

**NORTH COUNTY FIRE DISTRICT  
Chief's Report  
For August 20, 2019**

**RESPONSE ACTIVITY**

<b>MAJOR INCIDENT TYPE January 1 to August 13</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Fires	98	120	132	108	124
Overpressure rupture, explosion, overheating – no fire	0	2	0	2	0
Rescue & Emergency Medical Service	1321	1364	1342	1244	1342
Hazardous Condition (No Fire)	101	105	304	122	76
Service Call	148	158	152	92	132
Good Intent Call	178	206	125	152	131
False Alarm & False Call	79	74	109	92	73
Severe Weather & Natural Disaster	0	1	9	1	0
Special Incident Type	4	9	6	3	1
<b>Total</b>	<b>1929</b>	<b>2039</b>	<b>2179</b>	<b>1816</b>	<b>1879</b>

**INCIDENTS OF INTEREST**

- July 28<sup>th</sup>, 2019 Vegetation Fire at 650 Lewis Rd. in Royal Oaks. E5233, E5212, C5202 and Cal Fire responded to a vegetation fire behind 650 Lewis Rd. involving approximately a ¼ acre of brush on a steep hillside. Two retardant drops were made by aircraft to assist in stopping the forward progress of the fire. NCFD and CalFire made a phenomenal stop and extinguished the fire with no injuries and no damage to any structures nearby.
- July 27<sup>th</sup>, 2019 NCFD USAR personnel were called upon to assist with a search of a missing hiker at Salmon Creek Campsite south of Big Sur. NCFD USAR members were successful in locating the victim with assistance of other MC USAR members. The victim was found deceased as a result of an 80 ft. fall down a steep cliff. Rope Rescue systems were necessary to recover the body as well as hiking and carrying the body out for a few miles.

- August 10, 2019 Vegetation Fire 1500 Block of San Juan Grade Rd. E5232, E5231, WT5241, C5201 and Cal Fire responded to a vegetation fire on San Juan Grade Rd. near the Monterey/ San Benito County line. Dispatch had reported three roadside fires, the fires had migrated into one, approximately 300ft x 10ft along the roadway. Responding personnel extinguished the fire with no injuries reported.

## TRAINING

- August 6, 2019 NCFD Firefighters and Reserves participated in National Night Out in the Pajaro and Prunedale Communities. National Night Out is an annual community-building campaign that promotes public safety partnerships and neighborhood camaraderie to make our neighborhoods safer and more caring places to live.
- August 12, 2019 North County Fire District provided one Water Tender and personnel to assist Cal Fire with a vegetation management burn at 101 Old Stage Rd. 400 acres of vegetation were burned.
- NCFD Breathing Apparatus Technicians will be training/ certifying on OSHA yearly mandated Breathing Apparatus Calibration and Safety Inspections. This training was part of a previous SCBA grant fund.

## PERSONNEL

- North County Fire District received notification from (recently laid off firefighter) Sergio Barajas announcing that he has been hired as a full-time firefighter with the Hollister Fire Department with a start date of August 26, 2019.
- North County Fire District staff received notification from Captain Karl Fisher announcing his retirement, his last shift will be August 31, 2019.

## PREVENTION

- Public Education Rancho Cielo- Personnel are scheduled to attend the Rancho Cielo Family Fun Day on Sunday August 25<sup>th</sup>. The fire district will provide a fire engine and 2 personnel to participate as part of the public education and outreach program at Rancho Cielo.

## EQUIPMENT & FACILITIES

- Annual Ladder Maintenance/Inspections are being conducted by the crews at each station during the month of August.
- E-5211 went into East Bay Tire for an alignment issue. A four-wheel alignment was completed, the rear axle was out and causing tire wear issues.

- E-5221 went in Golden State Truck for a routine PM Service and a few minor repairs.
- Unit 5201 had some minor front-end work and a front-end alignment completed by East Bay Tire

## ADMINISTRATION

- OES Engine 356- The fire district wrote a letter to OES chief Brian Marshall, about the limited availability of E356 in the event of statewide deployment. We have not heard back from chief Marshall and are waiting for his response.
- PG & E- The fire district was notified by PG&E that they will not fund the full price of a water tender at \$400-\$450K and that the fire district would have to make up the difference of \$100k-\$150K. In response:
  - The fire district proposed the purchase of a type 3 fire engine instead of a water tender. A type 3 fire engine, if purchased thru Boise Mobile Equipment, currently has a price of \$300k plus tax.
  - The purchase of a type 3 fire engine better suits the needs of the fire district as it will replace a fire engine that was purchased in 1988 and has been in service for 31 years.
  - We have received written notice from PG&E that they will support the purchase of the proposed type 3 fire engine and they are currently preparing a new contract for the fire board to review and approve.
- Vistra Energy- The fire district has submitted an invoice for the first of two \$300k payments from Vistra Energy.

Respectfully submitted,



Joel Mendoza, Fire Chief



Take Action on Fire Recovery USA Service Agreement and Resolution 19-8-1

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**PURPOSE:** To enter into a Service Agreement with Fire Recovery USA and Adopt Resolution 19-8-1.

**OUTLINE:** To support the District's efforts, entering into a Service Agreement with Fire Recovery USA and adopting Resolution 19-8-1, would recover cost for services provided and ease some of our budget pressures.

**RECOMMENDATION:** That the Board authorize the Fire Chief to sign the attached Service Agreement, adopt Resolution 19-8-1 and direct staff to work with Fire Recovery USA to recover incident fees.

