

**KENTFIELD FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS – REGULAR MEETING**

DATE: Wednesday, February 20, 2008

CALL TO ORDER: 6:40 p.m. by Chairman Naso. Director Corbet led the assembly in the Pledge of Allegiance.

ROLL CALL: All Directors were present with the exception of Director Guidi. Also in attendance were Chief Smith and Accountant Hom.

APPROVAL OF PRIOR MONTH'S MINUTES: M/S Corbet/McLeran

PUBLIC COMMENT PERIOD: There was no request from the public.

UNFINISHED BUSINESS:

1. Chief Smith reviewed the Board's previous discussion concerning moving the regular monthly meetings from 7:30 p.m. to 6:30 p.m. M/S McLeran/Corbet. All ayes.

2. Chief Smith reviewed the June 30, 2007 letter of recommendation resulting from the 2006/2007 fiscal year audit by Maher Accountancy.

- Improve internal control of 457 Deferred Compensation Trust Fund with American Funds Services: Accountant Hom reports implementing quarterly review of this account effective January 2008.
- Separation of Duties of Administrative Secretary to include part-time cover during unexpected or extended absences due to illness or vacation: Chief Smith reported working with Ross Valley Fire Authority to secure a part-time administrative person to cover payroll and bill paying duties for both agencies.
- Account balances to be stated whenever a change is made to any specific fund.

3. Chief Smith reported submitting plans to the Marin County Planning Department to secure a permit to begin the building modernization process in December 2007. An independent analysis/review recommended five to seven items in need of being addressed with architect, Don Dommer. Mr. Dommer is responding in order to satisfy the County. Addressed in part was:

- ADA requirement to accommodate a "van space" wider than the normal handicap parking space. This may be located to the rear of the building by the generators.

Chief Smith reported on telephone issues during the building modernization project. A.T.&T. will come in to review our choices as to call forwarding during the firefighters' temporary residence at the Ross fire station as well as overall performance and choices available to us during renovation.

Chief Smith is working with Accountant Hom concerning financing issues for the building modernization process. He recommends using a percentage of our current reserves and securing a loan for the remaining balance. Accountant Hom will look into the value of our current investments versus rates to be charged by various lending institutions.

4. The proposed solar project is separate from the actual building modernization project. Should we decide to move forward with it, accommodations necessary to accept the installation of the solar system will be addressed during the building modernization project. The County of Marin has an energy agency that will help the Fire District realize its goal of using less energy and therefore applying to Pacific Gas and Electric for "energy credits."

The Fire District will hire a bond broker to secure \$250K towards the proposed solar project. The Fire District will be able to apply for an energy rebate of approximately \$80K. An anticipated savings of \$1K per month may be realized which would pay for the system within 15 years. The expected life span of the solar system is approximately 20 to 25 years. The Chief was directed to move forward with the solar project.

NEW BUSINESS:

1. At the January 2008 Board meeting, B/C Galli brought up deficiencies with the MERA communication system experienced during the January 4th storm. MERA is currently working on some short-term solutions to the problems experienced during “high-use” situations. Additionally, there are long-term solutions that MERA officials believe will improve the overall performance including obtaining additional frequencies from the F.C.C. These solutions should improve the overall performance of the system and should improve the well being of public safety personnel.
2. AB 1234 requires all appointed or elected officials to complete two hours of Ethics training every two years. A training session will be held in Petaluma on March 14, 2008. Additionally, there are on-line classes offered. Board members will advise the Administrative Secretary as to their preferences for the completion of this requirement.
3. Board members signed and turned in their 2008 W4 forms.

CORRESPONDENCE: Letters from Chairman Naso thanking Alex Craig and other volunteers for their assistance during the January 4th storm were reviewed.

DISTRICT OPERATIONS: The Incident Log and Overtime Report were reviewed.

Captain Glenn presented the annual training report for 2007. The report included training status and requirements for paid staff, resident firefighter staff and volunteer firefighter staff. Additionally, Captain Glenn gave the Board a photo presentation of a live fire drill conducted at 40 Rock Road, a wildland fire drill at St. Vincent’s, and a water rescue drill. Captain Glenn laid out in detail the various hours that personnel spend in training and certification classes.

CHIEF’S REPORT: Chief Smith advised the Board that he would schedule a closed session agenda item for the March 2008 meeting related to the annual “Fire Chief’s Performance Review.”

OTHER: None

APPROVAL OF WARRANTS: M/S McLeran/Corbet to approve Warrants No. 1203 to and including No. 1260 in the amount of \$301,217.67. All ayes.

The next regular meeting will be held on Wednesday, March 19, 2008.

A moment of silence was held for departed members.

M/S McLeran/Corbet to adjourn this meeting at 8:35 p.m. All ayes.

Respectfully submitted,

Michael G. Murray
Secretary, Board of Directors

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D R A F T

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CALL TO ORDER: 6:40 p.m. by Chairman Naso. Director Corbet led the assembly in the Pledge of Allegiance.

ROLL CALL: All Directors were present. Also in attendance were Chief Smith, Accountant Hom, and Recording Secretary Abraham.

APPROVAL OF PRIOR MONTH'S MINUTES: M/S Murray/McLeran. All ayes.

PUBLIC COMMENT PERIOD: There was no request from the public.

UNFINISHED BUSINESS:

1. Chief Smith introduced Mark Kelley of MACK 5. MACK 5 will be the construction manager for the building modernization project. Mr. Kelley furnished a project status for the fire station renovation and addition. Mr. Kelley stated finding Marin County being equal to most other counties as far as processing the architectural plans submitted. The County has gone over its previously stated eight weeks processing period. Two pertinent issues causing some delay are ADA and structural issues. He assured the Board that plans have been re-submitted as of March 20, 2008. It is hoped that a permit will be issued by April 4, 2008.

Director Murray asked if a standard AIA contract would be used. Mr. Kelley suggested using the same contract language utilized in the building of Marin County Fire Department's station on Throckmorton Ridge. Once drawn, Mr. Kelley will furnish the Board with a draft contract that will also be reviewed by County Counsel.

Discussion ensued regarding liquated damages, mediation, binding arbitration and litigation. Tentatively, \$1500/day will be used, however, this will be decided once the Board and County Counsel have reviewed the contract.

Discussion took place regarding county noise ordinances. Whatever is decided will be posted at the work site with contact names and numbers. Above all, it was decided that consideration of the station's neighbors must be adhered to.

Mr. Kelley recommended Chief Smith have "change order" authorization up to a specific amount of money. \$4K was suggested. MACK 5 will have a \$5K authorization once the contract agreement has gone to bid. Mr. Kelley recommends the contractors have access to the fire station's existing power. He also recommends the cell phone antennas be moved as soon as possible so that construction workers can work safely on the roof (he

related a job in Richmond taking nine months to have cell antennas removed). He also requested the Board act on the leases involved with the two roof cell site companies. Mr. Kelley will provide a typed, month-end report. Director Murray asked about Course of Construction coverage (Builders Risk) – should be equal to what the contractor is actually paying. The Board must review a completed contract. The Board thanked Mr. Kelley for his attendance at this meeting.

Chairman Naso recommended the Board make a motion for Chief Smith to be allowed to sign work order changes without Board review up to \$25,000.00. M/S Murray/Guidi. All ayes.

2. Chief Smith reported working with Accountant Hom regarding financing of the building modernization project. Accountant Hom presented a Power Point presentation showing background information relating to financing. Currently, there is 1.5 million dollars in surplus funds that can be allocated to the building renovation. Excess ERAF and reimbursement income from State Fires have significantly increased revenues this year.

Accountant Hom stated the County of Marin investments that were earning 5.2% will most likely drop to a 3% earning and may decline further. Director McLeran suggested waiting for the next interest rate drop before looking into financing for the building project. It was suggested that we could utilize our own funds until interest rates dropped if necessary. Accountant Hom explained that currently a 2 million dollar construction loan is prime + ½ point (4.2%) through Bank of Marin. Municipal Services and Wells Fargo will use a lease purchase agreement. Accountant Hom noted that this is a good time for borrowing due to low interest rates; however, the stock market is low at this time as well. He further explained that funding GASB 45 in 2009 would show as a liability on our financial statements that may lower lending availability. He stated it is not necessary to bring reserves down but rather pay GASB from higher earnings and borrow at lower rates. The Board agreed that it did not need to see individual bank proposals as Accountant Hom had explained the parameters very well. The Board thanked Accountant Hom for his report.

3. Chief Smith informed the Board of a recent issue with T-Mobile regarding the upgrade to its equipment on March 7th. Chief Smith reported meeting with staff, MCSO, T-Mobile (Erickson), and neighbors regarding the nighttime disturbance related to the T-Mobile cell site work. He is currently in contact with T-Mobile's general counsel. It will be necessary to make changes to our lease to insure a situation like this does not happen in the future. A T-Mobile structural engineer will look at the roof load situation and will discuss it with the renovation project engineer. At issue is water pooling because of a flat roof as well as weight and height of their equipment. After discussion, the Board agreed to have Chief Smith proceed with the dealings between the Fire District and T-Mobile.

NEW BUSINESS:

1. Chairman Naso asked about the operation of the emergency warning siren during the building modernization. Chief Smith reported the siren is operable by remote. Power will also continue to the three cell sites, fuel pump and services for construction workers. B/C Hadfield reported the "auto sequence memory card" on the warning siren was faulty and has been repaired. Also, the system only has a 10-month clock. He is working to have Comm Center test the siren (as they do the pagers for Tuesday night drill). The system can be activated physically by pushing a button in the engine room. Additionally, Comm Center can activate the system with a Cook Paging code.

2. Chairman Naso reported receiving a letter from Engineer Trimble on behalf of the Kentfield Association of Professional Fire Fighters concerning up-coming labor negotiations. The Board will await options for meeting dates from the Association.

CORRESPONDENCE: A thank you from the Town of Ross for help from KFPD's "B" shift on an electrical problem at Ross School.

DISTRICT OPERATIONS: The Incident Log and Overtime Report were reviewed.

CHIEF'S REPORT:

1. Chief Smith reported that the Civil Grand Jury report, regarding MERA, is available on the County web site.

2. Chief Smith reported that he and three Directors completed the AB 1234 (Ethics) class last week. The other two Directors and the Administrative Secretary will take an on-line class.

3. Chief Smith reported on two items approved by FAIRA last August regarding its JPA. Article 21 (amendment from 120 days exit to 12 months with 81% approval) and for voting members to pass resolutions from a majority to 50% + 1 of members casting ballots with 78% approval.

OTHER: At this time the Board moved to approval of warrants prior to moving into closed session.

APPROVAL OF WARRANTS: M/S McLeran/Murray to approve Warrants No. 1261 to and including No. 1320 in the amount of \$216,745.06. All ayes.

The Board moved to closed session at 8:32 p.m. to discuss the Chief's annual performance review. The Board returned from closed session at 9:25 p.m. with no reportable action taken.

The next regular meeting will be held on April 16, 2008 at 6:30 p.m.

A moment of silence was held for departed members.

M/S Murray/McLeran to adjourn this meeting at 9:28 p.m. All ayes.

Respectfully submitted,

Carol Abraham
Recording Secretary

**KENTFIELD FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS – REGULAR MEETING**

DATE: Wednesday, April 16, 2008

CALL TO ORDER: 6:44 p.m. by Chairman Naso. Director Corbet led the assembly in the Pledge of Allegiance.

ROLL CALL: All Directors were present. Also in attendance were Chief Smith, Accountant Hom and Recording Secretary Abraham.

APPROVAL OF PRIOR MONTH'S MINUTES: M/S Guidi/Murray. All ayes.

PUBLIC COMMENT PERIOD: There was no request from the public.

UNFINISHED BUSINESS:

1. Chief Smith reported MACK 5 and Don Dommer Associates have related tentative approval by the County of Marin concerning ADA issues with the on-going building modernization program. As the County issues permits on Fridays, it is hoped that we will hear from them by Saturday. This issue is the last holdup in the permit process.

