

**TAHOE DOUGLAS FIRE PROTECTION DISTRICT  
BOARD OF TRUSTEES MEETING**

June 22, 2012

**Those Present:**

Chairperson Steve Seibel  
Trustee Mike Bradford  
Trustee Brad Dorton  
Trustee Ann Grant  
Trustee Kevin Kjer  
Fire Chief Ben Sharit  
Battalion Chief David Hekhuis  
Battalion Chief Tim Allison  
Battalion Chief Jim Hardison

Captain Ralph Jones  
Engineer Chris Peterson  
Engineer Ben Pratt  
FF/P Nate Johnson  
Fire Marshall Eric Guevin  
Forester John Pickett  
Administrative Assistant Kate Warner  
Administrative Aide Carrie Nolting  
Guests: Greg Felton, Larry Schussel, Bob Cook

**1. Call to order.**

The meeting was called to order at 3:04pm by Chairman Seibel.

**2. Pledge of Allegiance.**

Pledge of allegiance was led by Trustee Kjer.

**3. Roll call.**

Chairman Seibel, Trustee Dorton, Trustee Grant, Trustee Kjer were present. Trustee Bradford was absent.

**4. Approval of the Agenda.**

Trustee Dorton motioned to approve the agenda as presented. Trustee Kjer seconded the motion. No discussion. Motion approved 4-0.

**5. Public comment.**

None.

**6. Approval of the Consent Calendar.**

Items:

- a. Approval of Minutes 05/17/12
- b. Financials 03/31/12 and 04/30/12
- c. JD- Assistant Fire Chief
- d. Personnel Policy - 7.0 Benefits
- e. Personnel Policy – 11.0 Disciplinary Action and Appeals

- f. Personnel Policy – 12.0 Definitions
- g. LTRFC Agreement Signature Update
- h. Sustainable Community Advocates Contract Renewal

Trustee Kjer moved to approve the consent calendar items as presented. Trustee Grant seconded the motion. No discussion. Motion carried with a vote of 4-0.

**7. For Possible Action:**                      **Consent items moved forward.**  
None.

**8. Presentation :**                              **Donations on behalf of LBG Advisors and Tahoe Douglas Fire Protection District**  
Battalion Chief Tim Allison

Chief Sharit advised that our insurance brokers, LBG Advisors, were initially brought to the District by the then Union President Chief Allison and Negotiations Chairman/Captain Jones. One of the LBG’s selling points was that they charge a per person flat fee and focus on service to their clients, not the incentives from the carriers.

Chief Allison explained that it is common practice for insurance carriers will pay incentives to brokers which is typically a percentage of the insurance premium. Our new brokers have a policy that they do not accept the incentives, as part of their commitment to their clients and LBG prefers to donate the incentives to client designated charities. So on behalf of TDFPD and LBG Advisors, a total of \$10,700 was donated to the following organizations:

Tahoe Douglas Senior Center \$1700.00  
Represented by: Jesse Gardner, Vice President and Bob Cook, Member

George Whittell High School Boosters \$1700.00  
Represented by: Greg Felton, Booster Parent

Northern Nevada Children’s Cancer Foundation  
No one was present. \$5000.00

DCSO Douglas County Sheriff Advisory Council  
Represented by: Ron Pierini, Sheriff; Bill Johnson, Treasurer, and Ron Alling  
Sheriff Pierini informed the Board that they have a goal to raise \$175,000 for training equipment to prevent accidental shootings, and with this check \$150,000 has been raised to date.

Young At Heart Senior Citizen Club, non-profit offciate of TRIAD  
Represented by: Andrea Rajeski, President; Paul Lockwood, Secretary; and Howard Althouse,

Treasurer.

Note: Trustee Bradford arrived.

**9. For Possible Action: Approval of the purchase and sale agreement of an existing structure to be used as a fuels management work center.**

Fire Chief Ben Sharit

The District has been working for some time with Frontier to purchase this structure. Frontier was not seeking to sell the property, the District approached them and they are not in a position to due diligence. Frontier will lease the building for up to 1 year to allow the District time to complete this process. The District will finance the due diligence with the option to withdraw with 30 days' notice should any issues arise at anytime.

