

Newcastle Fire Protection District
Minutes of Regular Board of Directors Meeting
Pursuant to the Governor's Special-Order N-29-20, issued March 17, 2020, the June 16, 2021 Regular
Board of Director's Meeting was held via teleconference and in-person at:
Long Valley Community Hall
2008 Rattlesnake Rd.
Newcastle, CA 95658

1. Call Meeting to Order

- a. Chairman Kahrl called the meeting to order at 6:00 p.m.
- b. Director Enos led the Flag Salute.
- c. All directors were present with the exception of Director Bettencourt.
- d. Chief Gow, District Manager Lofrano, and BC's Slusher and Williamson were present.

2. Approval of Agenda

- i. Chairman Kahrl announced that Newcastle resident Art Berliner passed away and he would like to adjourn tonight's meeting in Mr. Berliner's memory.
- ii. VC Elder announced that former Board Chairperson, Yvonne Lewis also passed away.
- iii. VC Elder made a motion to approve the agenda as presented. Secretary Heisterkamp seconds the motion. Motion carries unanimously via roll call vote (4/0).

3. Approval of Minutes

- a. VC Elder made a motion to approve the minutes as presented. Director Enos seconds the motion. Motion carries unanimously via roll call vote (4/0).

4. Approval and Financial Report

- a. Chief Gow reported that the district is currently 92% of their overall budget.
 - i. Slightly over in equipment maintenance, overtime and utilities.
- b. Secretary Heisterkamp made a motion to approve the financial report as presented. VC Elder seconds the motion. Motion carries unanimously via roll call (4/0).

5. Correspondence

- a. Chief Gow reported that correspondence from FASIS was received regarding the tri-annual inspection. There were no issues.
- b. Chief Gow also reported that a kind letter was received from Mrs. Sherlock. She praised the crew that responded to a medical aid at her residence.

6. Public Comment

- a. Jon Anacker reported that he has done some clearing along the road he lives on (Castle Ln.).

7. Fire Chief Gow's Report:

- a. Chairman Kahrl reported that the PHF board has asked Chief Gow to stay on as Fire Chief for another year.
- b. Chief Gow reported that:
 - i. PHF has hired a consultant to see about refinancing their PERS unfunded liability.
 - ii. RYN- Everyone is getting up to speed. Chief Gow met with their board president and Gill met with their board secretary to make sure everyone was on the same page.
 - iii. RYN-is in the process of getting PERS retirement.

- iv. SPL-Rejected considering Sac Metro for administrative services. Six candidates for Fire Chief are moving forward in the hiring process.
- v. ABR-Is expected to fund a second station at their next city council meeting.
- vi. BC Williamson reported-
 - 1. B41 had an air leak which was repaired, but in the course of the repairs other leaks were reported.
 - 2. E41 air conditioner is not working and will be repaired.
- vii. BC Slusher reported-
 - 1. 56 calls for May, 15 were fires.
 - 2. On 6/28 a Captain's exam will be held. PHF is only testing internal candidates, NEW and RYN are testing both internal and external candidates.

8. Newcastle Professional Firefighter's Association

- i. Engineer McCoy introduced L3800 President, Clayton Thomas via Zoom. President Thomas addressed the board:
 - 1. L3800 is very excited to be engaged in contract negotiations.
 - 2. L3800 has concerns regarding the financial implications of the receipt of a loan from the USDA to finance a new fire station. Based on the local's analysis, it appears that the district is on track to encumber between \$130K and \$135K annually for 40 years. Given their review of the district's current finances that could severely impact any employees negotiating item related to wages and benefits. From the local's (Local 3800) perspective, they believe there may be other options available to preserve the deeded restriction on the property as well as supplying a more seismic stable structure for the staff to work out of. If the district engages a multi-million-dollar loan with such a large annual payment, the retention and recruiting of employees could be in serious jeopardy. There are up to 50% of current employees pursuing employment elsewhere as a direct result of wage and benefit concerns. The union is suggesting that there is other, more cost-effective means (design) to build a station and would urge the district to explore an alternative that would meet the needs of the district and provide a safer structure for staff to operate out of while still allowing the district to remain competitive with regards to wages and benefits.
- ii. Chairman Kahrl reported that President Thomas' comments have raised some important issues that the board will need to address during the closed session. Further, Chairman Kahrl reiterated that the district and community have been committed to building the new fire station for eight years. The board has been working intensively for the last six years toward the promise of finally having the funding to move forward with construction. Chairman Kahrl told President Thomas that when the time arises to discuss all the changes (design) to the project that the union would like to make (this meeting is not the place) the board will be happy to entertain them. As part of the next phase of the project, development will be looked at and the board is committed to saving money wherever possible. The board is also very aware of the financial implications of the project. Prior to President Thomas' concerns, the board was under the impression that the FF Association was on board with the idea of having a new fire station.