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Rick A. Parker, Division Chief



## NORTH COUNTY FIRE PROTECTION DISTRICT

### Resolution No.: 19-8-1

**To Provide a Resolution Establishing and Implementing a Program to Charge Mitigation Rates for the Deployment of Emergency and Non-Emergency Services by the Fire Department for Services Provided/Rendered by the North County Fire Protection District of Monterey County.**

**WHEREAS**, the emergency services response activity to incidents continues to increase each year; Environmental Protection requirements involving equipment and training, and Homeland Security regulations involving equipment and training, creating additional demands on all operational aspects of the fire department services; and

**WHEREAS**, the fire department has investigated different methods to maintain a high level of quality of emergency and non-emergency service capability throughout times of constantly increasing service demands, where maintaining an effective response by the fire department decreases the costs of incidents to insurance carriers, businesses, and individuals through timely and effective management of emergency situations, saving lives and reducing property and environmental damage; and

**WHEREAS**, raising real property tax to meet the increase in service demands would not be fair when the responsible party(s) should be held accountable for their actions; and

**WHEREAS**, the Board of the North County FPD of Monterey County desires to implement a fair and equitable procedure by which to collect said mitigation rates and shall establish a billing system in accordance with applicable laws, regulations and guidelines; Now, Therefore

**NOW THEREFORE BE IT RESOLVED THAT** the board of directors of the North County Fire Protection District hereby finds and determines:

1. The North County FPD of Monterey County shall initiate mitigation rates for the delivery of emergency and non-emergency services by the fire department for personnel, supplies and equipment to the scene of emergency and non-emergency incidents as listed in "EXHIBIT A". The mitigation rates shall be based on actual costs of the services and that which is usual, customary and reasonable (UCR) as shown in "EXHIBIT A", which may include any services, personnel, supplies, and equipment and with baselines established by addendum to this document.
2. A claim shall be filed to the responsible party(s) through their insurance carrier. In some circumstances, the responsible party(s) will be billed directly.
3. The fire department's Board may make rules or regulations and from time to time may amend, revoke, or add rules and regulations, not consistent with this Section, as they may deem necessary or expedient in respect to billing for these mitigation rates or the collection thereof.

4. It is found and determined that all formal actions of this Board concerning and relating to the adoption of this Resolution were adopted in open meetings of this Board, and that all deliberations of this Board and any of its committees that resulted in such formal actions were in accordance with all legal requirements, and the Codified Resolutions of the Board.
5. This resolution shall take effect at the date of adoption.
6. The Mitigation Rates lists in Exhibit A will increase by 1.5% annually or based on the annual percentage increase in the Consumer Price Index (CPI), as developed by the Bureau of Labor Statistics of the U.S. Department of Labor, whichever is more. Rate adjustments will occur on the anniversary date of this ordinance/resolution to keep the fire department's cost recovery program in conformity with increasing operating expenses.

**PASSED AND ADOPTED** this 20th day of August 2019 by the following vote:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

BY:

\_\_\_\_\_  
Don Chapin, President

ATTEST:

\_\_\_\_\_  
Jacqueline C. Simon, Vice-President



## EXHIBIT A

### **MITIGATION RATES BASED ON PER HOUR**

The mitigation rates below are average "billing levels", and are typical for the incident responses listed, however, when a claim is submitted, it will be itemized and based on the actual services provided.

These rates are based on actual costs using amortized schedules for apparatus (including useful life, equipment, repairs, and maintenance). Labor rates include an average department's actual burdened labor costs and not just a firefighter's wage. These include wages, retirement, benefits, workers comp, etc.

#### **MOTOR VEHICLE INCIDENTS**

##### **Level 1 - \$494.00**

Provide hazardous materials assessment and scene stabilization. This will be the most common "billing level". This occurs almost every time the fire department responds to an accident/incident.

##### **Level 2 - \$562.00**

Includes Level 1 services as well as clean up and material used (sorbents) for hazardous fluid clean up and disposal. We will bill at this level if the fire department has to clean up any gasoline or other automotive fluids that are spilled as a result of the accident/incident.

##### **Level 3 – CAR FIRE - \$687.00**

Provide scene safety, fire suppression, breathing air, rescue tools, hand tools, hose, tip use, foam, structure protection, and clean up gasoline or other automotive fluids that are spilled as a result of the accident/incident.

#### **ADD-ON SERVICES:**

##### **Extrication - \$1,483.00**

Includes heavy rescue tools, ropes, airbags, cribbing etc. This charge will be added if the fire department has to free/remove anyone from the vehicle(s) using any equipment. We will not bill at this level if the patient is simply unconscious and fire department is able to open the door to access the patient. This level is to be billed only if equipment is deployed.

##### **Creating a Landing Zone - \$454.00**

Includes Air Care (multi-engine company response, mutual aid, helicopter). We will bill at this level any time a helicopter landing zone is created and/or is utilized to transport the patient(s).

**Itemized Response:** You have the option to bill each incident as an independent event with custom mitigation rates, for each incident using, itemized rates deemed usual,

customary and reasonable (UCR). These incidents will be billed, itemized per apparatus, per personnel, plus products and equipment used.

#### **ADDITIONAL TIME ON-SCENE**

Engine billed at \$455 per hour.

Truck billed at \$568 per hour.

Miscellaneous equipment billed at \$341.

#### **HAZMAT**

##### **Level 1 - \$796.00**

**Basic Response:** Claim will include engine response, first responder assignment, perimeter establishment, evacuations, set-up and command.

##### **Level 2 - \$2,842.00**

**Intermediate Response:** Claim will include engine response, first responder assignment, hazmat certified team and appropriate equipment, perimeter establishment, evacuations, set-up and command, Level A or B suit donning, breathing air and detection equipment. Set-up and removal of decon center.

##### **Level 3 – \$6,707.00**

**Advanced Response:** Claim will include engine response, first responder assignment, hazmat certified team and appropriate equipment, perimeter establishment, evacuations, first responder set-up and command, Level A or B suit donning, breathing air and detection equipment and robot deployment. Set-up and removal of decon center, detection equipment, recovery and identification of material. Disposal and environment clean up. Includes above in addition to any disposal rates of material and contaminated equipment and material used at scene. Includes 3 hours of on scene time - **each additional hour @ \$336.00 per HAZMAT team.**

#### **ADDITIONAL TIME ON-SCENE (for all levels of service)**

Engine billed at \$455 per hour.

Truck billed at \$568 per hour.

Miscellaneous equipment billed at \$341.

#### **FIRES**

**Assignment - \$455.00 per hour, per engine / \$568.00 per hour, per truck**

##### **Includes:**

- Scene Safety
- Investigation
- Fire / Hazard Control

This will be the most common "billing level". This occurs almost every time the fire department responds to an incident.

**OPTIONAL: A fire department has the option to bill each fire as an independent event with custom mitigation rates.**

**Itemized, per person, at various pay levels and for itemized products use.**

### **ILLEGAL FIRES**

**Assignment - \$455.00 per hour, per engine / \$568.00 per hour, per truck**

When a fire is started by any person or persons that requires a fire department response during a time or season when fires are regulated or controlled by local or state rules, provisions or ordinances because of pollution or fire danger concerns, such person or persons will be liable for the fire department response at a cost not to exceed the actual expenses incurred by the fire department to respond and contain the fire. Similarly, if a fire is started where permits are required for such a fire and the permit was not obtained and the fire department is required to respond to contain the fire the responsible party will be liable for the response at a cost not to exceed the actual expenses incurred by the fire department. The actual expenses will include direct labor, equipment costs and any other costs that can be reasonably allocated to the cost of the response.