Trustee Kjer questioned the resources to be used for the environmental studies. Forester Pickett has identified professional local resources with history with the adjacent properties and potential issues.

Attorney George Echan presented the pros and cons:

**PROS**

- If the sale closes, Frontier will reimburse the District for 100% of the costs for the environmental studies and the inspections.
- Frontier has agreed to developmental rights which have attractive potential for future development projects.
- Seller has extended extensions if we run into any governmental issues (TRPA) and has agreed to an easement compromise with snow removal.
- Timing and sequence concessions with the lease to allow least expensive surveys first.
- The selling price and favorable lease conditions are also very attractive. No liability for the district.

**CONS**

- The purchase is an "as is" condition.
- Frontier is not a motivated seller, not flexible to move out of their matrix – they have let it be known that this sell is a small, insignificant issue in Frontier's world.
- Litigation is a permitted exception.
- Lack of documentation – Frontier purchased the property from Verizon and there is poor history to review.
- The burden on the District staff for the due diligence period will be great.

- Two potential areas of environmental threat – gas station and Frontiers diesel tanks, so the environmental study will be the first step. Frontier has backed out of preexisting conditions.
- There is a title risk as well.

A risk schedule was distributed. Trustee Dorton noted a slight risk; if we close Frontier will pay the \$66K if we do not close, the District will be responsible for \$35K of that cost. Forester Pickett added that it is typical in real estate contracts for the purchaser to pay for environmental and structural inspections. The title survey has value long term, Frontier can use that for any future sale if this one does not happen. The estimated utility separation/construction costs are rough estimates and the District will not engage in construction, and incur those expenses until the purchase is eminent.

The lease agreement allows the District to start structural and environmental studies which could potentially reveal deal breakers. When those are completed and we are clear, we will move the Zephyr Crew in. We can take the entire winter to due diligence without any pressure from the seller. Echan recommended an “action” calendar be established to make sure we do not miss any contractual dates or extension requirements.

Public Comment: Greg Felton questioned as to long term use of that property and if there was any potential for housing as a main station? Chief Sharit said that it is not large enough to house our engines.

Motion was made by Trustee Bradford to approve as recommended, seconded by Trustee Grant. Motion carried 5-0.

**10. For Possible Action: *Approval of lease agreement of an existing structure to be used as a fuels management work center.***

Fire Chief Ben Sharit

Lease for \$1000.00 a month for the Frontier building. Forester Pickett noted that the building needs cleaning but the Zephyr Crew could move in at any time. Trustee Dorton asked if we can get out of the purchase agreement if needed. Attorney Echan confirmed, yes with 30 days notice. Trustee Kjer asked if Frontier were to sell or be bought out, would the District have protection. Attorney Echan stated that current agreements are typically honored by a new owner.

Public comment: Guest Schussel asked why Frontier is not selling the entire property. Chief Sharit responded that the relay station (upper) is actually active and quite important to the Frontier operation in our region. Frontier was not looking to do anything with the building (lower) we are pursuing, but when we approached them they saw the benefit to our

community as well as having an the building occupied by a governmental agency would improve security for the entire site.

Motion was made by Trustee Grant to approve as recommended, seconded by Trustee Bradford. Motion carried 5-0.

**11. For Possible Action: Presentation from Warren Reed Insurance on the Tahoe Douglas Fire Protection District's annual commercial package insurance renewal.**

Alan Reed, C.I.C.