Chief Smith presented a “Cost Model Manager – Project Cost Report” to the Board developed by Construction Manager, MACK 5. Additionally, a “Transaction by Account – April 13, 2008” and a “Profit/Loss versus Actual – July 1, 2007 – April 13, 2008” was presented. The reports were reviewed with explanation from Chief Smith and Accountant Hom. Noted items:

- 95% of property tax revenue has been received
- Surplus of approximately ½ million dollars from fiscal 2007/2008 may be applied to total cost (5.4 million dollars)
- Two months of expenses remaining to 2007/2008 fiscal year end
- County is experiencing solid property tax numbers
- KFPD has practiced sound budget management
- ERAF reimbursements were considerable

Chief Smith reported that the current building modernization cost is approximately 2 million dollars over his original construction estimate of two years ago mainly due to “soft costs.” Chief Smith and Accountant Hom reviewed the report from MACK 5 by line items. A quarter-million dollar photovoltaic system was not anticipated in the original estimate. Many items shown will be under the dollar amounts listed in the current report. Chief Smith will talk with MACK 5 next week to obtain a firmer cost total.

It was noted that the actual estimated construction cost is \$260.54 per square foot – not \$321 as noted on page one of the report. Accountant Hom related that the numbers as shown have a good deal of cushion. Of the 5.4 million dollar estimate, \$453K has already been paid. 2.5 – 3 million dollars will be financed. The building renovation reserve account is currently at 1.4 million dollars. There will be approximately ½ million dollars in 2007/2008 year-end surplus and ½ million dollars in normal budget processing. Additionally, there will be rebates from the photovoltaic system if installed. Chief Smith mentioned that the photovoltaic system might also be eliminated completely if necessary. Chief Smith reported having a couple of fiscal years to carry this project. Additionally, he reminded the Board that the KFPD has good size reserves for other items. There is approximately \$293K in the Emergency Contingency account that he does not recommend expending. Accountant Hom noted that we might consider going with 3 million dollars in financing. Our current applications are for 2 and 2 ½ million dollars at 4% interest. We are currently earning 3.7% on our investment account. The County is currently paying 4% on secured assessments and slightly less on un-secured assessments. Next year's ERAF money is estimated by the County to be \$200K. This amount is not included in the 2008/2009 budget.

2. Chief Smith reported that the “walk-through” for contractors will be April 28, 2008 and the “bid-opening” will be on May 14, 2008 at the KFPD. Chief Smith will ask Mark Kelley, of MACK 5, to attend the May 21, 2008 Board meeting. The bid packet was printed in the Marin Independent Journal, Dodge Report, and Builders’ Exchange. Documents have been available in several locations and on-line. MACK 5 reports a large number of contractors interested in this job.

3. Chief Smith reported on a successful Strategic Planning session conducted by Tom Forster and attended by all staff members. A report was included in this month’s Board packet. A previous Strategic Planning session was reviewed and long-range goals discussed. Ronny Coleman, former State Fire Marshal, participated in one segment of the session. Chief Smith feels all employees were satisfied with the most current session.

NEW BUSINESS:

1. Chief Smith introduced a ballot measure for the election of officers to the FASIS Board of Directors. M/S McLeran/Corbet to vote for the three candidates noted on the official ballot for the term of July 1, 2008 through June 30, 2011. All ayes. Ballot signed.

2. The Board reviewed a letter from Michael Smith, Marin County Treasurer/Tax Collector, soliciting support for the selection of Dan Hom to serve as a representative on the Marin County Treasury Oversight Committee for Special Districts. The Board congratulated Dan for this recommendation. Dan expressed his interest and reported on his interview. M/S McLeran/Murray for approval as requested. All ayes.

3. Chief Smith explained the vehicle accident between Engine 17 and a parked vehicle owned by Mr. Antonio Mezaparedes. Glatfelter Insurance, KFPD third-party administrator, requested the Board sign a “letter of rejection” which will give Glatfelter the go-ahead to process the claim submitted by Mr. Mezaparedes. Letter signed.

4. Chief Smith informed the Board of interest from the San Antonio Volunteer Fire Department to purchase the surplus pickup truck. The truck currently has 50K+ miles and Blue Books for approximately \$3600. SAVFD has offered \$3000 for the pickup truck. Chief Smith and B/C Hadfield recommend the terms of this request. M/S Murray/Guidi as recommended. All ayes. Chief Smith will report on the sale at the May 2008 Board meeting.

5. Engineer Mark Pomi introduced himself to the Board and announced that he is the current negotiation spokesperson for the KAPF. He reviewed the insert dated April 9, 2008, included in this month’s Board packet, outlining ground rules and asking for feedback from Board members at the first negotiation meeting. There are a couple of changes in the ground rules from the previous ones of the contract negotiated three years ago. The Association members worked on the questions put before the Board, and some thoughts were taken from the recent strategic planning session. Director McLeran noted that he would be away the first two weeks of May. Director Murray noted that he does not want to vote (even with a quorum) without all Board members being advised as to any issue.

The first meeting, to set ground rules and open discussion, will be on Tuesday, April 22, 2008 at 6:30 p.m. An agenda will be posted.

6. At this time the Board moved through the remaining agenda items and will return to the closed session item as the last item of this meeting.

CORRESPONDENCE: None.

DISTRICT OPERATIONS: The Incident Log and Overtime Report were reviewed.

B/C Galli reported on two recent arson fires. A vehicle fire and a fence fire occurred in the early morning of March 27, 2008. The M/C Sheriff’s Office is investigating both cases – which evidence showed were related. Total loss to the vehicle is approximately

\$25K and the fence approximately \$4K. To date no suspects have been identified, however, there was a witness to the vehicle fire.

CHIEF'S REPORT: Chief Smith discussed incorporating lease language in T-Mobile's contract limiting access to equipment after hours and/or to modify any equipment. Additionally, he reported requesting reimbursement from T-Mobile for our costs of legal counsel over the recent episode as reported in last month's meeting minutes and for the cost of our construction engineer (Cornerstone) to evaluate our roof-load requirements. Cornerstone has recommended that if T-Mobile installs additional weight prior to the building's renovation, the roof must be reinforced. They recommend no live load or doing any demolition prior to the structure being reinforced.

Staff has reviewed the current lease and County design review/permit and believes that T-Mobile is in violation of its lease by increasing the height of its antenna structure from 5' 11" an additional 18". Chief Smith and B/C Hadfield have found additional lease violations. Chief Smith reports that Mark Kelly, of MACK 5, will work with T-Mobile, as T-Mobile does want to exchange its antennas. Until that time, Chief Smith has denied T-Mobile any access to the roof and noted that the power will be on while work is in progress for the building renovation. Chief Smith will report back to the Board at the May 2008 meeting.

Chief Smith read a letter from T-Mobile's counsel, however, he has not heard back from him as yet. Marin County Counsel is currently reviewing the T-Mobile lease and permitting documents.

OTHER: None

APPROVAL OF WARRANTS: M/S Murray/McLeran to approve Warrants No. 1321 to and including No. 1384 in the amount of \$260,762.88. All ayes.

The Board moved to Closed Session at 8:05 p.m. It reconvened to open session at 8:20 p.m. with no reportable action taken.

A special meeting will be held on Tuesday, April 22, 2008 at 6:30 p.m.

The next regular meeting will be held on Wednesday, May 21, 2008 at 6:30 p.m.

A moment of silence was held for departed members.

M/S Guidi/Corbet to adjourn this meeting at 8:20 p.m. All ayes.

Respectfully submitted,

Carol Abraham
Recording Secretary

**KENTFIELD FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS – SPECIAL MEETING**

DATE: April 22, 2008

CALL TO ORDER: 6:35 p.m. by Chairman Naso. Director Corbet led the assembly in the Pledge of Allegiance.

ROLL CALL: All Directors were present. Chief Paul Smith was present. The Association negotiating committee consisting of Mark Pomi, Anthony Garcia and Jim Galli were also in attendance.

PUBLIC COMMENT PERIOD: There was no request from the public.

NEW BUSINESS: Contract Negotiations, KAPF # 1775.

By way of introduction, the Association representatives presented a video of recent activities. The group opened discussions regarding roles, history and relationships between District directors, staff and residents.

The Association discussed with the Board their vision, which was stated as; “It is our vision to continue excellence, unite and maintain our strong history and values.”

As included in the agenda, the Board was asked by the Association to present their thought on District vision, values and future concerns and challenges. The Board caucused with Chief Smith to discuss the Associations request. After some deliberation, the Board presented the following for discussion and consideration:

“The Common Vision of the Board of Directors of the Kentfield Fire Protection District is, first and foremost, to provide for the safety of our personnel. We endeavor to protect the community from fire and other disasters. We provide excellent public service to District residents and the business community. We take our fiduciary responsibilities to the community and taxpayers seriously.”

“The Board's view on employee benefits, salaries and working conditions, broadly stated, is to provide a competitive salary and benefit package that attracts and retains high quality staff. The Board wishes to provide excellent working conditions relative to fire station facilities and equipment.”

“The Board's concerns for the future include short and long term financial planning issues. The Board acknowledges that external economic forces play significant roles relative to both District revenues and expenses.”

The Board and Association representatives then discussed ground rules for contract negotiations. A draft document was review by both parties. Much discussion related to

**KENTFIELD FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS – REGULAR MEETING**

DATE: Wednesday, May 21, 2008.

CALL TO ORDER: 6:40 p.m. by Chairman Naso. Director Corbet led the assembly in the Pledge of Allegiance.

ROLL CALL: All Directors were present. Also in attendance were Chief Smith Accountant Hom, and Recording Secretary Abraham.

APPROVAL OF PRIOR MONTH'S MINUTES: M/S McLeran/Corbet. All ayes.
Approval of Special Meeting Minutes of May 8, 2008: M/S Guidi/McLeran. All ayes.

PUBLIC COMMENT PERIOD: There was no request from the public.

UNFINISHED BUSINESS:

1. Joe Blanco of MACK 5 reported on the recent opening of bids for the fire station modernization project. 15 contractors did a “walk-through,” and 11 bids were submitted. He reported that this was an outstanding response to the bid process. Costs submitted ranged from \$3 million nine hundred sixteen thousand dollars to \$4 million nine hundred fifty two thousand dollars. Mr. Blanco reported that this is a good indication of the current market. He reports that MACK 5 is on schedule to begin and that all permits are in. He hopes to have the final bid ready by June 2nd.

Director McLeran asked Mr. Blanco how/why the project came in so far more over budget than expected. Mr. Blanco reported that the lead estimator, Saylor, Inc. was very low in its estimates. He reported that MACK 5 would have estimated higher, but that they had decided to see what the current market showed.

Chief Smith related that because there are now many issues to review, including the overall price, current Fire District budget, and project funding, there will not be an award made at this meeting. He feels that a special meeting is in order, possibly to be held next week.

Discussion ensued relating to the unexpected increase in the overall amount of the bids for the project. Had the actual total been known previously, many aspects of the job could have been changed. The process to redefine the project including new drawings and re-bidding was discussed. Mr. Blanco suggested that re-bidding could cause a six to seven month delay in the project.

Director Murray also noted his surprise at the increased cost of the project. Mr. Blanco reported as not being so surprised with the outcome. MACK 5 estimated between \$275-\$350 per square foot in construction costs. MACK 5 reiterated its surprise and encouragement, however, at the number of bids received.

Chief Smith reported that Saylor, Inc. undervalued the project by at least 20%. He noted that Saylor, Inc. did an analytical study rather than actual estimation. Chief Smith reviewed the MACK 5 “cost model manager” with Mr. Blanco and the Board showing a \$6 million dollar project cost – total package – all-inclusive.

A very lengthy discussion ensued including the Board’s disappointment over the fact that the project actually came in over double what Don Dommer Associates anticipated two years ago. Original goals were to provide ADA, more modern heat/air conditioning system, restroom/kitchen modernization. The biggest question was what so amplified the project between engaging Don Dommer Associates and the opening of the bids. Chief Smith related trying to “back-down” closer to the original cost of the project, but he is unable to do so. The aim now must be at funding the project if approved. Discussion at a special meeting will include starting over to trim back to original goals, piece-meal the project now or go for the total package. Chief Smith reminded the Board of the many

pieces already in place for the staff move-out of the fire station to temporary quarters the first part of June.

The Board has a special meeting with the KAPF #1775 for Tuesday, May 27th at 5:30 p.m. to discuss 2008/2009 labor negotiations. The Board asked Engineer Pomi, who happened to be on duty, if the Association might consider switching its meeting to another day in order that the Board might meet for the discussion of the building modernization project on May 27th instead. On behalf of the Association, Engineer Pomi agreed to the switch. Although Director McLeran will be unable to attend on May 27th, the Board thanked the Association and chose to hold the May 27th special meeting to discuss the building project.

