
**MORAGA-ORINDA FIRE DISTRICT
BOARD OF DIRECTORS
REGULAR BOARD MEETING MINUTES
JUNE 16, 2010**

(Approved August 18, 2010)

Opening Ceremonies

The Board of Directors convened in Open Session at 5:30 p.m. on June 16, 2010, at the Moraga Orinda Fire Administration Building, 1280 Moraga Way in Moraga, California. President Sperling called the meeting to order and led the Pledge of Allegiance. Present were the following Directors and Staff:

President Sperling	Fire Chief Bradley
Director Mancinelli	Steve Meyers, District Counsel
Director Olsen	Sue Casey, Financial Services Manager
Director Weil –absent	
Director Wyro	

At 5:32 p.m., the Board went into Closed Session.

Business Meeting

President Sperling reconvened the regular business meeting of the Moraga-Orinda Fire District Board of Directors at 7:02 p.m. Present were the following Directors and Staff:

President Sperling	Fire Chief Bradley	Battalion Chief Lee
Director Mancinelli	Steve Meyers, District Counsel	Battalion Chief Healy
Director Olsen	Sue Casey, Financial Services Manager	
Director Weil (arrived at 7:58 p.m.)	Secretary Pokorny	
Director Wyro		

Report of Closed Session Action

President Sperling stated that there was no reportable action taken in Closed Session on Item 3.1- Public Employee Evaluation (Government Code Section 54957), Title: Fire Chief; Item 3.2 - Conference with Labor Negotiator, (Government Code Section 54957.6), Employee Organization: Association of Federated Firefighters IAFF, Local 1230, or Item 3.3 - Conference with Labor Negotiator, (Government Code Section 54957.6), Employee Organization: Moraga-Orinda Fire Chief Officer's Association (MOFCOA).

Consent Agenda

It was M/S/C to approve all items of the Consent Agenda.

Preliminary General and Special Revenue Fund Budget for the Fiscal Year (FY) 2010/2011

Chief Bradley reported that the draft 2010/2011 Preliminary Budget was presented at the June 2, 2010 meeting. Since that meeting, new information regarding property tax revenues and medical/dental expenses emerged. Additionally, a portion of one of the forecasted cost saving initiatives had changed. The projected property tax revenues were reduced from 3% growth to 2%. Salaries and benefits were adjusted to reflect one employee's early retirement, and medical and dental expenses were changed from a forecasted increase of 7.5% (6 months at a 15%) to 3% (6 months at a 6% increase).

President Sperling thanked Staff for putting together a great budget. He added that he was pleased to see positive numbers.

Public Comment

Vince Maiorana (23 Lost Valley Dr., Orinda) asked about the current MOFD Physical Fitness Program. Battalion Chief Healy answered that in the past, outside vendors administered the physical fitness testing at their facility. A few years ago, the physical fitness testing process was changed so that it was administered in-house. The District recently found a vendor that will administer the testing for less than in previous years.

After additional discussion by the Board and members of the public, it was M/S/C by a vote of 4-0 (Director Weil was absent) to accept the 2010/2011 Preliminary Budget.

Resolution 10-07 Establishing the District's Annual Appropriations Limit for the Fiscal Year 2010/2011

Manager Casey explained that the passage of Propositions 4 and 111 defined the basis of an annual appropriations limit for state and local entities. Each local jurisdiction must use its percentage change in population factor in conjunction with a change in the cost of living, or price factor to calculate its appropriate limits. Manager Casey recommended that the Board adopt Resolution 10-07 establishing the District's 2010/2011 annual appropriation limit in the amount of \$20,670,038.

After a brief discussion by members of the Board, it was M/S/C by a vote of 4-0 (Director Weil was absent) to adopt Resolution 10-07 establishing the District's annual appropriations limit for Fiscal Year 2010/2011.

President Sperling requested that Item 8.3 Resolution 10-08 establishing the 2010/2011 Fire Flow Tax Rates for the Orinda and Moraga Tax Zones on the Regular Calendar be shifted down in order to accommodate Director Weil's who should arrive at approximately 8 p.m.