### **WATER INCIDENTS**

#### **Level 1**

**Basic Response:** Claim will include engine response, first responder assignment, perimeter establishment, evacuations, first responder set-up and command, scene safety and investigation (including possible patient contact, hazard control). This will be the most common "billing level". This occurs almost every time the fire department responds to a water incident.

**Billed at \$455 plus \$57 per hour, per rescue person.**

#### **Level 2**

**Intermediate Response:** Includes Level 1 services as well as clean up and material used (sorbents), minor hazardous clean up and disposal. We will bill at this level if the fire department has to clean up small amounts of gasoline or other fluids that are spilled as a result of the incident.

**Billed at \$909 plus \$57 per hour, per rescue person.**

#### **Level 3**

**Advanced Response:** Includes Level 1 and Level 2 services as well as D.A.R.T. (Drowning Accident Rescue Team) activation, donning breathing apparatus and detection equipment. Set up and removal of decon center, detection equipment, recovery and identification of material. Disposal and environment clean up. Includes above in addition to any disposal rates of material and contaminated equipment and material used at scene.

**Billed at \$2,274 plus \$57 per hour per rescue person, plus \$114 per hour per HAZMAT team member.**

#### **Level 4**

**Itemized Response:** You have the option to bill each incident as an independent event with custom mitigation rates for each incident using itemized rates deemed usual, customary and reasonable (UCR). These incidents will be billed, itemized, per trained rescue person, plus rescue products used.

#### **BACK COUNTRY OR SPECIAL RESCUE**

**Itemized Response:** Each incident will be billed with custom mitigation rates deemed usual, customary and reasonable (UCR). These incidents will be billed, itemized per apparatus per hour, per trained rescue person per hour, plus rescue products used.

**Minimum billed \$455 for the first response vehicle plus \$57 per rescue person.**

**Additional rates of \$455 per hour per response vehicle and \$57 per hour per rescue person.**

#### **CHIEF RESPONSE**

This includes the set-up of Command, and providing direction of the incident. This could include operations, safety, and administration of the incident.

**Billed at \$284 per hour.**

#### **MISCELLANEOUS / ADDITIONAL TIME ON-SCENE**

Engine billed at \$455 per hour.

Truck billed at \$568 per hour.

Miscellaneous equipment billed at \$341.

## SERVICES AGREEMENT

This Services Agreement ("Agreement") is made effective as of \_\_\_\_\_, 2019 ("Effective Date"), by and between **FIRE RECOVERY USA, LLC**, a California limited liability company ("Company"), and **North County FPD of Monterey County**, ("Client"). The Company and Client are referred to herein individually as a "party" and collectively as the "parties."

### RECITALS

WHEREAS, Company engages in the business of performing billing services ("Company Services") for United States Fire Departments in connection with the motor vehicle incidents and other emergency incidents at which the Client provides emergency services: and

WHEREAS, Client seeks the services of Company to assist with the billing for services that Client provides in connection with motor vehicle incidents and other emergency incidents; and

WHEREAS, Company and Client desire to enter into this Agreement to memorialize their agreements regarding the Company Services to be provided to Client.

NOW, THEREFORE, in consideration of the mutual representations, warranties and covenants set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Company and Client agree as follows:

### ARTICLE 1 ENGAGEMENT

1.1. Engagement: Client hereby engages Company to provide the Company Services described in Article 4 herein, and Client hereby accepts such engagement, all on the terms and conditions set forth herein. Company will determine the method, detail and means of performing the services detailed below.

### ARTICLE 2 REPRESENTATIONS AND WARRANTIES

2.1. Representations and Warranties of Company: Company hereby represents and warrants to Client that, at all times during the term of this Agreement, Company is a limited liability company duly organized, validly existing and in good standing under the laws of the State of California.

2.2. Representations and Warranties of Client: Client hereby represents and warrants to Company that, at all times during the term of this Agreement, Client is, or Governs, or Contracts with an organized fire department established pursuant to the laws and ordinances of the state in which Client is located.

**ARTICLE 3  
COMPANY STATUS AND QUALIFICATIONS**

3.1. Independent Contractor: Company enters into this Agreement, and will remain throughout the term of the Agreement, as an independent contractor. Company agrees that it will not become an employee, partner, agent or principal of Client while this Agreement is in effect.

3.2. Payment of Income Taxes: Company is responsible for paying when due all income taxes, including estimated taxes, incurred as a result of the compensation paid by Client to Company for services rendered under this Agreement. On request, Company will provide Client with proof of timely payment. Company agrees to indemnify Client for any claims, costs, losses, fees, penalties, interest, or damages suffered by Client resulting from Company's failure to comply with this provision.

3.3. Use of Employees or Subcontractors: Company may, at Company's own expense, use any employees or subcontractors as Company deems necessary to perform the services required of Company by this Agreement. Client may not control, direct, or supervise Company's employees or subcontractors in the performance of those services.

3.4. Qualifications: Company represents that it is qualified and has the skills necessary to perform the services under this Agreement in a competent and professional manner, without the advice or direction of Client.

3.5. Ownership Interest: Company will have no ownership interest in Client.

3.6. No Benefit Contributions: Company shall have no obligation under this Agreement to compensate or pay applicable taxes or provide employee benefits of any kind to any person employed or retained by Client.

3.7. Attorney-in-Fact: Client appoints Company as Client's attorney-in-fact for the following purposes:

- (a) Billing and Collections: To bill and collect ("Collections") all revenue earned by and due to Client, in connection with Client's provision of emergency services provided/rendered at the sites of motor vehicle incidents and other emergency incidents, and to receive all Collections on Client's behalf and to sue for and give satisfaction for monies due on account and to withdraw any claims, suits, or proceedings pertaining to or arising out of Company's or Client's right to collect such amounts; and
- (b) Endorsement: To take possession of and endorse in Client's name any notes, checks, money orders, and any other instruments received as Collections.

**ARTICLE 4  
GENERAL RESPONSIBILITIES OF COMPANY**

4.1. Minimum Amount of Service: Company agrees to devote as much time and attention to the performance of the Company Services under this Agreement as may be, in Company's sole discretion, required to accomplish the tasks described herein to accomplish the results for which the Company is responsible under this Agreement.