Mr. Blanco will have someone from MACK 5 represented at the May 27th special meeting. Director Corbet will have to leave the meeting by 7:00 p.m. in order to attend another meeting already scheduled.

2. Chief Smith reported on his meeting with Accountant Hom and the financing department of Bank of Marin. He related that Bank of Marin is a local banking agency that aggressively reviewed the KFPD building modernization project. At this time Accountant Hom gave a detailed presentation of their findings to date. The project is do-able depending on the ability of pay back monies borrowed. Accountant Hom will do additional research and will report back to the Board at the May 27th special meeting.

3. The review and possibility of awarding a contract bid for the building modernization project will be placed on the agenda for a special meeting to be held on May 27th.

4. Chief Smith presented a preliminary budget for 2008/2009 and thanked Accountant Hom for his work to date on this project. Changes from 2007/2008 were discussed. A slight increase for "safety" and a slight decrease for "miscellaneous" was noted for CalPERS retirement premiums. Accountant Hom will project figures to include KAPF #1775 current labor requests. Currently, it appears that the 2008/2009 budget will have a \$50K increase in Salaries/Benefits due to medical increases and PERS, without salary adjustments, a \$100K decrease in Service/Supplies, and an \$82K decrease in Capital Outlay. Chief Smith recommends continuing funding at the same rate as previous schedules for 2008/2009. Director Murray asked if this approach might be too aggressive. Current reserves were discussed including Emergency Contingency and PERS Unfunded Liability; Chief Smith stated that most reserve accounts are fully funded with the exception of the PERS Unfunded Liability. He reminded the Board that every year this account must maintain one-year's funding (2008/2009 to be approximately \$25K.

Account Hom reminded the Board of the undesignated reserve account and the \$4 million cash included in the investment fund with the County of Marin. We currently have a reserve of one-year's operating expenses. There will be additional revenue and expenses for May and June. Chief Smith feels confident that property revenues will remain constant. Accountant Hom projected a \$250K-\$300K surplus for year-end 2007/2008.

Director Murray mentioned the possibility of increasing the current special assessment from .06 cents per square foot. Accountant Hom reminded the Board that GASB 45 (health care coverage for retirees) might be funded beginning 2010 once we receive an actuarial from CalPERS. Director Murray complimented the current revenue report, but he feels that we cannot count on keeping the same pace in the years to come.

All of the Board members thanked Chief Smith and Accountant Hom for their reports.

5. Chief Smith thanked Director Corbet for his involvement in the Ross Valley Paramedic Authority (RVPA). He reported on last year's paramedic assessment increase to Fire District residents. He noted that the Board must affirm the tax to be distributed to RVPA because revenues do not come directly to KFPD. Resolution No. 1-2008 was put before the Board. M/S McLeran/Murray to adopt. All ayes.

NEW BUSINESS:

1. B/C Galli briefly reviewed the past and current history of the Volunteer Firefighter Program and compared it with an Apprentice Firefighter Program that the Fire District has been researching to cover firefighter relief.
2. Chief Smith reviewed the Marin County Civil Grand Jury report "Marin On Fire" of April 1, 2008. B/C Galli reminded the Board that every new construction/remodel would include new vegetation management. The goal is for all structures to be "stand-alone" during a wildland fire. Chief Smith will draft a response to the Grand Jury for the Board to review at the June 2008 BOD meeting. A response from the District is due by July 2008.
3. As the overtime category is currently over budget, Chief Smith recommended making a transfer from State Fire Revenue to Overtime as follows:

- 2007/08 A/C #1030-Overtime = \$149,496 budgeted
- 05/21/08 #1030-Overtime = \$218,525.08 spent
- 2007/08 A/C #9950-State Fires = none budgeted
- 05/21/08 #9950-State Fires = \$141,607.73

M/S Murray/McLeran to move funds from A/C #9950 – State Fires in the amount of \$141,607.73 to A/C #1030 – Overtime. Total Overtime = \$76,917.35 over budget. All ayes. The 2007/2008 budget category is amended from \$149,496.00 to \$291,103.73.

CORRESPONDENCE: None

DISTRICT OPERATIONS: The Incident Log and Overtime Report were reviewed.

Chairman Naso reported on some Manor Road neighbors perception of the building modernization plan. He reported being told that the temporary speed cushions will become permanent due to the fact that the County of Marin is funding the fire station project.

Chief Smith replied that he would put out a Fire District newsletter regarding the building modernization project stressing the fact that the Fire District is actually paying for the project and will explain how it is being accomplished. Director McLeran would like to see mentioned the fact that the Fire District does not support the speed cushions on Manor Road.

Chief Smith mentioned receiving calls from the neighborhood coalition regarding the cushions. He reported that this project is in the hands of Marin County DPW.

Chairman Naso is concerned about the County's apparent "stall tactic" as the speed cushions were originally installed for a "three-month" trial. Additionally, he is concerned with the Fire District safety personnel move to the Ross FD causing further delay to Manor Road and Los Cerros residents, especially when vehicles are parked at curbside along Manor Road. He requested the BOD make a public statement of its official stance on cushions.

Chairman Murray suggesting sending a copy of chief Smith's letter of 12/20/2006 to the Manor Road neighborhood coalition. It states that the Fire District is not opposed to traffic calming devices if they do not impede emergency traffic response.

Director McLeran asked if the Board should actually take action specifically related to Manor Road. Chief Smith stated that the Fire District gave a design to Marin County after testing traffic calming devices. The County agreed to look at different designs with better spacing for our apparatus as well as painting the adjacent curbs red. Captain Glenn, after testing the apparatus on the current cushions, does not feel they are substantially impeding emergency response.

Director McLeran does not feel this is a Fire District decision and feels that the M/C DWP must act. Chairman Naso feels a final decision must be made. Director Murray shares concern from a safety point, however, he feels hesitant to pass a resolution to

make a stance. He feels a letter is a better approach. Director Guidi agrees that a letter from the Fire District is adequate. He agrees that no stance should be taken on behalf of the Fire District.

Chief Smith will contact M/C DPW with the Board's concerns about the three-month pilot program and design with a copy to Supervisor Brown.

CHIEF'S REPORT: Chief Smith reminded the Board that he would be at a FAIRA conference from June 8 – 10, 2008 and will be out of town from June 11 through June 17th as well.

OTHER: None

APPROVAL OF WARRANTS: M/S Murray/McLeran to approve Warrants No. 1385 to and including No. 1461 in the amount of \$388,792.25. All ayes.

A special meeting for the purpose of discussing the building modernization project will be held on Tuesday, May 27th at 5:30 p.m. The Board expressed its thanks to the KAPF #1775 for agreeing to postpone its regularly scheduled special meeting with the Board on this date. An item will be placed on the May 27th agenda to choose an alternate date for the Association/Board special meeting.

The next regular meeting will be held on Wednesday, June 18, 2008 at 6:30 p.m.

A moment of silence was held for departed members.

M/S McLeran/Corbet to adjourn this meeting at 9:05 p.m. All ayes.

Respectfully submitted,

Carol Abraham
Recording Secretary

**KENTFIELD FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS – SPECIAL MEETING**

DATE: Tuesday, May 27, 2008

CALL TO ORDER: 5:38 p.m. by Chairman Naso. Director Corbet led the assembly in the Pledge of Allegiance.

ROLL CALL: All Directors were present with the exception of Director McLeran. Also in attendance were Chief Smith, Accountant Hom, and Recording Secretary Abraham.

PUBLIC COMMENT PERIOD: There was no request from the public.

UNFINISHED BUSINESS:

1. Discussion carried over from the regular meeting of May 21, 2008. The total cost of the building modernization has come in at twice the amount as was expected when the initial planning for the project first began over two years ago.

Chief Smith recapped the groundwork beginning in 2005 when it first became evident that the present station was in need of updating. ADA issues were foremost in the planning. Architects were interviewed who were familiar with public safety buildings. Don Dommer Associates of Oakland was chosen to lead the renovation project including ADA issues, seismic stability issues, energy efficiencies and the need to provide gender specific restrooms.

Many drafts and designs were submitted to the Board and staff, and the price for the project was estimated to be in the \$3 million to \$3.5 million range. Chief Smith was working with the fact that the Fire District had approximately \$2.5 million on hand.

The project went to bid, and those bids were opened on May 14th. Construction costs were \$4 million with miscellaneous costs running \$2 million.

In order to maintain operational and administrative efficiency, plans began six to seven months ago for relocation of Fire District services. Chief Smith feels strongly that certain goals must be met to some degree, although the final decision will not be solely his own.

It is necessary that the Board make a decision to move forward with the current plans as presented or move to an alternate plan. To this end, Accountant Hom introduced a Power Point presentation outlining various financing options including a thorough review of current and expected revenues and expenses.

- Bank of Marin shown as lending institution with a “construction loan” and “permanent financing.”
- Construction loan – 0.50% loan fee, interest only during construction, prime rate plus 0.50% on an estimated \$5 million loan with annual interest of \$128,849, 0.50% to lock in current interest rate at completion of construction.
- Accountant Hom presented the Board with graphs showing three payment scenarios – one borrowing \$4 million and one at \$5 million during the construction period and the permanent financing period.

Account Hom suggested approaching other lenders as well as not using the interest rate lock (interest rate swap). He has no questions regarding the construction loan phase, however, he does have questions concerning the permanent financing phase. Chief Smith reported on having been in contact with Wells Fargo Bank and a private lending group out of Van Nuys, CA.

Discussion ensued regarding the process of putting a bond out to the citizens of the Fire District, optional bank financing, construction loan period versus a certificate of occupancy at the end of the construction period in the event the project goes over a one-year mark.

Discussion continued regarding the possibility of increasing the current .06-cent Special Assessment, the collection of the Special Assessment on all finished construction – not just living space as is currently done, as well as an inflation factor built into the Special Assessment. Chief Smith will do further research on the possibility of increasing the Special Assessment in November.

Chief Smith recapped the fact that the BOD must decide to move forward or choose not to do so. If the project goes forward, the first-year's construction cost will be approximately \$130K. He notes the Fire District can carry Option 3 of Accountant Hom's presentation (30 year amortization due in 10 years – with no pre-payment penalty) by using the revenue generated from the Special Assessment.

Director Guidi asked to hear from Mr. Kelley. Director Murray noted that is a commitment to future Fire District Boards, staff and community to undertake this project. Chief Smith states having felt some pressure to move with the project due to ADA issues. He knows that bringing the current building up to ADA compliance is the right thing to do, but wonders how well the forty-year old building will survive an additional forty years if no additional work is done.

Mr. Kelley addressed the Board stating that it would take a catastrophe event to bring in better rates than are current being offered by the lending industry. He likened the project to another fifty-year investment. Director Murray agrees with Chief Smith's comments, however, he notes that KFPD has never faced such a fiduciary concern. He does feel that the community will back Fire District financial support with the help of staff involvement.

It was noted that there have been two major historical occurrences for the KFPD to date: To hire fulltime staff and to build the current fire station. The proposed building modernization project will be the third major historical occurrence for the KFPD.

Continued discussion – Don Dommer Associates and consultants have been paid approximately \$300K to date. ADA issues must be addressed. It will take a minimum of one year to revise plans/permits on a new design. There is no telling what the financial market will be able to offer a year from now. As shown in Accountant Hom's presentation, interest rates were higher two years ago than they are currently.

Director Guidi stated that he does not feel it would be prudent to “piece-meal” the project and noted that we have worked for one year with this design. Director Murray questioned the 30% in “soft costs.” Mr. Kelley noted that MACK 5 has reviewed all numbers submitted and that they are correct although he noted that all costs involved were and are surprising. Discussion continued regarding square footage taxing. Director Guidi stated that the Fire District is currently in sound shape and that it can fund the project for a couple of years. During that time the District can bring in an increase in the Special Assessment, however, he does not feel that it is necessary to do so at the on-set of the project.

A motion to move forward with the construction project was requested. M/S Murray/Corbet to accept the building modernization project as discussed over the previous two years including pertinent information as discussed during this meeting. All ayes.

Mr. Kelley brought the Board up to date with the general contractors who submitted bids for the modernization project. He explained the comparisons between the lowest four bidders. The lowest bidder (Pencon) missed a \$100K element in the design. The firm did not feel the plans notes were clear. He noted that Pencon would file a protest if it were not awarded the contract. Mr. Kelley stated that discussion with Marin County Counsel does not show Fire District responsibility on this issue. Mr. Kelley requested the

Board authorize MACK 5 to perform due diligence with the second bidder (Sequoia Pacific).

