allegiance and Moment of Silence

At 6:26 p.m., President Pisciotta called for the Pledge of Allegiance and a Moment of Silence to follow.

- 3.2 Roll Call

- | | |
|-------------------------|---|
| A. Directors Present: | Directors Campbell, Harmon, and Pisciotta |
| B. Directors Absent: | Directors Parker and Patterson |
| C. Fire District Staff: | Chief Kovacs, Battalion Chiefs McNeil and Whittle and Administrative Secretary Walton |

- 3.3 Report on Closed Session: Government Code §54957.1

President Pisciotta reported that no Action was taken for Item 2.1.

4. Public Comment (GC §54954.3)

None

5. Agenda Amendments (GC §54954.2) – Discussion/Action

None

6. Consent Calendar

- 6.1 Minutes: Approve Regular Board Meeting Minutes of July 8, 2020
6.2 Minutes: Approve Special Board Meeting Minutes of July 31, 2020
6.3 Payroll: Approve June Payroll 14, 15 and 16 in the amount of: \$520,575.27

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6.4 Expenditures: Approve Expenditures for July in the Amount of:

<u>General Fund:</u>	\$1,374,661.81
<u>Capital Outlay:</u>	\$ 19,144.45
<u>SCHMIT:</u>	\$ 6,460.00
<u>TOTAL:</u>	\$1,400,266.26

6.5 Approve the Memorandum of Understanding with the Administrative Secretary for July 1, 2020 through June 30, 2021

6.6 Approve the Memorandum of Understanding with the Secretary Receptionists for July 1, 2020 through June 30, 2021

On motion of Director Harmon seconded by Director Campbell Approve Consent Calendar Items 6.1 through 6.6 was approved by the following vote:

AYES: Campbell, Harmon and Pisciotta
NOES: None
ABSENT: Parker and Patterson
ABSTAIN: None

7. **Public Hearing/Action Item**

Scheduled Public Hearing for the SVFPD Final Budget for Fiscal Year 2020/2021:

<u>685010 General Fund:</u>	\$ 9,645,454
<u>685030 Capital Outlay Zone A:</u>	\$ 1,445,106
<u>685040 SCHMIT:</u>	\$ 407,714

Chief Kovacs stated that the Finance Committee has reviewed the Final Budget. Chief Kovacs presented the Final Budget and noted the following:

General Fund – 685010

- The beginning fund balance this fiscal year (FY) is \$1,580,241.
- A 4% increase in property tax revenue is estimated as recommended by the County Auditor's Office.
- Revenue from Plan Check and Inspection Fees are estimated at \$15,000, while the estimated expenditures for contract plan check and inspection services are \$10,000.
- Revenue for Strike Team is budgeted at \$250,000, and offset in the budget as an overtime expenditure. There is currently \$290,000 in outstanding invoices for this FY.
- The total amount budgeted for CalPERS is \$1,460,560, which represents a \$224,837 increase over last FY.
- From the fund balance, \$284,000 is budgeted to pre-fund the Other Post-Employment Benefits (OPEB) Account, an additional \$150,000 is allocated to pay down the CalPERS Unfunded Accrued Liability (UAL) and Reserves are set at \$1,110,179 to meet minimum requirements as per Policy.
- Health insurance is budgeted for an 8% increase effective January 1, 2021. Retiree health insurance is budgeted at \$80,025, which is a decrease of \$5,114 over last FY.
- The Workers Comp insurance is \$353,000, which is an increase of \$120,538 over last FY.
- The Contributions to Other Agencies is for the District's share of the LAFCO budget, which is \$9,000.
- A \$100,000 transfer to Capital Outlay and \$50,000 for Contingencies has been budgeted.
- The General Fund Final Budget is balanced by using \$470,062 from the Fund Balance, with \$434,000 allocated to the OPEB and CalPERS UAL.

Capital Outlay/Zone A – 685030

- The beginning fund balance is \$1,194,260.
- A 4% increase in property tax revenue is estimated as recommended by the County Auditor's Office.
- Revenue consists of Capital Outlay/Zone A tax collection in the amount of \$130,846, a \$100,000 transfer from the General Fund and \$20,000 in interest.
- Besides Auditing and Accounting costs, \$314,500 is budgeted for Facility upgrades and equipment.
- For General Reserves for future projects, \$1,030,606 is budgeted and \$100,000 for Contingencies.