4.2. Company Services: Company agrees to perform the Company Services as set forth in the "List of Company Services" attached hereto as Schedule "A" and incorporated herein by reference; including those additional services requested by Client and accepted in writing by the Company during the term of this Agreement.

4.3. Non-Exclusive Relationship: Company may represent, perform services for, and contract with as many additional clients, persons, or companies as Company, in Company's sole discretion, sees fit.

4.4. Time and Place of Performing Work: Company may perform the services under this Agreement at any suitable time and location Company chooses.

4.5. Materials and Equipment: Company will supply all materials and equipment required to perform the services under this Agreement.

4.6. Workers' Compensation: Company agrees to provide workers' compensation insurance for Company and Company's employees and agents and agrees to hold harmless and indemnify Client for any and all claims arising out of any injury, disability, or death of any of Company's employees or agents.

4.7. Assignment: Neither this Agreement nor any duties or obligations under this Agreement may be assigned by Company without the prior written consent of Client, which consent shall not be unreasonably withheld.

## **ARTICLE 5 COMPENSATION OF COMPANY**

5.1. Compensation for Company Services: All Company Services provided pursuant to this Agreement will be provided in accordance with the terms, including compensation amounts and schedule of remittance, set forth in the "List of Company Services," attached hereto as Schedule A.

5.2. The provisions of Article 11 of this Agreement will govern any dispute associated with compensation.

## **ARTICLE 6 OBLIGATIONS OF CLIENT**

6.1. Cooperation of Client: The Client agrees to comply with all reasonable requests of Company and provide access to all documents reasonably necessary to the performance of Company's duties under this Agreement. The Client shall be responsible for initially insuring, and continuing to review, local and state laws in the Client's jurisdiction to assure adequate legal authority for Company to engage in the Services described herein on behalf of Client.

6.2. Assignment: Once a run is assigned to Company for processing, Company will pursue collection until all efforts have been exhausted. While Company is pursuing payment on a claim Client is precluded from assigning any duties or obligations under this Agreement to any other party, without the written consent of Company. Client may not negotiate a settlement of a run Company is processing without Company's written consent to the terms of the settlement and compensation due to Company for processing the run. Once Company has determined a run is not collectible it will either be archived and closed or sent to a collection agency (only if Client chooses to do so). Sending an account to collection incurs additional fees to Client. If payment is received from a collection agency, the amount received will be posted to Client's account by Company. Company will reimburse Client at the rate set forth in Schedule A, List of Company Services for that particular run, minus any additional fees from the collection agency.

## **ARTICLE 7 CLIENT AUTHORIZATION**

7.1. Authorization: Notwithstanding other provisions of this Agreement, Company shall obtain authorization from Client prior to performing any of the following:

- (a) The sale conveyance, transfer, pledge exchange, assignment, hypothecation, or encumbrance of Client's interest in any sums owed to Client; and
- (b) All other limitations as stated by the terms of this Agreement.

## **ARTICLE 8 TERMINATION OF AGREEMENT**

8.1. Termination on Notice: Notwithstanding any other provision of this Agreement, either party may terminate this Agreement at any time by giving thirty days (30) written notice to the other party. Unless earlier terminated as set forth below, this Agreement shall be effective as of the date first set out above and shall continue for a period of one (1) year thereafter. This Agreement shall automatically renew for successive one (1) year periods, unless either party provides written notification to the other party of its decision not to renew this Agreement.

8.2. Termination on Occurrence of Stated Events: This Agreement will terminate automatically on the occurrence of any of the following events;

- (a) Bankruptcy or insolvency of either party;
- (b) The assignment of this Agreement by either party without the consent of the other party; the parties agree that neither party will unreasonably withhold consent to such an assignment.

8.3. Termination for Default: If either party defaults in the performance of this Agreement or materially breaches any of its provisions, the non-breaching party may terminate this Agreement by giving written notification to the breaching party. Termination will take effect immediately on receipt of notice by the breaching party or five days (5) after mailing of notice, whichever occurs first. For the purposes of this paragraph, material breach of this Agreement includes, but is not limited to, the following:



- (a) Company's failure to complete the services specified in the Description of Services;
- (b) Client's material breach of any representation, warranty or agreement contained in this Agreement;
- (c) Company's material breach of any representation, warranty or agreement contained in this Agreement;
- (d) Client's yearly billable run volume is at or below six runs (6).

## **ARTICLE 9 PROPRIETARY RIGHTS**

9.1. Confidential Information: Any written, printed, graphic, or electronically or magnetically recorded information furnished by Client for Company's use are the sole property of Client. This proprietary information includes, but is not limited to, customer requirements, customer lists, marketing information, and information concerning the Client's employees, products, services, prices, operations, and subsidiaries. Company will keep this confidential information in the strictest confidence, and will not disclose it by any means to any person except with the Client's approval, and only to the extent necessary to perform the services under this Agreement. This prohibition also applies to Company's employees, agents, and subcontractors. On termination of this Agreement, Company will return any confidential information in Company's possession to Client.

9.2. Confidential Information: Any written, printed, graphic, electronically or magnetically recorded information, computer-based hardware, software, applications, software scripts, or software links furnished by Company for Client's use are the sole property of Company. This proprietary information includes, but is not limited to, customer requirements, customer lists, marketing information, and information concerning the Company's employees, products, services, prices, operations, and subsidiaries. Client will keep this confidential information in the strictest confidence, and will not disclose it by any means to any person except with the Company's approval, and only to the extent necessary to perform the services under this Agreement. This prohibition also applies to Client's employees, agents, and subcontractors. On termination of this Agreement, Client will return any confidential information in Client's possession to Company.

## **ARTICLE 10 INDEMNIFICATION**

10.1. Indemnification: To the extent permitted by applicable law, the Company will indemnify and hold the Client harmless from and against any and all loss, damage, liability, claims and/or injury resulting from all negligent actions performed by the Company, or its agents on the Company's behalf, in connection with this Agreement. However, this indemnification shall not apply with respect to any legal cause, action or consequential liability or losses as a result from inaccurate or incomplete information or unfounded or unreasonable submissions furnished to the Company by the Client nor shall it apply to any act, omission or negligence of the Client.