Resolution 10-09 Ordering Even-Year Board of Directors Election; Consolidation of Elections; and Specifications of the Election Order

Chief Bradley explained that Resolution 10-09 outlines the procedural process for the District to participate in the November 2010 General District Election, as part of the Statewide General Election. Resolution 10-09 gives notice of holding a General Election, as well as specific instructions as to how an election should be held and conducted, and defines the filing instructions and fee information.

After additional discussion by the Board and members of the public regarding the filing instructions and fee information, it was M/S/C by a vote of 4-0 (Director Weill was absent) to adopt Resolution 10-09 with the stipulation that candidates agree to pay for their candidate statement.

Worker's Compensation Coverage Provider Request for Proposal (RFP)

Battalion Chief Healy reported that the Fire District currently contracts with the Fire Agency Self Insurance System (FASIS) for its workers' compensation program. The District plans to receive bids for its workers' compensation provider through the RFP process. If the current workers' compensation provider is not a viable option, the District will need to withdraw from its Agreement. A draft letter to FASIS was included with the Staff Report.

President Sperling expressed his concerns regarding the letter to FASIS indicating that he felt that the letter expressed the District's desire to withdraw from the program immediately if FASIS does not submit a proposal. He suggested that Staff revise the letter.

After discussion by members of the Board, it was M/S/C by a vote of 4-0 (Director Weil was absent) to approve the bidding process for the District's workers compensation provider, subject to modifications in the withdrawal letter to FASIS.

Elimination of an Employee Position

Chief Bradley explained that after evaluation, the District had concluded that it would be beneficial to undertake changes in the manner of performing services and eliminate one employee position, realizing a savings of approximately \$61,552.43 annually. In order to move forward with this proposal, the District would like to make available an early retirement incentive for the District employee that meets the early retirement incentive criteria and is a member of the Contra Costa County Employees Retirement Association. If the Board approves the elimination and offer, the District must first adopt, by an Ordinance and a Resolution, the provisions of California Government Code Section 31641.04 Permitting Additional Service Credit

Director Olsen asked who would perform the work of the eliminated employee. Chief Bradley replied that the services performed would become a program of the District under the direction of a Battalion Chief and duties would be coordinated with a Captain.

After continued discussion, the Board requested that Staff prepare a report for the Board including the costs associated with the early retirement incentive.

Director Weil arrived at 7:58 P.M.**Resolution 10-08 Establishing the 2010/2011 Fire Flow Tax Rates for the Orinda and Moraga Fire Zones**

Chief Bradley explained that every year the District is required to set the rate for the fire flow tax in each of the District's two service zones by July for the upcoming fiscal year. In order to place the tax on the County Assessor's rolls for the

fiscal year 2010/11, the tax rate must be established by Board action and then levied against each parcel by the beginning of August. By Ordinance, the rate is required to be established in a public forum at a regular Board of Directors meeting.

The Chief recommended that the Fire Flow Tax rate be maintained at its current level of six cents (\$.06) in both the Orinda and Moraga service zones. One cent (\$.01) of the revenue from each zone will be retained as “designated unreserved fund balance” to pay solely for seismic, ADA, and related facility upgrades.

Members of the Board discussed the issues associated with earmarking the extra one-cent of the fire flow tax for seismic problems at Station 41 and 43. Chief Bradley explained that he would provide a presentation and update of District facilities at the next Board meeting.

After additional discussion by the Board and members of the public, it was M/S/C with a vote of 4-1 (President Sperling opposed) to adopt Resolution 10-08 establishing the 2010/2011 Fire Flow Tax Rates for the Orinda and Moraga Fire Zones.

Cost Savings for Offering an Incentive in Lieu of Medical Benefits

Chief Bradley explained that the District could achieve savings in benefit costs by offering fulltime employees the option of declining health insurance and in lieu of the medical benefits receive half of the cost of the benefit in the form of deferred compensation. Currently, members of the District are offered health insurance benefits and there is no incentive to decline the benefit if the employee qualifies for health insurance through a spouse or domestic partner. All fulltime MOFD employees would be required to maintain health insurance and could not choose to decline health insurance from the District if they are unable to show proof of coverage. The stipend would be paid as deferred compensation through a District sponsored 457 (b) Plan.