There is a question of whether or not Sequoia Pacific included haz-mat abatement and overhead doors in its threshold. Mr. Kelley will make clear on these items. Mr. Kelley requested the Board sign authorization to bring Sequoia Pacific under agreement once the contractor has signed the project. Mr. Kelley will have additions to contract included not to exceed \$4,028,500.00. Once signed, he will drop off three copies of documents for Board's signature.

M/S Murray/Guidi to authorize MACK 5 to perform due diligence with Sequoia Pacific and to secure them under contract not to exceed \$4,028,500.00. All ayes.

Director Murray stated the utmost care must be taken in review of Sequoia Pacific's bid so that Pencon will not have any reason to protest denial of the lowest bid. The Board will await authorization to sign and will expect an update and recap at the next regular Board meeting scheduled for June 18, 2008. It is noted that the next regular meeting will take place at 907 Sir Francis Drake Boulevard, Kentfield, CA at 6:30 p.m.

The Board thanked Mr. Kelley and Account Hom for their very through presentations.

2. Chairman Naso requested the Board choose a date for a special meeting with the KAPF Local #1775's Negotiation Committee. Thursday, June 26th was chosen as the meeting date with a meeting time set at 6:00 p.m. The meeting will also be held at 907 SFDB.

NEW BUSINESS: None.

OTHER: None.

The next special meeting will be held on Thursday, June 26, 2008 at 6:00 p.m. at 907 SFDB.

Chairman Naso requested a moment of silence in honor of departed members as well as for the protection of all firefighters with the onset of fire season.

M/S Murray/Guidi to adjourn this meeting at 7:45 p.m.

Respectfully submitted,

Carol Abraham
Recording Secretary

**KENTFIELD FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS – REGULAR MEETING**

DATE: Wednesday, June 18, 2008

CALL TO ORDER: At 6:38 p.m. by Chairman Naso. Director Corbet led the assembly in the Pledge of Allegiance.

ROLL CALL: All Directors were present with the exception of Director Guidi. Also in attendance were Chief Smith and Recording Secretary Abraham.

APPROVAL OF PRIOR MONTH'S MINUTES: M/S Murray/Corbet to approve the minutes of the regular meeting of May 21, 2008 with two corrections: 1) Unfinished Business/Item #1/Paragraph two – strike the word “more” in the first sentence. New sentence to read “Director McLeran asked Mr. Blanco how/why the project came in so far over budget than expected.” 2) District Operations/Paragraph five – Change “Chairman Murray” to “Director Murray.” All ayes.

M/S Corbet/Murray to approve the minutes of the special meeting of May 27, 2008. All ayes.

PUBLIC COMMENT PERIOD: There was no request from the public.

UNFINISHED BUSINESS:

Chief Smith requested the Board take Items No. 2 and 4 out of sequence so that Mark Kelley/MACK 5 would be able to give his presentation first. The Board agreed to do so.

2. The Board gave direction to Chief Smith at the May BOD meeting to move forward with the award of the bid for the building modernization project. Mark Kelley/MACK 5 stated that the bid was awarded to Sequoia Pacific Builders, Inc., Roseville, CA. He noted that all paperwork was in order and requested the Board sign four copies of the bid agreement. Mr. Kelley mentioned that there were a few minor corrections to be made including the fact that a \$5 million umbrella policy was not listed to include all entities to be involved with the project. There were some minor late-entries, however, there were no up-charge costs involved. Mr. Kelley finds SPB to be very cooperative with good references. The company has a strong inclination to finish jobs on time. He noted that a recent project SPB worked on came in 3 ½ months ahead of schedule.

Mark Kelley and Chief Smith will meet tomorrow with SPB personnel. Mr. Kelley suggested the Board sign the aforementioned contract and hold it for SPB to finish the insurance paperwork and a few minor changes. Director Murray will make notes and submit to MACK 5 tomorrow prior to the meeting. One list of notations will be drawn and submitted to SPB.

Chief Smith discussed a pending Builders Risk insurance policy with the Board and quoted three options furnished by Travelers Insurance company: Straight Builders Risk @ \$8K, Flood coverage or Flood/Earthquake coverage @ \$10K. He reported that MARSH ran a spreadsheet noting that KFPD may buy its own insurance or have the building contractor furnish it. Director Murray recommended incorporating earthquake insurance and noted that \$10K was a fair amount. Director Murray and Chief Smith will discuss further and give their decision to Mr. Kelley tomorrow prior to the general meeting. Director Murray recommended taking a higher deductible on the Builders Risk policy, as there is currently \$25K pending in the budget for this purpose.

M/S Murray/McLeran to enter into a Notice of Award with Execution of Agreement with Sequoia Pacific Builders, Inc. All ayes. There will be an agenda item for the June 19, 2008 meeting between KFPD, MACK 5, and SPB outlining all necessary requirements/points and SPB must understand the working conditions for Marin County, especially concerning ADA issues.

Mr. Kelley noted that references indicated previous work done by SPB included a minimal amount of change orders. MACK 5 will be watchful of the essence of time, however, they will be aware that no corners are cut in the process. He also noted that the end date for the project is more important than the start date as there is more cost to the construction company toward the end of the project. SPB will furnish a work schedule to the Board so that it can follow the progress of the project. MACK 5, as well as Don Dommer Architects, will be on constant watch and will conduct weekly or bi-weekly meetings to stay on track.

Although the M/C Sheriff's Office lease allows them to remain in the sub-station until June 30, 2008, Chief Smith reported that they have asked when they need to vacate. Chief Smith advised the Sheriff's Office that by approximately June 20, 2008 would be a desirable time frame. The fire apparatus currently in the station must be moved prior to the construction company beginning work. OES 325 will be housed at Larkspur Station #15, the La France will be housed at Skywalker Ranch, and Engine 17A will be housed at Mill Valley Station #7. The turnout washer/extractor, hose dryer, and air compressor may stay on-sight during construction.

4. Chief Smith updated the Board on MACK 5's current Cost Model Manager. This tool will be updated each month. M/S Naso/Murray to approve the current Cost Model Manager in the amount of \$6,104,801.00. All ayes. The Board thanked Mr. Kelley for his attendance at this meeting.

1. Chief Smith reviewed the response to the Marin County Grand Jury request concerning its report "Marin On Fire." M/S Murray/McLeran to approve the response dated June 18, 2008 as suggested by Chief Smith. All ayes.

3. Chief Smith reviewed financial loan options concerning the building modernization project including a \$4 million proposal by Wells Fargo Bank, a ten-year history of interest rates from the Federal Reserve, and tax-exempt options. After discussion, it was decided to have Chief Smith request a quote for a longer loan time from WFB. The end of March 2008 saw interest rates being paid by Marin County on our investment account at 3.39% - down from this time last year. WFB quoted its loan interest rate at 4.625% currently. A lengthy discussion followed regarding construction loan, lease purchase, municipal lender, locking an interest rate now or later, etc.

Director McLeran suggested using reserves to start the building modernization project. Discussion followed. Director Murray requested a special meeting to include Accountant Hom prior to the 30-day loan quotes currently in place. He does not want to rush into a financing decision, as it may be a gamble prior to the November 2008 general election. It was noted, however, that a large portion of reserves might be used prior to November. The Board agreed that a decision must be made as soon as possible. A special meeting will be held on Wednesday, July 2, 2008 at 2:00 p.m.

NEW BUSINESS:

1. Chief Smith reviewed the M/C Auditor's request for Transmittal Three that sets the special assessment charged by the KFPD. M/S Murray/McLeran to continue Measure "H" to assess 6 cents per square foot of "finished area" of District buildings as well as to continue the current sliding fee for vacant parcels greater than one acre. All ayes.

2. Chief Smith reviewed his memo of 6/9/2008 regarding history/overview of the current Special Assessment. Currently, finished areas are assessed at 6 cents per square foot. It was noted, however, that the Fire District does, in fact, protect all finished and unfinished building areas. Discussion regarding the inclusion of all square footage as well as an inflation factor (with cap) ensued. The possibility of placing a measure on the November 2008 ballot to increase the special assessment to 12 cents on all structures across the board as well as the two aforementioned items was discussed. Wording to include the number of years (28) that the current Measure "H" has been in effect, the cost of fire apparatus 28 years ago compared to the current date, etc. was discussed. A resolution must be turned in to the County by August 8, 2008 for inclusion in the November 2008

general election. Chief Smith will work on wording for such a resolution to be ready for the July 2008 BOD meeting.

CORRESPONDENCE:

All correspondence was reviewed. It was suggested to copy Supervisor Hal Brown the letter sent previously to the Marin County Department of Public Works dated June 10, 2008 concerning the Manor Road speed cushions.

DISTRICT OPERATIONS: The Incident Log and Overtime Report were reviewed.

CHIEF'S REPORT:

Chief Smith reported to the Board that he has tasked himself with the following objectives to be met as soon as possible:

- A summer newsletter to be published for distribution district-wide. The newsletter will incorporate information regarding the building modernization project and will include conceptual drawings (before/after) as well as summer fire safety and 2008 wildland deployments. He noted having written a recent article for the KWPOA newsletter. Discussion followed regarding whether or not the Board of Directors should include article(s) in the newsletter.
- Work with Accountant Hom regarding the funding of the building modernization project.
- Work on a new ballot measure concerning the special assessment.
- New hire of a firefighter due to the announcement of Engineer Elmer Collett's retirement effective July 15, 2008.

Discussion regarding Engineer Collett's replacement took place. Chief Smith reported that "Firehire" will handle the application and physical agility process while KFPD will handle the oral interviews, background investigation, and medical processing. If Mr. Keaton is no longer available, Director Murray has contact with someone who handles background investigations. It was suggested that Director Guidi might have a contact as well. Chief Smith expects a good draw from Firehire as well as lateral position advertising.

Chief Smith noted that he has put signage on the KFPD building at 1004 SFDB alerting residents/vendors of the staff relocations.

Chief Smith reported to the Board that the June 15, 2008 Profit/Loss report shows a fund balance of almost \$800K. He noted that some bills for 2007/2008 were still in need of payment, as well as one additional payroll period to be covered and the June 30, 2008 sick leave deferred payment to be made.

OTHER: None

APPROVAL OF WARRANTS: M/S McLeran/Corbet to approve Warrants No. 1462 to and including No. 1513 in the amount of \$239,550.06. All ayes.

The next regular meeting will be held on Wednesday, July 16, 2008 at 6:00 p.m.

Two special meetings are planned: Thursday, June 26, 2008 at 6:00 p.m. and Wednesday, July 2, 2008 at 2:00 p.m.

A moment of silence was held for departed members.

M/S Murray/McLeran to adjourn this meeting at 8:58 p.m. All ayes.

Respectfully submitted,

Carol Abraham, Recording Secretary

**KENTFIELD FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS – REGULAR MEETING**

DATE: Wednesday, July 16, 2008

CALL TO ORDER: 6:10 p.m. by Chairman Naso. Director Corbet led the assembly in the Pledge of Allegiance.

ROLL CALL: All Directors were present with the exception of Director Guidi. Also in attendance were Chief Smith and Recording Secretary Abraham.

APPROVAL OF PRIOR MONTH'S MINUTES: M/S McLeran/Corbet to approve the minutes of the regular meeting of June 18, 2008. All ayes. M/S Corbet/Naso to approve the minutes of the special meeting of June 26, 2008. All ayes. M/S McLeran/Corbet to approve the minutes of the special meeting of July 2, 2008. All ayes.

PUBLIC COMMENT PERIOD: Mr. Michael Biber of 326 Los Cerros Drive, Greenbrae addressed the Board regarding his concerns of the red curb painting along areas of Manor Road adjacent to the recently installed speed cushions. Director McLeran noted the three-minute ruling for public comment and the fact that Mr. Biber's concern was not previously noted on the current agenda, therefore, the Board is prohibited from engaging discussion or taking action. Mr. Biber will send a letter of request to be placed on the agenda for the August 2008 meeting. Chairman Naso will advise Mr. Biber of the date chosen for the August 2008 meeting.