**ARTICLE 11  
GENERAL PROVISIONS**

11.1. Governing Law: This Agreement shall be governed in all respects by the laws of the State of California, without giving effect to any choice or conflict of law provision or rule (whether of the State of California or any other jurisdiction that would cause the application of the laws of any jurisdiction other than the State of California).

11.2. Entire Agreement: This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter contained in it and supersedes all prior and contemporaneous agreements, representations, and understanding of the parties.

11.3. Successors and Assigns: Except as otherwise provided herein, the provisions hereof shall inure to the benefit of, and be binding upon, the successors, assigns, heirs, executors and administrators of the parties hereto. No party may assign any of its rights or obligations hereunder without the express written consent of the other party hereto, which consent may not be unreasonably withheld; provided, however, any party may assign any and all of its rights and interests hereunder to one or more of its affiliates and designate one or more of its affiliates to perform its obligations hereunder; provided, however, that such party remains liable for full and total performance of its obligations hereunder.

11.4. Notices: Any notices authorized to be given hereunder shall be in writing and deemed given, if delivered personally or by overnight courier, on the date of delivery, if a Business Day, or if not a business day, on the first Business Day following delivery, or if mailed, three days after mailing by registered or certified mail, return receipt requested, and in each case, addressed, as follows:

If to the Company to:

Fire Recovery USA, LLC  
2271 Lava Ridge Court, Suite 120  
Roseville CA 95661  
Attention: Craig Nagler

with a copy to:

The Watkins Firm, APC  
4275 Executive Square, Suite 1020  
La Jolla, CA 92037  
Attention: Chris Popov, Esq.

If to Client to:

North County FPD of Monterey County  
11200 Speegle Street  
Castroville, CA 95012  
Attention: \_\_\_\_\_

with a copy to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

Or, if delivered by telecopy, on a Business Day before 4:00 PM local time of addressee, on transmission confirmed electronically, or if at any other time or day on the first Business Day succeeding transmission confirmed electronically, to the facsimile numbers provided above, or to such other address or telecopy number as any party shall specify to the other, pursuant to the foregoing notice provisions. When used in this Agreement, the term "Business Day" shall mean a day other than a Saturday, Sunday or a Federal Holiday.

11.5. Waiver; Amendments: This Agreement sets forth the entire agreement of the parties respecting the subject matter hereof, (ii) supersede any prior and contemporaneous

understandings, agreements, or representations by or among the parties, written or oral, to the extent they related in any way to the subject matter hereof, and (iii) may not be amended orally, and no right or obligation of any party may be altered, except as expressly set forth in a writing signed by such party.

11.6. Counterparts: This Agreement may be signed in several counterparts.

11.7. Expenses: Each party shall bear its own expenses incurred with respect to the preparation of this Agreement and the consummation of the transactions contemplated hereby.

11.8. Arbitration:

(a) If at any time there shall be a dispute arising out of or relating to any provision of this Agreement, any Transaction Document or any agreement contemplated hereby or thereby, such dispute shall be submitted for binding and final determination by arbitration in accordance with the regulations then obtaining of the American Arbitration Association. Judgment upon the award rendered by the arbitrator(s) resulting from such arbitration shall be in writing, and shall be final and binding upon all involved parties. The site of any arbitration shall be at a site agreed to by the parties and the arbitration decision can be enforced in a "court of competent jurisdiction".

(b) This arbitration clause shall survive the termination of this Agreement, any Transaction Document and any agreement contemplated hereby or thereby.

11.9. Waiver of Jury Trial; Exemplary Damages: THE PARTIES HERETO HEREBY WAIVE THEIR RIGHTS TO TRIAL BY JURY WITH RESPECT TO ANY DISPUTE ARISING UNDER THIS AGREEMENT OR ANY TRANSACTION DOCUMENT. NO PARTY SHALL BE AWARDED PUNITIVE OR OTHER EXEMPLARY DAMAGES RESPECTING ANY DISPUTE ARISING UNDER THIS AGREEMENT OR ANY TRANSACTION DOCUMENT CONTEMPLATED HEREBY.

11.10 Cooperative Purchases: This Agreement may be used by other government agencies. Company has agreed to offer similar serves to other agencies under the same or similar terms and conditions as stated herein except that the revenue share percentage (Compensation) may be negotiated between the Company and other agencies based on the specific revenue expectations, agency reimbursed costs, and other agency requirements. The City/County/or Client/Protection District will in no way whatsoever incur any liability in relation to specifications, delivery, payment, or any other aspect of purchase by other agencies.

*Signatures on following page:*

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first written above.

**COMPANY:**

**FIRE RECOVERY USA, LLC.**  
**a California limited liability company**

Signature: \_\_\_\_\_

Name: M. Craig Nagler

Title: Manager

**CLIENT:**

**North County FPD of Monterey County**

Signature: \_\_\_\_\_

Name (printed): \_\_\_\_\_

Title: \_\_\_\_\_

## SCHEDULE A

### LIST OF COMPANY SERVICES

1. Company agrees to bill the responsible party on the Client's behalf for services provided/rendered during motor vehicle incidents and other emergency incidents. The Mitigation Rates lists in Exhibit A will increase by 1.5% annually or based on the annual percentage increase in the Consumer Price Index (CPI), as developed by the Bureau of Labor Statistics of the U.S. Department of Labor, whichever is more. Rate adjustments will occur on the anniversary date of this ordinance/resolution to keep the fire department's cost recovery program in conformity with increasing operating expenses.
2. Company will provide, as a normal matter of business; entry of claims and submission to the responsible party, collections of monies deemed due to the Client, payments of the agreed upon percentage of said monies to Client, and reporting of progress.
3. Company agrees to bill to the best of its ability all claims provided to Company by the Client.
4. Company will not begin litigation against a person, entity, or insurance carrier without prior written approval by the Client.
5. Company agrees to reimburse Client a portion of the monies collected at a rate of 80% (eighty-percent) of the total monies collected on the Client's claims. Total monies collected will be net, after any credit card processing fees (charged at 4%) or any collection agency fees. If Client submits a claim to Company and later wants to cancel the claim, Client may be subject to a billing fee. If Client agrees to submit a claim to Company's collection agency and later wants to remove it from collection status, Client may be subject to a fee of up to 35% of the amount of the claim to compensate for efforts made to collect the claim.
6. Company agrees to pay these monies collected to the Client on a monthly basis, within seven (7) working days after the close and accounting of the monthly billing cycle.
7. Company agrees to make available reports via a password protected website to the Client which detail billable claims outstanding (which are claims submitted, but not yet completed) and claims completed in the prior billing cycle.
8. Company will not be responsible for, nor accept any liability for, any erroneous, invalid, or illegal procedure codes or claims submitted to Company by the Client on the Run Sheets.