Alan Reed reviewed the Annual Summary which covers eight main sectors in the POOL:

1. Broker Analysis – initially most of the entities were told to expect a 5% increase, but in the end, most agencies came out flat. The NPAIP Board decided to stay with renewal carriers as proposed, and it was noted that there have not been any changes in these carriers for several years.
2. Membership Report - 110 public entities, with 1 new member (Palomino Valley GID). Membership is consistently stable which also helps control rates.
3. Carrier Review - no changes for 2012-13. The Pool has about \$100 million in assets, and \$70 million in net assets.
4. Analysis – “Risk in House” is the goal of the POOL, they self-insure up to \$500,000 retentions or maintenance deductibles.
5. Accountability and Peer Review - Compliance Requirement – Both the Pool and PACT belong to the Association of Governmental and Risk Pools (AGRiP).
6. Loss Control and Grant Program – 30 grants were awarded to members last year. Approximately 1% each year is brought back to the members for loss control and loss preventative measures.
7. Member Services – Wayne Carlson discussed the POOL's reinsurance broker contract which gives members access to safety inspections, ergonomic reviews, fire extinguisher training and a Safety & Wellness Coordinator. Also, fitness testing equipment was purchased and is available to all members at no cost. Human Resources Consultants – develop policies, training and troubleshooting with members. Intervention early on has shown great savings.
8. TDFPD Synopsis – The premium will be \$83K as compared to \$88K last year, buildings and contents were up 3%, vehicle schedule was flat, premiums based on payroll of \$5M last year down to \$ 4.7M this year; overall a 6% reduction for 2012-13.

The lower premium is the result of a combination of factors including the reinsurance market (world events) where the POOL negotiated a 7.5% increase on that portion of the program when others were seeing 25% increases. On liability combination of lower rates and lower exposures (less payroll for TDFPD), plus a good claims record as well.

Trustee Dorton asked why on new equipment coverage or replacement costs - questioned as to why it is either/or and not both. The first option would be to locate a similar vehicle through a nationwide search and replace it. If not, the new replacement value would be paid.

Financial Statements for the POOL– GAP And GASB requirements and audits are conducted every year. The POOL is a quasi governmental agency and is subject to the same accounting requirements.

Trustee Bradford made a motion to approve as recommended. Trustee Dorton seconded the motion. No discussion. Motion carried 5-0.

**12. For Possible Action: Presentation from POOL/PACT on Tahoe Douglas Fire Protection District's annual workers compensation insurance renewal.**  
Wayne Carlson, Executive Director

Distributed PACT Assessments for Fiscal Year 2012-13.

Actual payroll for the preceding year is used to bill the 4th quarter (July 20<sup>th</sup> pymt) which is \$91,340 and \$108,048 for the first three quarters of the fiscal year. There is a significant reduction from prior year (down \$20K per quarter) due to payroll reductions. Other good news is that losses have decreased and “experience factor” down to 104% which offset a medical rate increase of 7%.

Fire & Law Enforcement Heart Fund is increasing at 10% a year rate as per Board policy to fund the post-employment liability and that is not subject to the experience factor. Inroads have been made with cardiac wellness through cutting edge national partners who can evaluate/recommend changes to reduce factors for members. For example, normal cholesterol is no longer a good indicator for potential heart risk. Now, Nuclear Magnetic Resonance (NMR) can be used to measure partials counts which are a more accurate indicator for risk factors for potential heart disease. The NMR test costs less than \$100 when added to the base physicals and is available to all member employees. Other resources available to TDFPD are smoking cessation, and nutrition consultants who will review physicals and give advice to members. It is a voluntary program and he encourages participation. Early interventions with medical issues will have better results and in the case of the NMR, save lives.

Trustee Bradford, asked about the broker fee structure and time allocated to TDFPD. Agent compensation goes to Alan Reed, the POOL keeps fees to no more than \$5,000, typically the broker would get 10% of the premium in a commercial market, but POOL does a lot of the work for the broker.

TDFPD currently has a 104 experience modifier which is just above the group average; in the past it was 107. The POOL does not separate like groups, firefighters or teachers, as it adds volatility.

No public comment.

Trustee Dorton made a motion to approve as recommended. Trustee Grant seconded the motion. No discussion. Motion carried 5-0.