Board members questioned the proposal and requested additional information regarding the cost savings to the District. The Board also requested clarification regarding stipend amounts and if the amounts would go up or down if the employees’ status or dependants changed, or if rates went up or down. Director Sperling asked if the cost savings would affect GASB 45 liability. Chief Bradley replied that the Incentive in lieu of Medical Benefits Program would not be offered to retired employees.

Public Comment

Mike Martinez (Local 1230 Representative) feels that this item falls under Local 1230’s MOU and it should be a meet and confer item.

After continued discussion, the Board directed Staff to discuss possible meet and confer options with union representatives and also to provide additional information and continue to research the cost savings proposal. The Board directed Staff to move forward with the proposal but deferred any action until Staff met with Union Representatives and completed the additional research.

Contra Costa County (CCC) Civil Grand Jury Report with the possible adoption of Resolution 10-10, a Resolution of the Board of Directors adopting Rules of Procedure for Board meetings and related functions and activities.

Chief Bradley explained that on May 18, 2010 the District received the Contra Costa Civil Grand Jury Report No. 1010 titled “Pension Spiking: Who Really Gets Stuck.” The District is required to respond to Findings 1 through 5 and Recommendations 2 through 4 by July 17, 2010. Staff developed responses that were vetted through the District Counsel.

Director Weil did not agree with most of the responses. Director Olsen felt that the Grand Jury Report was directed at the Contra Costa County Employee’s Retirement Association and not the District.

After additional discussion by the Board and members of the public, District Counsel was directed to rewrite the Grand Jury Report responses and send them to Director Weil to review. Staff was directed to place the item on the next Board meeting agenda for continued discussion.

CCC Fire District Closure of Station 16

Chief Bradley explained that on May 9, 2010, Con Fire’s Acting Fire Chief John Ross informed the District that their agency planned to close Fire Station 16 for up to two years beginning on July 1, 2010. Acting Chief Ross also requested that MOFD respond into Fire Station 16’s response zone when recommended by the Computer Aided Dispatch (CAD) system. (CAD recommends the closest available resource.) This would increase MOFD Fire Station 43’s call volume due to its proximity to Con Fire Station 16.

On June 10, 2010, the District received new information that Con Fire is reconsidering and may not close Fire Station 16. However, the decision on potential “brown-outs” of the station or closure have not been finalized. While the increased

responses are anticipated to be less than one each day, should "brown-outs" or closure of Station 16 occur, there would be an impact and a reduced availability of MOFD resources due to the closure of Con Fire Station 16.

The members of the Board discussed the problems associated with responding in Station 16's area.

Chief Bradley reported that he will be in close contact with Con Fire regarding this situation and will keep the Board informed as to any new developments or a final decision regarding Station 16's status. The Chief also mentioned that he has a meeting with Chief Louder and Chief Ross.

Committee Reports

- Director Weil requested that the Finance Committee members meet regularly. Director Mancinelli preferred not to see a set meeting date. Director Wyro felt that during the summer months, the committee may not need to meet as often. After continued discussion, the Board requested that the item be brought back for discussion at a future Board Meeting.

Correspondence

President Sperling acknowledged and expressed appreciation for the correspondence received.

Announcements

Director Olsen reported that State Fire Marshal Tonya Hoover requested that he serve as a member of the panel that certifies Chief Officers on behalf of the State Fire Marshal. He accepted the appointment and will be participating in several certification panels in August and September.

Chief Bradley reported that the District's six new recruits are doing well in the District's Academy.

Adjournment

At 9:53 p.m., President Sperling called for adjournment of the regular meeting. It was M/S/C to adjourn to the Special Meeting/ Work Session to be held on July 7, 2010 at 7 p.m.

Christine Pokorny
Secretary to the Board