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SCHMIT – 685040

- The beginning fund balance is \$119,132.
- The Service and Supplies budget is \$79,900, which includes a \$5,500 charge to manage the program.
- The budget includes \$20,000 to reimburse response agencies in the event of an activation.
- The Differential cost for the response agencies is budgeted at \$110,000.
- A grant has been awarded in the amount of \$105,770 for an Atmospheric Monitoring System.
- Due to the Covid-19 Pandemic and revenue losses to SCHMIT stakeholders, there will not be an increase in revenue for the 2020/2021 FY.

7.1 Receive Public Comment and Adopt Resolution 2020-8: Resolution Adopting Final Budget for Fiscal Year 2020/2021, Discussion/Action

President Pisciotta opened the Public Hearing. With no Public comment presented, the Public Hearing was closed.

On motion of Director Campbell seconded by Director Harmon to *Adopt Resolution 2020-8: Resolution Adopting Final Budget for Fiscal Year 2020/2021* was approved by the following vote:

AYES: Campbell, Harmon and Pisciotta
NOES: None
ABSENT: Parker and Patterson
ABSTAIN: None

8. Action Item

8.1 Approve the following Revised SVFPD Policies:

<u>Policy #</u>	<u>Subject</u>	<u>Policy #</u>	<u>Subject</u>
<u>504</u>	<u>Duty Chief Statement</u>	<u>1703</u>	<u>Battalion Chief Job Description</u>
<u>603</u>	<u>Acting Company Officers</u>	<u>1705</u>	<u>Fire Captain Job Description</u>
<u>1505</u>	<u>Career Development Guide</u>	<u>1706</u>	<u>Engineer Job Description</u>
<u>1505-1</u>	<u>Attachment</u>	<u>1708</u>	<u>Firefighter Job Description</u>
<u>1505-2</u>	<u>Attachment</u>		

Chief Kovacs explained that the Career Development Guide and Policies have been changed based on operational needs. Currently the Firefighter and Engineer positions have three (3) steps each. With the change, there will be two (2) steps for the Firefighter Position and four (4) steps for the Engineer Position. The pay schedule position steps will be adjusted but no change to the rate of pay. The Meet and Confer process with Local 3577 has been completed and they agree to the changes.

On motion of Director Harmon seconded by Director Pisciotta to *Adopt the Above Listed Revised Policies* were approved by the following vote:

AYES: Campbell, Harmon and Pisciotta
NOES: None
ABSENT: Parker and Patterson
ABSTAIN: None

8.2 Consider Extending the Firefighter/Paramedic Eligibility List, per Policy 1501, Discussion/Action

Chief Kovacs stated that the Firefighter/Paramedic Eligibility List had eight (8) candidates. Two (2) have been hired and there are currently six (6) candidates on the list. The recommendation is to extend the list for six (6) months and by the time it expires, complete another testing process to establish a new list.

On motion of Director Campbell seconded by Director Pisciotta to *Approve Extending Firefighter/Paramedic Eligibility List for Six Months, per Policy 1501* was approved by the following vote:

AYES: Campbell, Harmon and Pisciotta
NOES: None
ABSENT: Parker and Patterson
ABSTAIN: None

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Chief Kovacs explained that the SVFPD response to the Grand Jury reports require approval by the Governing Body. The Grand Jury Report titled: Ready? Aim? Fire! Santa Cruz County on the Hot Seat (SC County Report) findings are for the County of Santa Cruz and not specific to the SVFPD and that the Grand Jury did not consult the SVFPD before completing the SC County Report. Chief Kovacs stated that before completing the responses to the SC County Report, he consulted the County Fire Chief. This will be a continued effort to engage all Santa Cruz County Fire Agencies to address recommendations in the SC County Report.