- iii. President Thomas reiterated that the association is not opposed to the building of a new fire station, but concerned about the ramifications of the financial burden that will be put on the district's finances (and future salary adjustments).
- iv. Chairman Kahrl asked if any of the other board members had questions for President Thomas. All declined.
- v. Chairman Kahrl thanked President Thomas for his comments.

9. Board Committee Reports

- a. None

10. Informational/Non-Action Items

- a. Update on the Departments' COVID-19 response.
 - i. Chief Gow reports that the State has relaxed restrictions. OSHA meets tomorrow to decide on how workplace issues will be handled. A memo will be sent to staff outlining changes to current restrictions.

11. Action Items

- a. Consider and approve the addition of Section 2.7 Independent Contractors to the Administrative Services Agreement with Placer Hills Fire District for FY 2021/2022.
 - i. Chief Gow reported that the RYN board requested that verbiage stating that PHF employees are not independent contractors, they work for Placer Hills Fire be added to the contract. This addendum has been vetted through the RYN and PHF attorneys.
 - ii. VC Elder made a motion to approve the addition of Section 2.7 as presented. Director Enos seconds the motion. Motion carries unanimously via roll call vote (4/0).
- b. Building Committee: Update on the USDA loan for the new fire station and possible action on any outstanding items.
 - i. Secretary Heisterkamp reporting:
 - 1. Loan for \$3.629M is being sought from the USDA.
 - 2. Of the 22 items the USDA requested, 19 have been provided (86%).
 - 3. The most recent item was the Financial Feasibility Analysis which was completed Capital Finance Group. It has been submitted to the USDA for review. They have questions, which were expected. They will be addressed at the beginning of next week then maybe the loan will be approved at that level or at a higher level depending on what the USDA finds in the district's financials.
 - 4. There are still a few environmental steps left to go.
 - 5. Some professional fees will be incorporated into the loan as well as interim financing.
 - 6. The plans were reviewed with the contractor who indicated that costs could increase up to 14%, however some redesign work is being done which may keep the increase at about 5%.
 - 7. The next steps:
 - a. Once the district is qualified, there will be additional commitment letters with conditions associated with the funding of the loan. All must

be done by 8/20 to be funded in this fiscal funding year.

8. Chairman Kahrl recapped the process.
9. Chairman Kahrl further commented that the design of the project included input from the Newcastle public and from the United Auburn Indian Community. The board would hate to sacrifice the relationship with the UAIC.
- c. Consider and adopt Resolution No. 21-02 (Measure B) and Resolution No. 21-03 (Measure F) adjusting the special tax measures by a cost-of-living increase for 2021/2022.
 - i. Secretary Heisterkamp made a motion to adopt Resolution No. 21-02 raising Measure B by 3% and Resolution No. 21-03 raising Measure F by 3.8%. Director Enos seconds the motion. Motion carries unanimously via roll call vote (4/0).
- d. Consider and adopt the Preliminary Budget for FY 2021/2022.
 - i. DM Lofrano reported that the Finance Committee presented the draft budget at the June meeting. The 21/22 budget includes:
 1. 4% increase in tax revenue.
 2. Increase in both measure's B and F.
 3. \$13K in inspection fees that the district will keep this year.
 4. This is largely a roll over budget.
 5. The district was able to save \$2K by having Gillian submit the direct charges to Placer County.
 6. There may still be some budget changes prior to the final budget being adopted in September.
 - ii. VC Elder made a motion to adopt the preliminary budget for FY 2021/2022 as presented. Director Enos seconds the motion. Motion carries unanimously via roll call vote (4/0).
- e. Select and vote for 2 candidates for the Special District Representative and Alternate for the Placer County Local Agency Formation Commission (LAFCO).
 - i. Chairman Kahrl reported that no action was needed.
- f. Closed Session: Conference with Labor Negotiators. Discussion of MOU with L3800. District negotiators: Directors Heisterkamp and Enos.
 - i. Chairman Kahrl adjourned the meeting to Closed Session at 7:14 p.m.
 - ii. Chairman Kahrl reopened the meeting at 7:49 p.m. He reported that the board gave direction to the negotiating team.

12. Directors Reports:

- a. None

13. Chairman Kahrl adjourned the meeting at 7:50 p.m.

Respectfully Submitted by:



Patrice Metz, Recording Secretary

Approved: _____