UNFINISHED BUSINESS:

1. Chief Smith reviewed his 2008/2009 proposed budget with the Board including all projected revenues, expenses, and reserve items. Chief Smith pointed out his comparison to previous years in order to show a historical overview. A lengthy discussion concerning each line item ensued. M/S Murray/McLeran to approve the 2008/2009 budget as proposed by Chief Smith in the amount of \$8,221,546.00. All ayes. Director Murray appreciated the thorough way in which Chief Smith assembled the proposed budget packet, as it was very easy to follow.

2. Chief Smith reviewed a draft of a proposed ballot measure to increase the KFPD special assessment at the up-coming general election in November 2008. The Board, at previous meetings, had reviewed this topic concerning an increase from the current six cents per square foot of living space. The Board discussed this matter at length. Specific points of concern include the wording "total building area" as opposed to the current wording "total living area." Director Murray stressed the fact that this ballot will need the full support of all staff members – paid and volunteer.

Chief Smith reminded the Board that the Marin County Registrar of Voters must receive the information by August 8, 2008 in order to appear on the November 2008 general election ballot. He will have Marin County Counsel review the proposed language as drafted. M/S Murray/McLeran to pass Resolution No. 2-2008 proposing an ordinance to the voters of the District and requesting consolidation of said election with the November 2008 general election subject to approval by Marin County Counsel with no changes as presented at this meeting. All ayes. If any changes are necessary, the Board will call a special meeting for their review.

Chief Smith will advise the volunteer association and the paid staff. Discussion followed concerning the fact that no public funds may be used in this endeavor, how much assistance may be given by Board members, the necessity for smart/careful ballot language, and other issues that are proposed for the November 2008 general election ballot.

3. KAPF labor negotiations were cancelled due to the fact that so many of the paid personnel are, and have been, on OES out-of-county responses. The KAPF gave the

Board alternate dates for future meetings. The Board chose Wednesday, July 30, 2008 at 3:00 p.m. for the next meeting. Chief Smith will verify time/date with the KAPF.

NEW BUSINESS:

1. Eric Humber, Assistant Chief of the KAOF, and Kenric Lee, President of the Board of the KAOF, spoke to the KFPD Board about their concerns for the direction in which the volunteer association is going. Additional concerns include the continuation of the KAOF, especially in view of the fact that the paid firefighters have relocated to the Ross Fire Department during the building modernization project and the state of the current volunteer program in general. A/C Humber pointed out the fact he realizes the Board and Chief Smith have been very busy with numerous on-going District projects in recent months. He described to the Board his past 30-year history with the KAOF and discussed the ups and downs he has witnessed within the Association during these years. He is aware that the Board has considered whether or not to continue or to drop the volunteer program. A lengthy discussion ensued regarding reasons for dropping or continuing the program as well as the reasons for personnel participation or lack thereof.

Chief Smith reported that he and B/C Hadfield, and Captain Glenn have been in discussion regarding training and response issues concerning the volunteer firefighters. Director Murray acknowledged the fact that the Board has been overwhelmed with many duties lately; however, he expressed his feelings of full support for the volunteer program. He knows that the program has produced many qualified firefighters within the State of California and beyond. All participants agree that the very nature of volunteer associations across the nation has changed dramatically over the years. Training in national standards is a primary example of the effort it takes to maintain a volunteer program. Many issues stand out, including demographics, standards, cost of living, etc. Chief Smith explained the current KFPD policy regarding response issues. Additionally, he explained the probationary and response criteria currently set for the volunteers. Chief Smith does not feel that some of the volunteer staff currently have sufficient commitment to the program. There are many reasons for the current lack of commitment as mentioned previously. Chief Smith reiterated the fact that he does not want to see the volunteer program be discontinued, but he needs to be assured that training/response expectations are met and that volunteer personnel are committed to the program. He related that B/C Hadfield and Captain Glenn, once back from OES out-of-county responses, would continue working with the program.

Erik mentioned the possibility of more stringency for the committed five to six volunteers, training and response issues during the building modernization project, and possibly less frequent drill sessions. To this, Director McLeran suggested the possibility of co-training with Ross Fire Department. Types of suppression/support were discussed. The consensus is from the volunteer firefighters that there is no objective for them at this point in time. Erik Humber offered to be a contact between the Board and the KAOF for further/future discussion regarding the program. As there will not be an annual pancake breakfast this year, discussion ensued regarding a re-opening/dedication breakfast at the time of completion of the building modernization project.

Thanks were given all around for bringing the current KAOF concerns to the table and all parties will keep each other advised of all progress.

2. Chief Smith reviewed a letter of June 24, 2008 from Pencon General Construction concerning a request for reimbursement of bid costs. He noted that Marin County Counsel has no recommendation on the bid refusal. After a lengthy discussion, it was decided that Chief Smith would draft a letter of response to Pencon that the KFPD chooses to reject its request for compensation.

3. Chief Smith reviewed quotes from MARSH regarding Builder's Risk insurance on the building modernization project. Discussion ensued concerning type and cost of coverage. M/S Murray/McLeran to approve "Builders Risk" coverage as quoted by MARSH using Travelers PC with a \$5K deductible at an annual premium of \$3086. All ayes. Chief Smith thanked Director Murray for all of his help with regards to insurance issues for the building modernization project.

CORRESPONDENCE: Thank you letters dated June 17, 2008 from Tiburon Fire Protection District and Redwood High School.

DISTRICT OPERATIONS: The Incident Log and Overtime Report were reviewed.

CHIEF'S REPORT:

1. Chief Smith presented an update on the status of OES 325 out-of-county responses from June 2008 to date.
2. Chief Smith presented an update on the status of the building modernization project. He furnished a rendition picture of the proposed building and noted that an information board will be forthcoming at the job site. He noted that he is very impressed thus far with Sequoia Pacific Builders, Inc. He feels they are working on a very aggressive schedule and that the finish date of the projects appears to be March 2009.
3. Chief Smith presented copies of the application notice for the Entry Level - Lateral Firefighter/EMT position at KFPD due to the retirement of Engineer Collett. He noted that the brochures were mailed out this week to approximately 100 Bay Area fire departments, and that application forms are on the KFPD website. The filing date is August 22, 2008.

OTHER: None

APPROVAL OF WARRANTS: M/S McLeran/Corbet to approve Warrants No. 1514 through and including No. 1587 in the amount of \$376,787.21. All ayes.

The next regular meeting will be held on Wednesday, August 20, 2008 at 6:30 p.m. There will be a special meeting for labor negotiations on Wednesday, July 30, 2008 at 3:00 p.m.

A moment of silence was held for departed members as well as for all firefighters currently working on wildfire conflagrations.

M/S McLeran/Corbet to adjourn this meeting at 8:52 p.m. All ayes.

Respectfully submitted,

Carol Abraham
Recording Secretary

**KENTFIELD FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS – REGULAR MEETING**

DATE: Wednesday, August 20, 2008

CALL TO ORDER: 6:40 p.m. by Chairman Naso who also led the assembly in the Pledge of Allegiance.

ROLL CALL: All Directors were present with the exception of Director Guidi. Also in attendance were Chief Smith and Recording Secretary Abraham.

APPROVAL OF PRIOR MONTH'S MINUTES: M/S McLeran/Murray to approve the minutes of the regular meeting of July 16, 2008. All ayes. M/S McLeran/Murray to approve the minutes of the special meeting of July 30, 2008. All ayes.

PUBLIC COMMENT PERIOD: The following people were in attendance at this meeting: Michael Biber, 36 Los Cerros Drive, Greenbrae, CA, Moris Davidovitz, 195 Vista Grande, Greenbrae, CA, and Rich and Roz Caleb, 125 Corte Anita, Greenbrae, CA.

UNFINISHED BUSINESS:

1. Chairman Naso thanked the above-mentioned members of the public for their attendance. Chief Smith gave a synopsis of the Board's June 2008 meeting at which Mr. Biber was present. He also mentioned that today Mr. Biber requested, via email, copies of any correspondence that Chief Smith has had with M/C DPW concerning the speed cushions on Manor Road in Greenbrae. Mr. Davidovitz has also requested all records pertaining to the Manor Road issue since its inception in 2004. He will request the same from M/C DPW. Chief Smith reported having emails, correspondence (as provided) as well as minutes from Board of Directors' meetings. He does not have any notes from the public meeting held at Bacich School. Chief Smith reported the Manor Road situation as being a challenge to the KFPD Board of Directors as well as the neighbors in the area. He reported that the KFPD does not have control over the roadway; however, the M/C DPW does request and consider input from affected fire and law enforcement agencies.

The M/C DPW asked the Fire District for its input concerning "traffic calming" on Manor Road and noted it would consider the input as recommendations only, not requirements. Mr. Biber questioned a discrepancy in the August 15, 2007 letter from the County of Marin concerning the red zones as he feels M/C DPW may not have taken KFPD's recommendations seriously. He does not feel that the Fire District apparatus can safely navigate the speed cushions with cars parked along the edges of the sidewalks. Mr. Biber asked for a clarification of the Fire District's red curb zone requirements. 60' is recommended e.g. 30' to the front and 30' to the rear of the cushions. Chief Smith stated that this recommendation is not based on scientific study. Lengthy discussion followed.

Director McLeran stated his feelings that speed cushions on Manor Road are useless; however, he noted that the cushions on McAllister Avenue have met with neighbor and

Fire District approval. Mr. Biber agreed that the speed cushions on McAllister Avenue are acceptable. Chief Smith stated that although the Fire District is willing to assist its citizens, it is displeased with the confrontation this issue has caused. The Fire District's primary interest is in its ability to respond to emergency calls. Chairman Naso feels the cushions are appalling. Mr. Davidovitz feels that not only are the cushions appalling, the M/C DPW lack of response to residents' attempts to make contact is appalling. He feels that M/C DPW's lack of response is very poor for a public agency.

Chairman Naso feels he is caught between his position on the KFPD Board and his neighbors. Mr. Biber wants the red curb zone addressed and stated that he will appeal to the County of Marin to have the cushions removed permanently. Discussion ensued concerning the "formal" versus "informal" surveys undertaken by the County as well as the fact that vehicles are often seen parked within the red curb zones. Other issues were brought up and discussed.

At this point, Director McLeran stated that he understands the neighbors' frustration over the agreement or disagreement to the installation of the speed cushions as well as the apparent lack of response from M/C DPW and Marin County officials. He stated that while the KFPD is concerned with the safety of its residents, this particular issue of the placement of speed cushions on Manor Road is not within the KFPD area of decision. He feels that far too much time has been taken from the KFPD over this issue thus far. Discussion then ensued about McAllister Avenue having alternate access for Fire District responses, need for KFPD apparatus to slow down during emergency responses via Manor Road with the current cushions and the fact that this could become a liability issue for the County.

Recommendations followed including having Mr. Biber request the M/C Board of Supervisors require the M/C DPW respond to Chief Smith's memos and emails as well as Mr. Biber asking to be placed on the M/C BOS agenda at a future meeting to address these issues. Chief Smith agrees that a response as to the finality of this project is needed. The fact that the speed cushions seem to be a "done deal" by the County of Marin was discussed at length. Chief Smith was not aware of this. Many additional issues were related and repeated. Roz Caleb stated not wanting to see this situation ignored. All parties concerned will continue to pursue the issues.

At this point it was decided that one-hour was all the Board could allow this topic. Members of the public were thanked for their input and the Board moved to item number two at 7:40 p.m.

2. Chief Smith introduced Clint Spivey of Municipal Services Group, Inc. Mr. Spivey gave the Board a synopsis of his academic background and time with MSG. He related how and where MSG does business. He then asked the Board for any questions it would like answered.

Director Murray inquired why MSG wants an appraisal on the building as well as the land value for the KFPD building modernization project. MSG requires extensive research in dealing with commercial properties and is, therefore, very detailed. During

the current economic conditions, appraisals are being subjected to more scrutiny than previously was necessary. Although MSG is not finished with KFPD's credit approval, Mr. Spivey noted no problems to date. A very lengthy discussion followed, after which Chief Smith asked Mr. Spivey to explain the structure of its proposed loan, proposed rates and terms. It was noted that KFPD is the holder of the property that will be fully owned by KFPD at the end of the 15-year loan period. There is no pre-payment penalty. It was recommended that Marin County Counsel review all aspects of the loan package. If it is not sufficiently knowledgeable in the real estate area, KFPD will secure recommendations from other attorneys to do so.