## EXHIBIT A

### MITIGATION RATES BASED ON PER HOUR

The mitigation rates below are average "billing levels", and are typical for the incident responses listed, however, when a claim is submitted, it will be itemized and based on the actual services provided.

These rates are based on actual costs using amortized schedules for apparatus (including useful life, equipment, repairs, and maintenance). Labor rates include an average department's actual burdened labor costs and not just a firefighter's wage. These include wages, retirement, benefits, workers comp, etc.

#### **MOTOR VEHICLE INCIDENTS**

##### **Level 1 - \$494.00**

Provide hazardous materials assessment and scene stabilization. This will be the most common "billing level". This occurs almost every time the fire department responds to an accident/incident.

##### **Level 2 - \$562.00**

Includes Level 1 services as well as clean up and material used (sorbents) for hazardous fluid clean up and disposal. We will bill at this level if the fire department has to clean up any gasoline or other automotive fluids that are spilled as a result of the accident/incident.

##### **Level 3 – CAR FIRE - \$687.00**

Provide scene safety, fire suppression, breathing air, rescue tools, hand tools, hose, tip use, foam, structure protection, and clean up gasoline or other automotive fluids that are spilled as a result of the accident/incident.

#### **ADD-ON SERVICES:**

##### **Extrication - \$1,483.00**

Includes heavy rescue tools, ropes, airbags, cribbing etc. This charge will be added if the fire department has to free/remove anyone from the vehicle(s) using any equipment. We will not bill at this level if the patient is simply unconscious and fire department is able to open the door to access the patient. This level is to be billed only if equipment is deployed.

##### **Creating a Landing Zone - \$454.00**

Includes Air Care (multi-engine company response, mutual aid, helicopter). We will bill at this level any time a helicopter landing zone is created and/or is utilized to transport the patient(s).

**Itemized Response:** You have the option to bill each incident as an independent event with

custom mitigation rates, for each incident using, itemized rates deemed usual, customary and reasonable (UCR). These incidents will be billed, itemized per apparatus, per personnel, plus products and equipment used.

**ADDITIONAL TIME ON-SCENE**

Engine billed at \$455 per hour.  
Truck billed at \$568 per hour.  
Miscellaneous equipment billed at \$341.

**HAZMAT**

**Level 1 - \$796.00**

**Basic Response:** Claim will include engine response, first responder assignment, perimeter establishment, evacuations, set-up and command.

**Level 2 - \$2,842.00**

**Intermediate Response:** Claim will include engine response, first responder assignment, hazmat certified team and appropriate equipment, perimeter establishment, evacuations, set-up and command, Level A or B suit donning, breathing air and detection equipment. Set-up and removal of decon center.

**Level 3 – \$6,707.00**

**Advanced Response:** Claim will include engine response, first responder assignment, hazmat certified team and appropriate equipment, perimeter establishment, evacuations, first responder set-up and command, Level A or B suit donning, breathing air and detection equipment and robot deployment. Set-up and removal of decon center, detection equipment, recovery and identification of material. Disposal and environment clean up. Includes above in addition to any disposal rates of material and contaminated equipment and material used at scene. Includes 3 hours of on scene time - **each additional hour @ \$336.00 per HAZMAT team.**

**ADDITIONAL TIME ON-SCENE** (for all levels of service)

Engine billed at \$455 per hour.  
Truck billed at \$568 per hour.  
Miscellaneous equipment billed at \$341.

**FIRES**

**Assignment - \$455.00 per hour, per engine / \$568.00 per hour, per truck**

**Includes:**

- Scene Safety
- Investigation
- Fire / Hazard Control

This will be the most common “billing level”. This occurs almost every time the fire department responds to an incident.

**OPTIONAL: A fire department has the option to bill each fire as an independent event with custom mitigation rates.**

**Itemized, per person, at various pay levels and for itemized products use.**

### **ILLEGAL FIRES**

**Assignment - \$455.00 per hour, per engine / \$568.00 per hour, per truck**

When a fire is started by any person or persons that requires a fire department response during a time or season when fires are regulated or controlled by local or state rules, provisions or ordinances because of pollution or fire danger concerns, such person or persons will be liable for the fire department response at a cost not to exceed the actual expenses incurred by the fire department to respond and contain the fire. Similarly, if a fire is started where permits are required for such a fire and the permit was not obtained and the fire department is required to respond to contain the fire the responsible party will be liable for the response at a cost not to exceed the actual expenses incurred by the fire department. The actual expenses will include direct labor, equipment costs and any other costs that can be reasonably allocated to the cost of the response.

### **WATER INCIDENTS**

#### **Level 1**

**Basic Response:** Claim will include engine response, first responder assignment, perimeter establishment, evacuations, first responder set-up and command, scene safety and investigation (including possible patient contact, hazard control). This will be the most common "billing level". This occurs almost every time the fire department responds to a water incident.

**Billed at \$455 plus \$57 per hour, per rescue person.**

#### **Level 2**

**Intermediate Response:** Includes Level 1 services as well as clean up and material used (sorbents), minor hazardous clean up and disposal. We will bill at this level if the fire department has to clean up small amounts of gasoline or other fluids that are spilled as a result of the incident.

**Billed at \$909 plus \$57 per hour, per rescue person.**

#### **Level 3**

**Advanced Response:** Includes Level 1 and Level 2 services as well as D.A.R.T. activation, donning breathing apparatus and detection equipment. Set up and removal of decon center, detection equipment, recovery and identification of material. Disposal and environment clean up. Includes above in addition to any disposal rates of material and contaminated equipment and material used at scene.

**Billed at \$2,274 plus \$57 per hour per rescue person, plus \$114 per hour per HAZMAT team member.**



#### **Level 4**

**Itemized Response:** You have the option to bill each incident as an independent event with custom mitigation rates for each incident using itemized rates deemed usual, customary and reasonable (UCR). These incidents will be billed, itemized, per trained rescue person, plus rescue products used.

#### **BACK COUNTRY OR SPECIAL RESCUE**

**Itemized Response:** Each incident will be billed with custom mitigation rates deemed usual, customary and reasonable (UCR). These incidents will be billed, itemized per apparatus per hour, per trained rescue person per hour, plus rescue products used.