8.3 SVFPD Response to the Findings and Recommendations Specified in the Grand Jury Report Titled: Ready? Aim? Fire! Santa Cruz County on the Hot Seat, Discussion/Action

On motion of Director Harmon seconded by Director Campbell to Approve SVFPD Response to the Findings and Recommendations Specified in the Grand Jury Report Titled: Ready? Aim? Fire! Santa Cruz County on the Hot Seat was approved by the following vote:

AYES: Campbell, Harmon and Pisciotta
NOES: None
ABSENT: Parker and Patterson
ABSTAIN: None

8.4 SVFPD Response to the Findings and Recommendations Specified in the Grand Jury Report Titled: Fire and Safety Inspections in Santa Cruz County, Discussion/Action

Chief Kovacs stated that the Grand Jury Report titled: Fire and Safety Inspections (Safety Inspections Report) was more specific to the SVFPD based on AB1205, which was passed a few years ago regarding mandatory fire safety inspections. Administrative Captain Vandervoort completed the response to the Safety Inspections Report and he has done a great job managing the mandatory inspections. Overall, the SVFPD came out very well in the Safety Inspections Report and for 2019, all mandatory safety inspections had been reported by Resolution as required. There were a few home daycares that we were not aware of, which have since been inspected and added to the mandatory inspection list so we are 100% in compliance.

On motion of Director Campbell seconded by Director Pisciotta to Approve SVFPD Response to the Findings and Recommendations Specified in the Grand Jury Report Titled: Fire and Safety Inspections in Santa Cruz County was approved by the following vote:

AYES: Campbell, Harmon and Pisciotta
NOES: None
ABSENT: Parker and Patterson
ABSTAIN: None

8.5 Post-Employment Healthcare Benefits for Local 3577 Represented Unit and Chief Officers, Discussion/Action

Chief Kovacs stated that based on negotiations, changes have been made to the post employment healthcare benefit. With changes to Other Post-Employment Benefits (OPEB), a Valuation is required and notice at a public meeting two weeks prior to adoption. Chief Kovacs reviewed the OPEB Valuation, which is based on all employees receiving the benefit and conservative investment returns; thus showing the most costly scenario. With the OPEB changes, available funds will be used to establish a prefunding Trust.

On motion of Director Harmon seconded by Director Campbell to Approve Post-Employment Healthcare Benefits for Local 3577 Represented Unit and Chief Officers was approved by the following vote:

AYES: Campbell, Harmon, Parker, Patterson and Pisciotta
NOES: None
ABSENT: Parker and Patterson
ABSTAIN: None

9. Board of Directors and Administrative Reports – Information/Discussion
(No action will be taken on any questions raised by the Board at this time.)

9.1 Board of Directors Report – Directors

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Director Campbell reported that the Finance Committee met and reviewed the Final Budget, which was presented tonight. Director Campbell thanked Chief Kovacs for all the working on the final budget.

9.2 Administrative Report – Chief Officers

The Administrative Report for July was included in the board packet and Chief Kovacs added the following:

- A CalPERS audit has been completed with no findings thanks to Administrative Staff for making sure everything is done correctly
- CalPERS Valuation Reports have been received and will be included in the September Board Packet
- It appears that it will be a high fire season since we have already been on several strike team deployments
- The new Erba Station Generator location had to be moved so the installation is taking a bit longer
- With the current status of Covid 19, teleconference Board Meetings will likely continue until after the first of the year
- The Board Directors will need to come by the Administrative Office and sign the Board Meeting documents

The Board thanked Administrative Secretary Walton and Secretary Receptionist Bridges and Mayfield for all the administrative work that gets done.

10. Correspondence – Information

None

11. Request for Future Agenda Items

None

12. Closed Session: Government Code §54957.7

- 12.1 Public Employee Appointment / Public Employment (Government Code § 54957)
Title: Fire Chief

At 7:14 p.m., President Pisciotta announced that the Board would be going in to Closed Session for the Items listed in 12.1.

13. Open Session

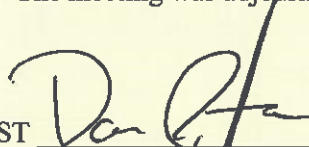
- 13.1 Report on Closed Session: Government Code §54957.1

At 7:52 p.m., the Board reconvened to open session and President Pisciotta reported that the Board discussed moving forward with the Fire Chief replacement by way of an internal recruiting process.


14. Adjournment

The meeting was adjourned at 7:53 p.m.

ATTEST



Daron Pisciotta
Board President



Steve M. Kovacs
Board Secretary