Mr. Spivey complimented Chief Smith on the very thorough and complete loan application he submitted on behalf of KFPD. He stated never having received a package so complete. Director McLeran stated that the Board is looking forward to working with MSG. The Board thanked Mr. Spivey and moved on to the next item on the agenda at 8:20 p.m.

3. Chief Smith gave the Board an update on the November 2008 ballot measure and special assessment project. The time has expired on this issue for November 2008. It is possible to plan for the March 2009 election. He reported that Marin County Counsel is reviewing our current ordinance and the possibility of a revision. He noted that the current six-cent assessment results in \$391K annually, so this issue is of extreme importance. Chief Smith recommends his continuing to work with M/C Counsel on this matter and stated that he would bring all results to the Board for its review.

4. Chief Smith presented an update on the building modernization project. The Board reviewed a synopsis dated August 15, 2008 by MACK 5. A tentative completion date for the project is currently April 29, 2009.

NEW BUSINESS:

1. Chief Smith reported on Maher Accountancy's proposal to provide audit services for fiscal year 2007-2008 at \$11,500. This is a \$2,200 increase over last fiscal year. Chief Smith recommended approval of the proposal. The Board recommended that Chief Smith inquire if Maher Accountancy would split the increase. It is noted that it is the Board's decision whether or not to capitalize the building modernization project costs.

2. Chief Smith reported that Bickmore Risk, KFPD workers' compensation insurance company through FASIS, has offered to do an actuarial analysis of the GASB 45 requirements for the District. The charge will be \$5250 if done this year. This project can be put off one more year; however, the Board feels it prudent to at least know the dollar amount of the liability even though it can suspend funding it. M/S Murray/McLeran to accept Bickmore Risk's proposal to do a GASB 45 study for KFPD. All ayes.

CORRESPONDENCE: All correspondence was reviewed.

DISTRICT OPERATIONS: The Incident Log and Overtime Report were reviewed.

Chief Smith noted to the Board that he had help from Nancy Roberts, formerly with Novato FPD, in assembling the Board packets this month during Carol's vacation. Her assistance was very much appreciated.

CHIEF'S REPORT: Discussed previously.

OTHER: Chief Smith stated the applications for the entry level/lateral firefighter position are due by 12:00 p.m. Friday, August 22, 2008. He will review the applications by August 26th and will meet with staff for their review on August 28th.

APPROVAL OF WARRANTS: M/S Murray/McLeran to approve Warrants No. 1588 through and including No. 1647 in the amount of \$476,790.32. All ayes.

The next regular meeting will be held on Wednesday, September 17, 2008 at 6:30 p.m.

A moment of silence was held for departed members.

M/S McLeran/Murray to adjourn this meeting at 9:06 p.m. All ayes.

Respectfully submitted,

Carol Abraham
Recording Secretary

**KENTFIELD FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS – REGULAR MEETING**

DATE: Wednesday, August 20, 2008

CALL TO ORDER: 6:40 p.m. by Chairman Naso who also led the assembly in the Pledge of Allegiance.

ROLL CALL: All Directors were present with the exception of Director Guidi. Also in attendance were Chief Smith and Recording Secretary Abraham.

APPROVAL OF PRIOR MONTH'S MINUTES: M/S McLeran/Murray to approve the minutes of the regular meeting of July 16, 2008. All ayes. M/S McLeran/Murray to approve the minutes of the special meeting of July 30, 2008. All ayes.

PUBLIC COMMENT PERIOD: The following people were in attendance at this meeting: Michael Biber, 36 Los Cerros Drive, Greenbrae, CA, Moris Davidovitz, 195 Vista Grande, Greenbrae, CA, and Rich and Roz Caleb, 125 Corte Anita, Greenbrae, CA.

UNFINISHED BUSINESS:

1. Chairman Naso thanked the above-mentioned members of the public for their attendance. Chief Smith gave a synopsis of the Board's June 2008 meeting at which Mr. Biber was present. He also mentioned that today Mr. Biber requested, via email, copies of any correspondence that Chief Smith has had with M/C DPW concerning the speed cushions on Manor Road in Greenbrae. Mr. Davidovitz has also requested all records pertaining to the Manor Road issue since its inception in 2004. He will request the same from M/C DPW. Chief Smith reported having emails, correspondence (as provided) as well as minutes from Board of Directors' meetings. He does not have any notes from the public meeting held at Bacich School. Chief Smith reported the Manor Road situation as being a challenge to the KFPD Board of Directors as well as the neighbors in the area. He reported that the KFPD does not have control over the roadway; however, the M/C DPW does request and consider input from affected fire and law enforcement agencies.

The M/C DPW asked the Fire District for its input concerning "traffic calming" on Manor Road and noted it would consider the input as recommendations only, not requirements. Mr. Biber questioned a discrepancy in the August 15, 2007 letter from the County of Marin concerning the red zones as he feels M/C DPW may not have taken KFPD's recommendations seriously. He does not feel that the Fire District apparatus can safely navigate the speed cushions with cars parked along the edges of the sidewalks. Mr. Biber asked for a clarification of the Fire District's red curb zone requirements. 60' is recommended e.g. 30' to the front and 30' to the rear of the cushions. Chief Smith stated that this recommendation is not based on scientific study. Lengthy discussion followed.

Director McLeran stated his feelings that speed cushions on Manor Road are useless; however, he noted that the cushions on McAllister Avenue have met with neighbor and

Fire District approval. Mr. Biber agreed that the speed cushions on McAllister Avenue are acceptable. Chief Smith stated that although the Fire District is willing to assist its citizens, it is displeased with the confrontation this issue has caused. The Fire District's primary interest is in its ability to respond to emergency calls. Chairman Naso feels the cushions are appalling. Mr. Davidovitz feels that not only are the cushions appalling, the M/C DPW lack of response to residents' attempts to make contact is appalling. He feels that M/C DPW's lack of response is very poor for a public agency.

Chairman Naso feels he is caught between his position on the KFPD Board and his neighbors. Mr. Biber wants the red curb zone addressed and stated that he will appeal to the County of Marin to have the cushions removed permanently. Discussion ensued concerning the "formal" versus "informal" surveys undertaken by the County as well as the fact that vehicles are often seen parked within the red curb zones. Other issues were brought up and discussed.

At this point, Director McLeran stated that he understands the neighbors' frustration over the agreement or disagreement to the installation of the speed cushions as well as the apparent lack of response from M/C DPW and Marin County officials. He stated that while the KFPD is concerned with the safety of its residents, this particular issue of the placement of speed cushions on Manor Road is not within the KFPD area of decision. He feels that far too much time has been taken from the KFPD over this issue thus far. Discussion then ensued about McAllister Avenue having alternate access for Fire District responses, need for KFPD apparatus to slow down during emergency responses via Manor Road with the current cushions and the fact that this could become a liability issue for the County.

Recommendations followed including having Mr. Biber request the M/C Board of Supervisors require the M/C DPW respond to Chief Smith's memos and emails as well as Mr. Biber asking to be placed on the M/C BOS agenda at a future meeting to address these issues. Chief Smith agrees that a response as to the finality of this project is needed. The fact that the speed cushions seem to be a "done deal" by the County of Marin was discussed at length. Chief Smith was not aware of this. Many additional issues were related and repeated. Roz Caleb stated not wanting to see this situation ignored. All parties concerned will continue to pursue the issues.

At this point it was decided that one-hour was all the Board could allow this topic. Members of the public were thanked for their input and the Board moved to item number two at 7:40 p.m.

2. Chief Smith introduced Clint Spivey of Municipal Services Group, Inc. Mr. Spivey gave the Board a synopsis of his academic background and time with MSG. He related how and where MSG does business. He then asked the Board for any questions it would like answered.

Director Murray inquired why MSG wants an appraisal on the building as well as the land value for the KFPD building modernization project. MSG requires extensive research in dealing with commercial properties and is, therefore, very detailed. During

the current economic conditions, appraisals are being subjected to more scrutiny than previously was necessary. Although MSG is not finished with KFPD's credit approval, Mr. Spivey noted no problems to date. A very lengthy discussion followed, after which Chief Smith asked Mr. Spivey to explain the structure of its proposed loan, proposed rates and terms. It was noted that KFPD is the holder of the property that will be fully owned by KFPD at the end of the 15-year loan period. There is no pre-payment penalty. It was recommended that Marin County Counsel review all aspects of the loan package. If it is not sufficiently knowledgeable in the real estate area, KFPD will secure recommendations from other attorneys to do so.

Mr. Spivey complimented Chief Smith on the very thorough and complete loan application he submitted on behalf of KFPD. He stated never having received a package so complete. Director McLeran stated that the Board is looking forward to working with MSG. The Board thanked Mr. Spivey and moved on to the next item on the agenda at 8:20 p.m.

3. Chief Smith gave the Board an update on the November 2008 ballot measure and special assessment project. The time has expired on this issue for November 2008. It is possible to plan for the March 2009 election. He reported that Marin County Counsel is reviewing our current ordinance and the possibility of a revision. He noted that the current six-cent assessment results in \$391K annually, so this issue is of extreme importance. Chief Smith recommends his continuing to work with M/C Counsel on this matter and stated that he would bring all results to the Board for its review.

4. Chief Smith presented an update on the building modernization project. The Board reviewed a synopsis dated August 15, 2008 by MACK 5. A tentative completion date for the project is currently April 29, 2009.

NEW BUSINESS:

1. Chief Smith reported on Maher Accountancy's proposal to provide audit services for fiscal year 2007-2008 at \$11,500. This is a \$2,200 increase over last fiscal year. Chief Smith recommended approval of the proposal. The Board recommended that Chief Smith inquire if Maher Accountancy would split the increase. It is noted that it is the Board's decision whether or not to capitalize the building modernization project costs.

2. Chief Smith reported that Bickmore Risk, KFPD workers' compensation insurance company through FASIS, has offered to do an actuarial analysis of the GASB 45 requirements for the District. The charge will be \$5250 if done this year. This project can be put off one more year; however, the Board feels it prudent to at least know the dollar amount of the liability even though it can suspend funding it. M/S Murray/McLeran to accept Bickmore Risk's proposal to do a GASB 45 study for KFPD. All ayes.

CORRESPONDENCE: All correspondence was reviewed.

DISTRICT OPERATIONS: The Incident Log and Overtime Report were reviewed.

Chief Smith noted to the Board that he had help from Nancy Roberts, formerly with Novato FPD, in assembling the Board packets this month during Carol's vacation. Her assistance was very much appreciated.

CHIEF'S REPORT: Discussed previously.

OTHER: Chief Smith stated the applications for the entry level/lateral firefighter position are due by 12:00 p.m. Friday, August 22, 2008. He will review the applications by August 26th and will meet with staff for their review on August 28th.

APPROVAL OF WARRANTS: M/S Murray/McLeran to approve Warrants No. 1588 through and including No. 1647 in the amount of \$476,790.32. All ayes.

The next regular meeting will be held on Wednesday, September 17, 2008 at 6:30 p.m.

A moment of silence was held for departed members.

M/S McLeran/Murray to adjourn this meeting at 9:06 p.m. All ayes.

Respectfully submitted,

Carol Abraham
Recording Secretary

**KENTFIELD FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS – REGULAR MEETING**

DATE: Wednesday, October 8, 2008

CALL TO ORDER: 7:00 p.m. by Chairman Naso. Director Corbet led the assembly in the Pledge of Allegiance.

ROLL CALL: All Directors were present with the exception of Director McLeran and Director Murray. Also in attendance were Chief Smith, Accountant Hom, and Recording Secretary Abraham.

APPROVAL OF PRIOR MONTH'S MINUTES: M/S Corbet/Guidi to approve the minutes of the previous month.

PUBLIC COMMENT PERIOD: Lisa Mango, representing the Manor Road Safety Coalition, requested to speak to the Board. She stated that the Coalition is comprised of several families/households from various streets in the area. Its purpose is to address safety. The Coalition feels that there is a conflict of interest due to the fact that Board Chairman Naso is also a resident of Manor Road and is opposed to the speed cushions. The Coalition feels that his opposing opinion has too much influence on the Fire District Board. Ms. Mango stated that issues concerning the speed cushion matter are not over. The Coalition feels that the Board is changing its thinking regarding the speed cushions. She further stated that the Coalition has not been included in notices of Board meetings wherein the Manor Road Speed Cushion matter has been on the agenda. She recognizes the fact that Chairman Naso is opposed to the cushions. The Coalition wants to know the Fire District's position on the situation.

