



PAJARO VALLEY FIRE DISTRICT
562 CASSERLY ROAD
WATSONVILLE, CA 95076
831 722-6188



**MINUTES OF THE REGULAR MEETING FOR THE BOARD OF DIRECTORS OF THE
PAJARO VALLEY FIRE PROTECTION DISTRICT**

November 20, 2020

Call to Order/Roll Call at 5:05

Chairperson White
Vice Chair Erbe
Director Moules
Director Murphy
Director Martone

Public comments (not to exceed 3 minutes) for items not listed on the Agenda

1. Presentations:

A. Cal Muni Advisors Dmitry Semenov

BC Murray contacted CalMuni Advisors regarding for recommendations on funding the unfunded liability and how to meet all future obligations. Dimitri Semenov presented their assessment to the Board. The District's current plan shows that 86% is funded but there is a \$734K shortfall. Mr. Semenov gave the Board an overview of how the CalPERS unfunded liability came about and gave his forecast for the coming years. He presented three possible strategies on how to deal with the unfunded liability:

- Make additional discretionary contributions from Reserves and Surpluses to pay down the liability and save the District money.
- CalPERS allows a district to switch to a program called Fresh Start. This allows the district to pay off the liability faster with a 5-year schedule with annual payments of \$165K and saves \$226K in interest.
- The District uses the cash reserves to pay off the unfunded liability and finance the fire engine with a lease interest rate of 2.5%.

Director Murphy asked where the 2.5% lease interest rate came from. Mr. Semenov replied that this is an industry standard rate. BC Murray advised the Board that the unfunded liability will not go away completely because over the years, new balances will be added.

Director Martone asked if other Districts, as an industry standard, are setting aside a certain amount for their unfunded liability. Mr. Semenov replied that this is not an industry standard. Chairperson White stated that the unfunded liability will increase depending on how CalPERS does. Director Murphy asked how soon a decision needs to be made. BC Murray said this is an ongoing conversation and the purchase of the new fire engine will need to be taken into consideration with regards to how the engine will be paid for. BC Murray reported that the decision on the vendor for the purchase is still being decided and will report back to the Board once more information is available.

B. Chief's Report, Pajaro Valley

BC Murray reported on the following:

- The annual district audit is being conducted this week. Due to COVID, the audit is being

- conducted remotely. BC Murray expects to have the final audit report in January.
- The specifications for the new fire engine are being reviewed. CalFire's goal is to have apparatus that have the same specifications to allow for easier transition as staff move from one apparatus to another.
 - Crews responded to a structure fire on Manfre Road that started in the garage and extended into the home. There were no working smoke detectors.
 - Crews assisted Watsonville Fire with a structure fire at the Wall Street Inn.
 - Several fires in Pinto Lake area. Those are believed to be arson. There is a possible suspect.
 - Engine was involved in an accident. A vehicle pulled out in front of the engine. No serious damage or injuries.
 - Water tender body damage that occurred at the CZU Lightning Complex Fire has been repaired. All other apparatus in good order.
 - Vehicle extrication training was conducted with all electric tools. These new tools will reduce firefighter's exposure to dangerous fumes.
 - Engineer Lujan just graduated the academy and will be joining next week.
 - Fire Prevention: All educational facilities have been inspected in the district.

Director Murphy praised the response by crews to her request for assistance.

C. Incident Report, City of Watsonville

Board requested that Watsonville remove addresses from medical calls in accordance to HIPAA.

2. Minutes

A. Approval of the minutes from the regular meeting on September 17, 2020.

Motion to approve the Minutes: _Director Moules__ Second: __Vice Chair Erbe__All approved.

3. Consent Agenda

A. Expenditure Report, vendor & deposit summary

B. Year to date County report

C. American Express statements

Chairperson White questioned O'Reilly charge from Tennessee. BC Murray will verify that and report back.

Motion to approve the Consent Agenda: _Director Martone____ Second: _ Director Murphy__ All approved

4. Old Business

A. Paulsen Road Flooding Director Murphy

Director Murphy reported meeting with County personnel. PW Director, Wagner, and Genteel

The County recommended closing Paulsen which would require a 4/5 vote. PV Water owns the land that is in the flood area. Director Murphy contacted Ryan Lockwood with PV Water. Director Moules stated that due to the flooding pattern, the levee is causing the issue which would fall under the County or Fish and Game. Director Moules and Director Murphy will schedule a site meeting with the County staff she met with previously.

B. Civil Grand Jury Response Fire Risk

Recommendations that are part of the response:

Improve chipping program

Ready for Wildfire mailers program

Chairperson Martone questioned the Grand Jury's blanket question to all agencies and requiring an agency to take the lead on programs. Chief Larkin expressed concern about the possibility of having one agency leading the programs because it may negatively impact agencies who do not have the funding to provide the programs.

*Motion to approve the Civil Grand Jury Response: _Director Martone ___Second__Director Moules___
All approved.*

5. New Business

A. Develop and approve the 2021 Board meeting schedule.

BC Murray reported that the previous two years a site inspection was held with the Directors in January. Due to COVID this will be moved to the March meeting.

Motion to approve 2021 Board meeting schedule: _Vice Chair Erbe ___Second: __Director Murphy___ All approved.

B. Resolution 2020-07 Approval of Grant Funds from Santa Cruz County Community Foundation.

Director Martone reported that Sally-Christine Rodgers from the Repass-Rodgers Fund contacted Director Martone to donate funds. BC Murray and crew created a list of needs and after reviewing the list, the Repass-Rodgers Fund notified the District that they will be donating \$25K. Distribution of the funds will be through the Community Foundation Santa Cruz County. The funds were donated in recognition of Jake Dellamonica's service to the community. The funds will be used towards the purchase of rescue equipment. The donors are aware of this need.

Resolution modified to approve acceptance of the grant with the following change so that the District may purchase needed rescue equipment: Remove SCBA and change it to *rescue equipment*.

Motion to approve Resolution 2020-07 with changes: __Director Martone__ Second: _Director Moules__ All approved

C. Director Appointment Oath of Office

Director Erbe

Director Martone

Director Murphy

BC Murray reported that Directors Erbe, Martone and Murphy ran un-opposed and will be sent the documents for signature.

6. Correspondence

1. None

7. Discussion

Director Murphy asked if the Board could do something for staff at the holidays. Director Murphy will reach out to the rest of the Board on what will be done.

8. Agenda items for the next meeting

A. Selection of Chairperson and Vice Chairperson

B. Selection of Committee Members

C. Annual review of how staff processes and pay warrants.

9. Adjournment

Motion to adjourn: _Director Murphy____ Second: _Director Moules__ All approved

Time: __6:21pm_____

Next regular scheduled Board meeting

January 21, 2020 @ 5:00 p.m.

Sean Murray

Board Clerk

Kendel White

Board Chair