**Minimum billed \$455 for the first response vehicle plus \$57 per rescue person. Additional rates of \$455 per hour per response vehicle and \$57 per hour per rescue person.**

#### **CHIEF RESPONSE**

This includes the set-up of Command, and providing direction of the incident. This could include operations, safety, and administration of the incident.

**Billed at \$284 per hour.**

#### **MISCELLANEOUS / ADDITIONAL TIME ON-SCENE**

Engine billed at \$455 per hour.

Truck billed at \$568 per hour.

Miscellaneous equipment billed at \$341.

#### **MITIGATION RATE NOTES**

The mitigation rates above are average "billing levels", and are typical for the incident responses listed, however, when a claim is submitted, it will be itemized and based on the actual services provided.

These average mitigation rates were determined by itemizing costs for a typical run (from the time a fire apparatus leaves the station until it returns to the station) and are based on the actual costs, using amortized schedules for apparatus (including useful life, equipment, repairs, and maintenance) and labor rates (an average department's "actual personnel expense" and not just a firefighter's basic wage). The actual personnel expense includes costs such as wages, retirement, benefits, workers comp, insurance, etc.



**SCI Presentation and Election Cost Estimates**

**PURPOSE:** To receive a presentation from SCI regarding a potential funding measure for the 2020 elections and to provide the Board of Directors with election cost estimates.

**OUTLINE:** We have received correspondence from the Monterey County Elections Department, regarding the estimated election costs. Cost estimates are based on average election costs for all districts per registered voter (17,785). A number of factors will impact the actual cost of the election including, but not limited to, the number of items on the ballot, the number, and length of items placed in the voter guide, and the number of jurisdictions sharing election costs. The estimates for North County Fire Protection District by election scenario, given registered voter counts as of May 31, 2019, are as follows:

<b>Election Type</b>	<b>Cost Estimate/per registered voter</b>	<b>Total Cost Estimate for North County Fire Protection District (17,785 Registered Voters)</b>
Stand Alone Election (includes polling places and vote by mail voters)	\$14-\$20	\$248,990 to \$355,700
Consolidated Election (includes polling places and vote by mail voters – costs shared with other districts)	\$6-\$8	\$106,710 to \$142,280
Stand Alone Mail Ballot Only Election	\$8-\$10	\$142,280 to \$177,850

There have been changes in code that may impact the ballot question wording and information provided. In addition, there is pending legislation that, if chaptered, could make additional requirements of any ballot question going to election in 2020, resulting in additional costs.

**Election Dates:**  
Presidential Primary Election – March 3, 2020  
Presidential Election – November 3, 2020

**RECOMMENDATION:** That the Board provide direction to staff on whether or not to budget for a funding measure for the 2020 elections.



Joel Mendoza, Fire Chief



August 14, 2019

**Submitted via electronically:**

[joel.mendoza@ncfpd.org](mailto:joel.mendoza@ncfpd.org)

Joel Mendoza  
Fire Chief/Fire Marshal  
North County Fire Protection District  
11200 Speegle Street  
Castroville, CA 95012

**Re: Proposal for the Revenue Engineering, Balloting and Community Outreach in Support of the Implementation of a Comprehensive Funding Mechanism**

Dear Chief Mendoza:

**SCI Consulting Group** ("SCI") is pleased to submit, for your review, this proposal to provide the North County Fire Protection District ("District") with services in support of the implementation of a reliable, comprehensive funding mechanism with important input from feasibility analysis and polling conducted under a the District's Measure T (November 2018) effort.

The recommended tasks for this phase include:

- 1a.) Benefit Assessment Engineering  
Or
- 1b.) Special Tax Methodology Consulting
  
- 2.) Election Services
- 3.) Community Outreach
- 4.) First Year Levy Administration

By way of introduction, SCI is a California Chapter S Corporation formed in 1985 uniquely focused on revenue enhancement services for public agencies, including planning, designing, justifying and successfully establishing new districts, zones, and associated revenues for their service and capital improvement needs, and managing special assessment levies.

We respectfully offer the following strengths, which differentiate our firm from others, for your consideration:

**SUCCESSFUL IMPLEMENTATION OF REVENUE MECHANISMS FOR FIRE PROTECTION SERVICES** SCI is California's top firm for the implementation for funding mechanisms for fire protection services and has been hired to provide services for straightforward revenue mechanisms as well as for some of the most complex and challenging in the state.

For example, SCI was engaged by CalFire from 2012 through 2018 to provide parcel analysis and support for its Fire Prevention Fee, and by San Bernardino County Fire to validate notices for its recent, innovative annexation process. SCI has successfully implemented revenue mechanisms, including

Benefit Assessments, Special Taxes and Fees for many Fire Protection Districts and other local agencies throughout California including:

Auberry Volunteer Fire Dept.	CalFire
City of Santa Barbara	East County Fire Protection District
El Medio Fire Protection District	Herlong Fire Protection District
Kentfield Fire Protection District	Loomis Fire Protection District
Meeks Bay Fire Protection District	Mi-Wuk Fire Protection District
Mountains Rec. & Conservation Authority	Newcastle Fire Protection District
North San Juan Fire Protection District	Penn Valley Fire Protection District
Penryn Fire Protection District	Plumas Eureka Community Services District
Rodeo Hercules Fire Protection District	San Bernardino County
Shasta Lake Fire Protection District	Twain Harte Community Services District
Waterloo-Morada Fire Protection District	Wheatland Fire Authority
Williams Fire Protection Authority	

**OVERALL SPECIAL TAX AND BENEFIT ASSESSMENT SUCCESS AND EXPERTISE** With over 34 years of experience in this specialized field, we are proud of our industry-leading record of success with assisting public agencies with increasing their revenues. For agency-wide revenue measures which include a survey, SCI has a success rate of over 94% with over 140 successful ballot measures.

**PROPOSITION 218 BENEFIT ASSESSMENT EXPERTISE** Through the process of designing and establishing numerous new post Proposition 218 benefit assessments and working on these projects with many of the leading Proposition 218 specialized attorneys in the State, we have gained unparalleled legal and Proposition 218 compliance expertise.

**PROVEN SUCCESS IN RURAL AND EASTERN CALIFORNIA** SCI successfully implemented a Proposition 218-compliant benefit assessment for mosquito control in nearby Inyo County and has worked with CalFire throughout Mono and Inyo County.