UNFINISHED BUSINESS: At this time, item #3 of the agenda was taken out of order so that Mr. Mark Stevens of Municipal Services Group could give his presentation.

1. Facts pertinent to the proposed financing for the fire station modernization project with MSG were recapped. It was noted that KFPD had recently declined the offer presented by MSG. Mr. Stevens reported on the point spread offered by Sun Trust over the past couple of weeks, the separation of solar panel work, previous date of signing required by Sun Trust, and confusion over the pre-payment penalty it required. Mr. Stevens related that MSG was not aware of Sun Trust's required prepayment penalty when it originally presented its offer.

At this point Mr. Stevens explained the prepayment required by Sun Trust at 1%, .50% and .75% basis points. As Sun Trust would like to work with the Kentfield Fire Protection District, it is currently offering the availability of a refinancing package after signing when/if interest rates are lowered. Sun Trust is committed to working with small communities and is committed to making its proposal to KFPD work.

Chairman Naso reported feeling that Sun Trust did not have all of its cards on the table with its original proposal. Mr. Stevens related that Sun Trust cannot lose money by not including a prepayment penalty; however, he noted again the offer by Sun Trust to offer a refinancing package in the future.

Chief Smith related the fact that KFPD started its search for a financial company with four (4) firms, and by process of elimination, it chose MSG as offering the best proposal. Account Hom noted that as the terms originally proposed by MSG changed, including Sun Trust's immediate need for signing, KFPD now feels that MSG is not the best company for this financial transaction.

Mr. Stevens reported that a short time frame is not unusual, especially when considering the current market. He reported feeling that the two counsels for Sun Trust and KFPD were resolving any issues and that they would continue to do so if Sun Trust is given another opportunity to revisit its proposal. He also noted the benefit of not having to have a new legal review to refinance at a lower rate in the future. Although there would not be any fees associated with a refinance, Sun Trust would maintain a prepayment penalty.

At this point Accountant Hom mentioned that Bank of Marin's proposal stated that it would also refinance without a fee, but they would charge if the KFPD changed lenders. Accountant Hom asked if excess funds could be used to pay down the loan. Mr. Stevens did not feel that there would be a financial impact in applying excess funds. He offered to run new numbers this week.

Chief Smith explained that he has Requests for Proposals ready to be sent for funding listing pertinent issues, including cellular leases, CREBs, etc. He asked the Board for its opinion, since six weeks has already been spent on the first proposal. He asked for their direction in pursuing this immediately or in waiting for 30-days, noting that the building is already under construction and construction payments are being met from funds reserved for this purpose. Additionally, he noted that December would see the receipt of property tax revenue into the County and to the District.

The Board agreed to go back out into the market for current rates, fees, etc. Mr. Stevens noted that he came to the meeting tonight to extend an invitation to the Board to continue with MSG. He noted that MSG might pursue other lenders/investors. The Board accepted Mr. Stevens request. Mr. Stevens will not bring in a proposal that does not match all of the KFPD criteria. The Board thanked Mr. Stevens for his attendance.

2. The Board moved to item #4 of the agenda – Manor Road Speed Cushions Response. Chairman Naso reported placing this item on the agenda as an inquiry into the reason, if any, that the Marin County Department of Public Works has not responded to Chief Smith's registered/return receipt letter of August 29, 2008 requesting a confirmation as to the status of the speed cushion concerns on Manor Road. Ms. Mango agreed that the Coalition also wants a resolution to this project. Chief Smith stated that the County of Marin "owns" Manor Road – not the Fire District. He further stated that the Fire District

has simply stated its concerns and suggestions to the County. These concerns and suggestions are only considerations by the County; not District requirements. Chief Smith stated that the District has not received correspondence from DPW with regard to its August 29, 2008 letter.

Ms. Mango brought up the “red zones” currently painted on a portion of the curbs. She stated that she has witnessed two Board members circumvent the cushions and drive over the curb. She stated seeing people use this practice even when children are present. Despite the cushions, she reported a 75% increase in the number of people walking or biking to school and noted that this is a goal of the School District.

Ms. Mango does not feel that Chairman Naso has the right to put items on the KFPD/BOD agendas, and due to his position with the Fire District, should not distribute flyers to the neighboring homeowners, as she feels this is a conflict of interest. She noted that Mr. Naso’s actions have given the Manor Road homeowners a perceived notion that the Fire District is against the cushion as well. Chief Smith told Ms. Mango that the Coalition’s issues must be delivered to the M/C DPW – not the Fire District. He stipulated that the Fire District wants itself removed from this issue.

Chief Smith mentioned the fact that the present cushions are not the same as those originally presented to the Fire District. Ms. Mango noted that the red curbs are not to the Fire District’s recommendation. Chief Smith said that the M/C DPW is free to do whatever it wants as it is “their” road and that the DPW is not acting on behalf of the Fire District. The Coalition feels that the KFPD Board of Directors is stalling/blocking the speed cushions. Although the Fire District has recommended the County lengthen the red zones, it is unable to determine what the County will eventually do. The Fire District’s main concern is direct access to the response areas beyond the cushions. Chief Smith agreed that the Fire District prefers the speed cushions installed on McAllister Avenue.

Ms. Mango reiterated the fact that the Coalition wants to be notified every time a Manor Road speed cushions issue is placed on the KFPD Board of Directors agenda. She again mentioned the fact that the Coalition feels a violation of conflict of interest in so far as Chairman Naso is a member of the Board and a resident/homeowner on Manor Road.

At this point Chief Smith explained that public law concerns with conflicts of interest with public officials relate primarily to fiscal issues only. Public officials have to report any personnel fiscal impacts that they may have concerning their participation on boards of public entities. Ms. Mango stated again that it is the “perception” of the Coalition that a conflict of interest has occurred. Director Guidi explained to Ms. Mango that the matter of the speed cushions is entirely out of the hands of the KFPD. The KFPD gave its recommendations/opinions to the M/C DPW. He assured Ms. Mango that the Coalition’s perception is not correct as the KFPD is not taking sides in this matter and, in fact, wants to be completely out of the picture. The Board thanked Ms. Mango for her attendance.

3. Item #2 of the agenda - Discussion returned to the fire station modernization project. Chief Smith and Accountant Hom agree that a new RFP be sent out. If the prepayment penalty had been stipulated as a term of condition by MSG on behalf of Sun Trust, the KFPD would not have pursued a contract, thus losing time over the procedure. Accountant Hom stated that not knowing the interest rates due to the current economic market is a negative concern, however, the fact that the District is not in immediate need of money is a positive. He noted that interest rates were 3-4% during February/March, but they are now at 5%.

Accountant Hom feels it is important to be able to pay down the principal on a loan during times that the District may have a flush year. Unfortunately, we did not know this up front with Sun Trust. He also discussed escrow funds. Bank loans only charge on money used with a construction loan. Some lenders charge interest on the first of the month, Sun Trust does not allow our money to work for us by being able to invest it on the outside.

Chief Smith reported that last month realized the construction project ahead of schedule and under budget. This week only realizes it under budget. There has been some difficulty in demolition and shoring. There will be a \$10K change order because of the necessary removal of the Gantry crane due to lead paint.

Also, in about 2004, there was a break in the fire sprinkler line. It was bypassed around the seismic footing placed over the line during the 1996-1998 seismic retrofit. An attempt to sue the seismic engineer for not originally protecting the line did not materialize, and we paid for the repair. Hopefully, the current architect/engineer will be able to work with Engle & Engle regarding the footing damaged by the contractor. Because it was the contractor who cut through the existing concrete, Chief Smith feels it will be his responsibility to cover the current repair cost to that footing.

Chief Smith reported that the construction project is currently three weeks behind, however, the contractor feels that he can make up the time.

4. Item #1 of the agenda – Chief Smith outlined his requested revisions to the 2008-2009 budget concerning the following categories:

- Salaries/Benefits due to recently agreed upon adjustments with the KAPF
- Service/Supplies due to final audit and actuarial costs for GASB 45
- Capital Outlay due to debt service for the annual payoff of the station project and the proposed solar project

After review and discussion, M/S Guidi/Corbet to adjust the following 2008-2009 budget categories as follows:

Salaries – Regular Pay/Safety - ID#1050 from \$1,130,676 to \$1,135,920
Salaries – Regular Pay/Admin. Sec. – ID#1005 from \$77,069 to \$79,313
Salaries – FLSA Overtime – ID#1020 from \$28,282 to \$28,350

Salaries – Holiday Pay – ID#1025 from \$52,213 to \$53,518
Benefits – Incentives – ID#1520 from \$91,914 to \$89,743

Service/Supplies – Auditor/Actuarial – ID#2010 from \$9,300 to \$15,550

Capital Outlay – Debt Service/Fire Station from \$300,000 to \$380,000
Capital Outlay – Debt Service/Solar from -0- to \$16,000

All ayes.

NEW BUSINESS: None

CORRESPONDENCE: All reviewed

DISTRICT OPERATIONS: The Incident Log and Overtime Report were reviewed.

Captain Glenn's report on his response to Hurricanes Gustav and Ike will be presented at the end of this meeting.

CHIEF'S REPORT:

1. Chief Smith presented an update on the CREBs Solar Project. He announced that last week Congress voted to continue the solar/wind project in its 2009 budget. Brandis Tallman LLC has reported locating an investor, and the credit work has been completed. If the November 2008 agenda is not too full, Chief Smith recommends inviting Nicki Tallman of Brandis Tallman LLC to the meeting to complete the solar bond proposal. The financing of the solar project should be processed prior to December 31, 2008.
2. Chief Smith reported that due to Engineer Collett's retirement last July 15th, applications were accepted for a replacement firefighter. After reviewing approximately 50 applications submitted, the oral board presented four (4) applicants to Chief Smith for his review. He announced the job was offered to Mark Hendershott who has been working as a temporary firefighter on B shift. Pending a background investigation and a medical exam, Mark will start on A shift (training shift).
3. Chief Smith reported receiving an environmental site assessment report, including aerial photos and mentioning possible underground gasoline tanks from a previous gas station being near the Kentfield Fire District property a number of years ago from RGA Environmental.
4. Bickmore Risk has been furnished with the data necessary to analyze GASB 45 liability. Once completed, a determination will have to be made to accept the report and whether to pay off the liability in its entirety or to utilize a long-term payoff plan. The actuarial will remain active and should be re-worked every three to five years. This will include active and retired employees. Accountant Hom stated that not paying down this liability could affect the District's credit rating.

OTHER: None

APPROVAL OF WARRANTS: M/S Corbet/Guidi to approve Warrants No. 1716 to and including No. 1772 in the amount of \$393,164.29. All ayes.

The next regular meeting will be held on Thursday, November 20, 2008 pending the availability of Directors McLeran and Murray.

A moment of silence was held for departed members.

At this time Captain Glenn gave a Power Point presentation from his recent deployment with the Marin County USAR team to lend aid to Louisiana and Texas during the recent hurricanes Gustav and Ike. The Board thanked Captain Glenn for this detailed presentation.

M/S Corbet/Guidi to adjourn this meeting at 8:49 p.m. All ayes.

Respectfully submitted,

Carol Abraham
Recording Secretary

**KENTFIELD FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS – REGULAR MEETING**

DATE: Thursday, November 20, 2008

CALL TO ORDER: 6:39 p.m. by Chairman Naso. The Pledge of Allegiance was recited.

ROLL CALL: All Directors were present. Also in attendance were Chief Smith, Accountant Hom, Richard Brandis – Brandis Tallman LLC, Joe Blanco and Mark Kelley – MACK 5, B/C Hadfield, and Recording Secretary Abraham.

APPROVAL OF PRIOR MONTH'S MINUTES: M/S Guidi/Corbet to approve the minutes of the previous month. All ayes.

PUBLIC COMMENT PERIOD: There was no request from the public.

UNFINISHED BUSINESS:

1. Before introducing Richard Brandis of Brandis Tallman LLC, Chief Smith recapped the solar project for the Board. This project will be financed separately from the current construction project.

