

**SPECIAL MEETING OF THE BOARD OF DIRECTORS OF
THE MONTECITO FIRE PROTECTION DISTRICT**

Held at Fire District Headquarters, 595 San Ysidro Road, May 27, 2008. The meeting was called to order by President Jensen at 4:02 p.m. Present were Director Jensen, Director Venable and Director Newquist. Others present at the meeting: D. Andreas, A. Chen, T. Edwards, D. Gira, B. Hauser, D. Holthe, E. Hvolbøll, K. Johnson, B. Koepke, J. Langhorne, M. Lee, C. Lim, C. Mann, S. Marshall, R. McClain, T. McElwee, C. Price, G. Ventura, R. Walkup, K. Wallace, and J. Zeitsoff.

1. Chief Wallace introduced new firefighters: Sarah Marshall, Jordan Zeitsoff, and Ben Hauser. He explained that they are currently working with Captain Mike Lee at the Santa Barbara Firefighters Academy. They will complete the Academy in August, and be assigned shifts at that time.
2. On a motion made by Director Newquist, seconded by Director Venable, the minutes of the April 21, 2008 Regular Meeting were unanimously approved.
3. Chief Wallace explained payments made to Informa Corporation, and to Sansum Occupational Medical Center. Director Newquist asked why the District pays for physicals in addition to the health insurance benefits the employees are already given. Chief Wallace explained that District physicals are required for personnel to insure that they are fit for duty based on criteria listed in NFPA 1500. The District's doctors at Sansum are experienced in this field of medicine. They have our standards on file and can report back to the District if there are any conditions that may inhibit the employee's ability to perform. The employee's personal doctors do not work for the District, and would have no requirement to report back to us on any conditions that they find.

Director Newquist asked if would be possible to hire a physician in house to perform the physicals at the station. Chief Wallace explained that the physicals include chest X-Rays, vision tests, hearing tests that are done in a special hearing booth, blood work ups, and EKG's. Additionally, Stress EKG tests on a treadmill are required for all safety personnel over the age of 40. It would not be feasible to have the specialty equipment required for all of these tests moved here or kept here permanently.

With no further questions, the warrants and claims for the month of April 2008 were unanimously approved on a motion made by Director Venable, seconded by Director Jensen.

4. Chief Wallace advised that he and Director Newquist met with Ken Hefner and Anthony Escobar of the Los Padres Forest to learn more about the Forest Service housing policy. Director Newquist advised that after a brief discussion with them about the different variables in their policy, he and Chief Wallace determined that it is most appropriate for the Board to take no action on this issue.
5. Chief Wallace advised that the County Auditor had several questions about our employee housing policy in last year's audit report. Chief Wallace advised that he is

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still researching different methods to respond. Mr. Hvolbøll advised that the original rent survey was conducted about three years ago.

Chief Wallace explained that the rents could be lowered according to specific formula, but the employees would have to pay tax on the difference. Rental rates fluctuate which can cause an element of uncertainty to the renters. He recommends that the Board charge less rent, report the difference, and not revisit rental rates during the terms of the leases.

Mr. Hvolbøll suggested that the Board take action at the June meeting to respond to the auditor, however the contract with the current property management company cannot be changed until December.

The Board took no action.

6. Chief Wallace reviewed the GASB45 report. He explained that this is an accounting guideline that is required by law. He advised that the Board needs to adopt the study by December 2008. By adopting the report, it would appear that we have a large debt on the District's ledgers from the unfunded liability associated with retiree benefits, if we do not decide to prefund the account. We have always paid for this benefit annually, but it can be prefunded over time. Having indebtedness as an unfunded liability can hurt the District's credit rating.

Director Newquist advised that it may be difficult to get a bond passed in the future with this kind of liability on the books. Chief Wallace advised that prefunding indicates you are showing your intent to take care of the debt. He advised that he will invite the consultant that wrote the report to come to a meeting and explain his findings.

The Board took no action.

7. Chief Wallace reported that Firemen's Fund Insurance contacted us earlier this year to see if we had any non budgeted needs that they could assist with. Curtis Vincent did research and provided information to them that resulted in a \$5000 grant for hazard abatement projects.

The Board took no action.

8. Fire Chief's Report

Chief Wallace reported on several issues including the following: Evacuation Drill on April 26; meeting with USFS regarding resource ordering; start of fire season on May 12; fire in Sierra Madre; Legislative Action Day; and the Progress of Senate Bill 1617.

The Board took no action

9. Director Newquist requested that the June Board Meeting include a presentation from the Montecito Water District on the current water shortage and how it affects the fire district.

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10. At 5:07 the Board went into Closed Session pursuant to Government Code Section 54957(b)(1) public employee performance evaluation (Fire Chief), and Government Code Section 54957.6 conference with labor negotiator. Present were Director Jensen, Director Venable, Director Newquist, E. Hvolbøll and K. Wallace (for a portion only).

At 5:37 pm. the Board reconvened in open session. Mr. Hvolbøll announced that the Board gave instructions to the appointed negotiator and made no reportable decisions.

The Board took no action.

At 5:37, the Board took a dinner break and reconvened at 6:04 p.m. to continue with the Station 3 Public Workshop.

Director Newquist left the meeting during the dinner break and did not return.

11. Chief Wallace read a letter aloud to the audience that was hand delivered earlier in the day from Mr. Palmer Jackson regarding the Draft Station 3 Land Acquisition Study. (Full letter from Mr. Jackson attached separately to minutes.)

Dan Gira of AMEC presented a PowerPoint report reviewing why the study was initiated, how it was conducted, and their draft analysis of their prioritization of potential sites. (Full power point presentation attached separately to minutes.)

Mr. Hazard asked how long this process will go on until eminent domain is initiated if the property owner isn't willing to sell. He added that he felt Mr. Jackson was only holding out to rezone his property.

Mr. Hvolbøll advised that the District can begin eminent domain at any time, however it is the District's hope to make the process mutually cooperative.

Mr. Hazard then asked why the Valley Club had not been included in the study. Mr. Gira advised that there was some interest in including the Valley Club, as the District could theoretically put a station on a golf course property. Mr. Sinsler concurred that the Valley Club should have been included in the study. Mr. Hvolbøll assured both Mr. Hazard and Mr. Sinsler that the Valley Club would be included in the final report, reminding them that this is a draft report, and the report will be reviewed by the Board at a later date. The consultants will allow additional public comment for 4 weeks from this meeting, and resubmit the draft report with the analysis on the Valley Club.

Mr. Hazard asked what will happen if negotiations fall through with the Jackson properties. Mr. Hvolbøll advised that the Board can consider all of the sites in the study. The Board will consider the public interest when they make their final decision on which property to pursue.

Mr. Ebright asked for a clarification on the property size needed for the third station. Mr. Gira advised that they propose a minimum of one and a half acres but they'd like to have two acres. Mr. Ebright pointed out that Birnam Wood does not meet the

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minimum requirement as the net buildable space in the proposed site on their property is less than one and a half acres.

Mr. Hazard advised that if the Board pursues a site other than the Jackson properties that they should consider a site like the Cleese estate where they would only need to litigate with one or two people, versus litigating with the 800 plus residents in Birnam Wood.

Mr. Coffin asked if this will be the last meeting for public input. Mr. Hvolbøll advised that there will be additional public meetings before the Board chooses a course of action.

The Board took no action

12. With no other questions, President Jensen adjourned the meeting at 7:07 p.m.