**13. For Possible Action: To adopt Resolution #08-2012 which designates two Chief Officers with the authority to institute a request for a Declaration of Emergency on behalf of the Tahoe Douglas Fire Protection District.**  
Fire Chief Ben Sharit

During the Evacuation Drill last month, Chief Carlini, Emergency Management Chief for Douglas County, suggested that this resolution be completed to act more promptly in the event of disaster.

No public comment.

Trustee Grant made a motion to adopt Resolution #08-2012 as presented. Trustee Dorton seconded the motion. No discussion. Motion carried 5-0.

**14. For Possible Action: Resolution #09-2012, 2011-12 Budget Augmentation General Fund**  
Fire Chief Ben Sharit

This augmentation is necessary due to unanticipated strike team revenue (\$125,000) and the beginning fund balance (\$354,510) totaling \$479,510.

No public comment.

Trustee Grant made a motion to adopt Resolution #09-2012 as presented. Trustee Bradford seconded the motion. No discussion. Motion carried 5-0.

- 15. For Possible Action: Resolution #10-2012, 2011-12 Budget Augmentation  
Special Services Fund  
Fire Chief Ben Sharit**

This augmentation is necessary to account for EOD grants (\$150,000) obtained during the fiscal year and the beginning fund balance (\$26,723) totaling \$176,726.

Trustee Bradford made a motion to adopt Resolution #09-2012 as presented. Trustee Kjer seconded the motion. No discussion. Motion carried 5-0.

- 16. For Possible Action: Resolution #11-2012, 2011-12 Budget Augmentation Fire  
Safe Community Fund  
Fire Chief Ben Sharit**

This augmentation is necessary to account for strike team revenue (\$150,000) from the Zephyr Crew and the beginning fund balance (\$392,520) totaling \$542,520.

Trustee Grant made a motion to adopt Resolution #11-2012 as presented. Trustee Kjer seconded the motion. No discussion. Motion carried 5-0.

- 17. Presentation: Actuarial Valuation of the Other Post-Employment Benefit  
Programs/GASB45 – 2012 Final Report  
Fire Chief Ben Sharit**

TDFPD is required by federal law to do a GASB45 every three years and it identifies the required contribution to cover the retiree insurance liability for 2012, 2013 and 2014. The report calculated the actuarial accrued liability (AAL) to be \$10,392,765 on the validation date. Contributions for FY ending June 30, 2012 is \$815,123 which was within 7-9K of the District's estimate.

- 18. For Possible Action: Ratification of the Collective Bargaining Agreement with  
Local #2441 International Association of Firefighters –  
Tahoe Douglas  
Captain Ralph Jones**

Changes were noted:

- a. Division I, Article #1, Section #1 – established that probationary employees are “at will”.
- b. Division II, Article #2, Section #1 – updated the health insurance changes and carriers.
- c. Division II, Article #2, Section #2 - updated Medicare portion to reflect MOU signed in March 2012 which implemented changes for Medicare age retirees to rollover to



Medicare supplements and presents a significant savings to the District both in reduction of premium costs and protection of the TDFPD “experience factor”.

- d. Division IV, Article #5, Section #2 – restricts shift trades for 1 year for a probationary employee with a provision that exceptions can be granted by the Fire Chief. Improves consistency for the development of the employee by ensuring maximum time spent with FTO and Captain.
- e. Division IV, Article #6, Section #5 – duplicated child birth under LEAVE Of ABSENCE and SICK LEAVE to be more user friendly.
- f. Division IV, Article #8, Section #2 - removed a sunset clause; a rollover of 96 hours vacation has been negotiated each year and is now permanent.
- g. Division IV, Article #8, Section #7 – July, August, and September one vacation per shift only continues into this FY.
- h. Division V, Article #1, Section #2 – reflects a longevity MOU signed in 2011, which moved the longevity pay date for employees hired on July 1 into the first pay period of the new fiscal year.
- i. Division V, Article #1, Section #5 – establishes that Field Training Officers (FTO) will receive a 3% base pay incentive for supervisory responsibilities for the new hires for the first 12 months. Only paid during the time period they are assigned to the recruit. Must work 50% of the shift in that capacity to get the incentive and management can limit the number incentives available.