Mr. Brandis explained the CREBs (Clean Renewable Energy Bond) solar project as being a lease-purchase for the equipment financed through bonds held by investors who receive tax credits rather than income. Brandis Tallman LLC has worked with eight agencies within Marin County and is beginning work with an additional four. It's main area of work has been the Central Valley, Mr. Brandis noted that City National Bank of Los Angeles is very satisfied with Kentfield Fire District's good credit and is anxious to work with this project. A very lengthy discussion with questions and answers ensued. Also discussed and reviewed were Resolution No. 2-2008 and a Lease Agreement for Legal Services. The Fire District's counsel, Brandis Tallman LLC, and Jones Hall had reviewed all documents previously. It was noted that the resolution gives Chief Smith authority to act on the lease agreement. M/S Murray/McLeran to sign Resolution No. 2-2008 Authorizing Lease Financing of Clean Renewable Energy Project and Approving Related Documents and Actions. All ayes. M/S Corbet/McLeran to accept an Agreement for Legal Services between KFPD and Jones Hall, a Professional Law Corporation, for Bond Counsel Services in Connection with Clean Renewable Energy Bond Proceedings. All ayes.

2. Chief Smith recapped the design and installation of the photovoltaic system. Discussion followed, including proposed length of service and warranty items. Chief Smith requested the Board accept a proposal from SPG Solar, Inc. dated October 28, 2008. M/S McLeran/Murray. All ayes.

3. Chief Smith recapped the progress to date on the fire station modernization project. The Board reviewed the monthly update report of November 14, 2008 furnished by MACK 5. Joe Blanco and Mark Kelley of MACK 5 answered questions. Additionally, Mr. Kelley presented a property line cost implication report in two parts.

Chief Smith reported that the progress of the project is currently on time. The cost of change orders was discussed. Mr. Blanco stated, with Mr. Kelley's agreement, that Sequoia Pacific is extremely fair in dealing with sub-contractors on behalf of KFPD. Additionally, they noted that Sequoia Pacific is not adding its hours onto any change orders, and they have noted that the job's superintendent price-shops his sub-contractors. After review with Mr. Blanco and Mr. Kelley, Chief Smith requested the ability to approve up to \$50K additional for change-order requests. M/S Guidi/McLeran. All ayes.

NEW BUSINESS:

1. A lengthy discussion ensued regarding the current building/property line issues. Chief Smith recapped the situation and updated the Board on plans to revamp the current building design for the portion of the building in consideration. Mr. Kelley feels that the

windows may be the biggest problem to face. Location of utilities should not be a problem as seen from this point in time. Don Dommer Associates is currently working on a re-design of the 600 square feet of space to be considered. An engineering survey, a County lot-line adjustment, review by Counsel, and a new appraisal are all needed to proceed with the family trust involved in the ownership of the easement in question. Various suggestions and recommendations concerning the Fire District's approach to the Davis Family Trust were discussed. Mr. Kelley advised the Board to review its comfort level concerning financing the purchase of the easement in question against the overall comfort to the staff over the next 50 years. He also recommended establishing a time-line in the Fire District's approach to the Davis family. At this point the Board directed Chief Smith to draft a letter to the Davis Family outlining the urgency for a decision from them as to the easement in question. December 10, 2008 will be noted as the final date for negotiation, and the Board has agreed to hold a special meeting if need be to accommodate the decision. Chief Smith will specifically address the results of the related appraisal and the language of the easement. KFPD counsel will work on legal issues regarding the final phase of the negotiations with the Davis Family Trust.

Director Murray opened discussion regarding recouping money from Don Dommer Associates for their failure to pick up the property line issue at the onset of the project. Everyone agreed that Don Dommer Associates is culpable, however, KFPD and ILS may share in culpability. It was decided to wait until the end of the project to realize the exact cost of the property line error, if any, before additional discussion of any shared costs.

At this time B/C Hadfield mentioned his satisfaction with the "building team" and how well everyone involved worked together in spite of any problems that have arisen. The MACK 5 representatives as well as B/C Hadfield left the meeting at 8:25 p.m.

2. Accountant Hom gave a PowerPoint presentation for the Board on the seven lenders who answered Chief Smith's request for proposal concerning the financing of the fire station modernization project. Additionally, he furnished a cost analysis sheet on all participants. The seven are: Bank of Marin, Baruch and Company, Brandis Tallman LLC, First Municipal Financial, Municipal Services Group, Stone & Youngberg, and Wells Fargo Bank. A very in-depth discussion concerning the pros and cons of each entity's proposal followed. Accountant Hom recommended that the Board make its decision as to its lender of choice at tonight's meeting so as to adhere to the pending interest rates as well as not having to go through the RFP process again.

At this point, Mr. Brandis asked if the Board had any further questions of him before excusing himself from the meeting and leaving. The Board thanked him for his attendance.

The Board, Chief Smith and Accountant Hom spend considerable time discussing all aspects of the financial packets presented. M/S McLeran/Corbet to use Brandis Tallman LLC as the lending facility for the fire station modernization project. All ayes.

The Board thanked Chief Smith and Accountant Hom for the many hours they have dedicated to this project. Chief Smith expressed his gratitude for the Board's decision not to go with the first proposal it received concerning this project but rather to send out additional RFP's for additional consideration. Counsel will review all of the Brandis Tallman LLC documents concerning its lending proposal. Counsel's findings will be reported to the Board at the next meeting.

CORRESPONDENCE: Reviewed

DISTRICT OPERATIONS: The Incident Log and Overtime Report were reviewed.

CHIEF'S REPORT: The Board moved to closed session for discussion of a personnel matter at 9:57 p.m. and reconvened at 10:10 p.m. No action was taken.

OTHER: Chief Smith reported that OES 325 returned this week from Southern California.

APPROVAL OF WARRANTS: M/S Murray/McLeran to approve Warrants No. 1773 to and including No. 1847 in the amount of \$630,576.22. All ayes.

The next regular meeting will be held on Wednesday, December 17, 2008.

A moment of silence was held for departed members.

M/S Murray/McLeran to adjourn this meeting at 10:21 p.m. All ayes.

Respectfully submitted,

Carol Abraham
Recording Secretary

**KENTFIELD FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS – REGULAR MEETING**

DATE: Wednesday, December 17, 2008

CALL TO ORDER: 6:40 p.m. by Chairman Naso. The Pledge of Allegiance was recited.

ROLL CALL: All Directors were present with the exception of Director McLeran. Also in attendance were Chief Smith and Recording Secretary Abraham.

APPROVAL OF PRIOR MONTH'S MINUTES: M/S Corbet/Murray to approve the minutes of the previous month with the following change: Although present at the November 20, 2008 Board meeting, Directors McLeran and Murray abstained from voting on the approval of the October 8, 2008 Board meeting minutes as they were both absent for this meeting. All ayes.

PUBLIC COMMENT PERIOD: There was no request from the public.

UNFINISHED BUSINESS:

1. Chief Smith reported great progress being made on the framing and trenching of the building modernization project. The elevator pit is complete, however, the fire line issue through the foundation has not been decided upon. The grease interceptor issue has been resolved. He reports being very pleased with the time schedule thus far. A substantial completion date is set for Friday, April 24, 2009.

Approximately 15 days will be needed in May to prepare a punch-list. Additionally, radios, phones, etc. will need to be installed. Chief Smith anticipates the project being completed by the end of May or first of June 2009.

Director Murray noted having seen materials of some sort on the roof recently. Chief Smith explained that this was the necessary roofing material to correct the sloping problem that existed with the previous roof. Chief Smith invited the Board to take a Saturday morning "field trip" in the near future to view the progress on the station site.

2. Chief Smith reviewed his memo of December 17, 2008 that was handed out to each Board member concerning the neighboring property line addition/purchase. He explained that the property in question belongs to the Ben Davis family and that one son, Paul Davis, an attorney, is the family spokesman. The parents (originators of the Ben Davis clothing line) are elderly and there are siblings involved. Chief Smith has been in touch with Paul Davis on several occasions, however, once the appraisal of the easement in question was received, Chief Smith turned the matter of the purchase of said easement over to Riley F. Hurd III of Ragghianti Freitas LLP, KFPD counsel in this matter.

Chief Smith outlined two scenarios: 1) The County of Marin requires a certain square footage of easement land to remain intact for the size of the building currently located at 944 Sir Francis Drake Boulevard (Davis property). 2) Chief Smith, working with MACK 5, reanalyzed the District's need of exact square footage so as not to negatively impact the Davis property. The new calculations changed the appraised value of the easement property from \$114K to \$27K. With recommendation from counsel as well as MACK 5 and Chief Smith, the Board agreed that a fair price to offer the Davis family is up to \$50K. Mr. Davis has been informed that he must give KFPD a firm answer by year-end. Don Dommer Architects has submitted the revised building plan to the County of Marin in case the Davis family chooses not to sell a portion of its easement. Chief Smith noted that the paid staff has worked on the revised building plan as well. Either way, year-end will see a decision being made as to the proposed "bump out" of the building or not.

NEW BUSINESS:

1. Chief Smith related Accountant Hom's 12/14/2008 Profit & Loss report of the 2008/2009 property tax revenue projections as showing property tax revenue being 1% higher than previously anticipated. He reported that excess ERAF is not yet known at this point-in-time, however, it was noted that the County of Marin's interest income has increased slightly. Revenue currently looks good.

Director Murray asked about the RVPA Revenue (#9935). Chief Smith explained the formula allowing for reimbursement of funds collected. Director Naso asked about the increase in the Overtime category. Chief Smith explained "optional" versus "minimum staffing" overtime. The OES reimbursement schedules/delays were also discussed. It was noted that State Fires (#9950) would increase with the remaining outstanding OES invoices being paid. Director Naso noted reading an article in the Marin I.J. from the Marin County Assessor's office pertaining to the collection of property taxes and how this may affect KFPD possibly increasing its special assessment next year. With half of the fiscal year over, it was noted that KFPD is currently \$44K under budget.

2. Chief Smith informed the Board that Mr. Rick Brandis, Brandis Tallman LLC, will not be attending, tonight's meeting because the paperwork for the fire station modernization project is not yet complete. Just today he received the final copy of the lease agreement and resolution that he passed out. He has asked the Board members to take copies of both documents to read. Chief Smith requested the Board members contact him with their comments by Tuesday, December 23, 2008. Discussion ensued regarding the wording on the original "draft" documents allowing the Chief of the KFPD to act as the signatory on the resolution. Chief Smith related his concern at being the person authorized to sign with such a high dollar amount involved. He related that he would prefer having the Board Chairman and Board Secretary be the signers as usual on KFPD resolutions. Chief Smith feels that it is more appropriate for the Board of Directors to authorize other than routine items that are tracked in the formal Minutes of the Fire District. The Board agreed with Chief Smith's recommendation. There will be a special BOD meeting on Wednesday, January 7, 2009 at 4:00 p.m. for the Board to discuss the lease agreement and resolution and sign if agreeable.

CORRESPONDENCE:

- 1, The Board reviewed a request for nomination to the Executive Board of LAFCO. It did not make a nomination.
2. The Board reviewed a November 13, 2008 letter from Bob Beaumont, Chief Assistant Director of the Marin County Department of Public Works concerning the Manor Road speed cushion situation. No further action will be taken.

DISTRICT OPERATIONS: The Incident Log and Overtime Report were reviewed.

CHIEF'S REPORT: Chief Smith was pleased to announce that Christopher McKnight would be hired to fill the vacant Firefighter position with KFPD. Chris has been a volunteer with KFPD since 1999 and a full-time firefighter with Mill Valley Fire Department since 2007. Chief Smith reported that Firefighter McKnight comes very well recommended. Chief Smith suggested a badge pinning at the next BOD meeting. Director Guidi suggested asking Firefighter McKnight whom he would like to do the pinning.

Director Naso asked about the Acting Captain position and how it pertains to overtime coverage. Engineer Elmer Collett held this position prior to his retirement and Engineer Ned Fox was appointed as Acting Captain in 2003 and currently holds that position.

OTHER: Chief Smith reminded the Board to call him by December 23, 2008 with its comments concerning the documents related to the financing of the fire station modernization project.

APPROVAL OF WARRANTS: M/S Murray/Guidi to approve Warrants No. 1848 to and including No. 1907 in the amount of \$511,133.36. All ayes.

There will be a special meeting held on Wednesday, January 7, 2009 at 4:00 p.m.

The next regular meeting will be held on Wednesday, January 21, 2009 at 6:30 p.m.

A moment of silence was held for departed members.

M/S Guidi/Corbet to adjourn this meeting at 8:00 p.m. All ayes.

Respectfully submitted,

Carol Abraham
Recording Secretary