Chief Sharit noted the Union member participation and that Chief Hardison acted as the negotiation chairperson for management. He noted that both parties demonstrated open communication and cooperation in the process.

Trustee Bradford made a motion to ratify the CBA as presented. Trustee Grant seconded the motion. No discussion. Motion carried 5-0.

**19. Report Item:        *Fire Chief’s report on previous month’s expenditures.***  
Chief Ben Sharit

Trustee Bradford asked about the Bickmore Risk Services expense of \$6800.00 for the actuarial report and if that was bid out? It was bid out 3 years ago, but in Nevada, there is only one company that does this service.

**20. Report Item:        *Fire Chief’s report on previous month’s activities.***  
Chief Ben Sharit

Employee Years of Service Recognition:  
Captain Jim Antti                    20 years of service  
Captain Chuck Salerno            20 years of service

Captain Todd Moss

14 years of service

### Updates

1. **Sustainable Community Advocates-** Projects include the 5 Year Angora Fire Anniversary, and the 2012 Summit which will be held at Edgewood this year.
2. **NFSC** – audit coming out for the council from the Forest Service. BLM is also completing an audit report.
3. **Hiring** – physical agility testing will be completed on a course in Carson City. This is a multi agency project and then a timeline will be established for hiring 3 FF/P and now a 4<sup>th</sup> to replace FF/P Brown who has resigned to accept a management position with REMSA.

Fire Inspector job posting went out today. These positions are all budgeted. A heavy summer event schedule will task the prevention resources. Concurrent internal & external postings for the inspector position are underway.

### Financial Summary

There is 1.4M liquid in the money market. Later in the summer we will discuss investments.

### Attachments

**Living with Fire** YOUTUBE video was previewed as part of a series of videos being taped, one featured FF/P Chris Lucas and Zephyr Crew member Juan Serrano. Grant funded project.

Chief Sharit recognized TDFPD employees who are doing more with less. They are stepping up on projects on all levels and filling the requests for staffing needs and call backs often driving from Reno to only work a partial shift.

### POOL/PACT Assessment

Warner updated the Board on an audit that was completed in December of 2009 noting numerous recommendations from an HR perspective where the district was vulnerable. The following changes have been implemented:

- Personnel Policies had not been updated since 2005 and now have all been updated.
- Separate Zephyr Crew handbook with different policies – now one set of policies.
- Random drug testing of Zephyr Crew members only has been expanded to all safety sensitive positions with a formal policy. An outside vendor has been secured for the random selection.
- Job descriptions have been updated and are compliant.
- Job offer letters are now a series of four letters, to properly notice applicants of background check, medical exam, fitness test and drug test requirements.

- The past practice of removing disciplinary action from a personnel record after a certain period of time has been discontinued.
- Personnel files have been completely reorganized, set up chronologically, separated by color and secured.
- Schedule has been established to audit the legally required postings.
- Signoffs on job descriptions and personnel policies have been implemented.
- Protection from identity theft has been addressed by removing all pictures, date of birth and social security information from HR personnel files. Access for HR files must be justified, and then it is controlled and documented.
- Recommended that one person be identified as a HR coordinator to reduce duplication of files and that responsibility now resides with the Administrative Assistant position.

The completion of this project qualifies the District to apply for a \$500 grant from the POOL.

**21. Discussion: Confirm next meeting, Wednesday, July 25, 2012 @ 4:00 pm, possible agenda items.**

Possible agenda items:

1. None noted.

**22. Action Item: Adjourn.**

A motion was made by Trustee Bradford to adjourn the meeting. Trustee Dorton seconded the motion. No discussion, motion carried 5-0.

The meeting was adjourned at 5:12 pm.

This meeting was recorded on audio tape.

**Kate Warner  
Administrative Assistant  
Tahoe Douglas Fire Protection District**