**PROPRIETARY AND PROVEN MAILED SURVEY APPROACH** We have learned, through many years of experience, that telephone surveys yield inaccurate predictions for benefit assessments and special tax measures. As a result, our firm pioneered the integration of initial assessment engineering and special tax analysis specifically tailored to address the many unique aspects of these types of funding measures. On over 100 surveys to date, our unique survey methodology has consistently proven to provide much more accurate survey results than the phone and mail survey methods used by other firms. In summary, our opinion research work will provide the District with accurate, valuable information needed to make the best decisions on whether to move forward with a funding measure.

**LOW OVERHEAD/LOW COST PROVIDER** We understand levy administration services must provide cost effectiveness, particularly to keep the District's costs within budget constraints. For this reason, we maintain the lowest overhead and leanest structure in the industry. While other firms maintain multiple offices, hierarchical administration and much higher overhead costs, we operate more effectively and with much lower overhead out of one central office located in an economically favorable business area.

**UNMATCHED TECHNICAL CAPABILITIES** Aside from our administrative staff, every employee in our firm is a database expert. We have developed in-house, specialized programs to improve our levy administration services. We are also GIS and mapping experts. We invite you to compare our database and technical expertise with the staff from any other firm.

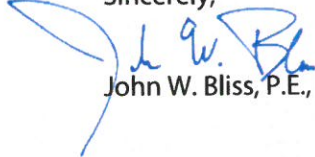
**UNMATCHED RESPONSIVENESS AND CUSTOMER SERVICE** We invite you to call our toll-free taxpayer inquiry line at (800) 273-5167 and compare our level of service and responsiveness with any other firm. We answer calls directly with knowledgeable levy administration staff, including available representatives who are fluent in Spanish. We also provide the highest level of service and responsiveness for all our clients, including responding to all our clients within the same day.

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**OUR CLIENTS ARE OUR BEST REFERENCES** We sincerely encourage you to speak with any of our clients, not only the listed references. They will attest to the comprehensive nature of our services, our level of client responsiveness and our levy administration abilities.

This proposal is binding for 90 days from August 14, 2019. We look forward to this opportunity to assist the District with this important project and stand ready to proceed. If you have any questions or require additional information, please do not hesitate to contact me. I can be reached at (707) 430-4300 ext. 111 or via email at [john.bliss@sci-cg.com](mailto:john.bliss@sci-cg.com).

Sincerely,



John W. Bliss, P.E., President

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<b>SCOPE OF WORK</b>
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The Scope of Work listed and described below includes the recommended steps for the successful implementation of a reliable, comprehensive funding mechanism for the District, based upon feasibility analysis and polling results conducted under a previous phase of work.

### **1A.) Benefit Assessment Engineering and Engineer's Report**

- a. Perform assessment engineering for the new assessment and preparation of the Engineer's Report. (The underlying assessment engineering will exhaustively analyze a variety of pertinent attributes (size, land use, topography, risk, wind-speed, access, etc.) in order to calculate the special benefit proportionally conferred on each parcel by the proposed fire services, and separate and quantify any general benefit. SCI's engineers are the most experienced in the state at developing Proposition 218-compliant Engineer's Reports for fire services. After the Engineer's Report has been prepared, it will be reviewed with District staff and District Counsel, and if necessary, will be revised to reflect any relevant comments or issues identified.
- b. Finalize the assessment levies, assessment roll, assessment diagrams, and other information for preliminary District approval.
- c. Prepare draft resolutions, Board letters, notices and other materials and documents required or recommended for the proposed assessments. Such documents will be finalized in conjunction with District Counsel.
- d. Present the findings, proposed assessment levies and the preliminary Engineer's Report to the District.

**OR**

### **1B.) Special Tax Consulting**

- a. Develop and finalize the tax structure.
- b. Prepare the Resolution of Consolidation ordering the election, including the 75-word ballot question and the full text of the measure.
- c. Review the Resolution of Consolidation with District staff and the District's legal counsel and, if necessary, incorporate revisions.
- d. Forward the signed Resolution of Consolidation to the District.
- e. Coordinate with the District Registrar of Voters regarding the election timeline and ballot materials.

### **2.) Election Services**

#### ***Benefit Assessment***

- a. When the District Board passes the resolution directing the mailing of the ballots, SCI will prepare the draft Proposition 218 notice and ballot for review and approval by the District and District Counsel. Upon approval, SCI will print, address and mail the notice and assessment ballots to all owners of assessable property in the



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District boundaries. The design of the official notice and assessment ballot is one of the most important elements of a successful ballot outcome. SCI will utilize its unmatched expertise to design the ballot and notice in a way that will clearly and concisely explain the reason for the assessment.

- b. Throughout the balloting, SCI will also field and respond to property owner inquiries and will issue replacement ballots as needed. SCI will also prepare resolutions, documents and information for the public hearing and will assist the District and its legal counsel in responding to property owner testimony at the public hearing, as needed.
- c. For ballot tabulation and certification of the results, SCI recommends that the District Clerk be designated as the official tabulator. SCI will provide technical and procedural assistance to the District Clerk to ensure the highest level of transparency, independent oversight and accountability.
- d. If the ballot measure is successful, SCI will submit the levy roll and all necessary supporting documents to the District for them to include the assessments on the annual property tax bills.

### ***Special Tax***

- a. SCI will work with the District and County Registrar of Voter Services to coordinate the Special Tax election. See notes below.
- b. If the ballot measure is successful, SCI will prepare the Resolution accepting the ballot results and ordering the levy of the Special Tax for the first fiscal year and submit the levy roll and all necessary supporting documents to the District for them to include the assessments on the annual property tax bills.

### ***County Registrar of Voter Services***

*Please note the cost of the County Registrar of Voter Services is not included in this proposal, and the District will need to contact the County separately regarding their costs.*

### **3.) Communication Outreach Services**

- a. Assist with public informational outreach strategies and registered voter informational services.
- b. Prepare question and answer documents, informational handouts and other materials.
- c. Train District staff who may be responding to registered voters or will be making presentations on the proposed special tax to the public.
- d. Conduct public outreach workshops as appropriate.

### **4.) Annual Levy Administration**

- a. Determine the taxable and nontaxable parcels in the District, and on a parcel-by-parcel basis, calculate and verify the proposed tax amount for each parcel and prepare the preliminary tax roll to be used by the District as a basis for the annual budget.
- b. Prepare any needed resolutions and staff reports for the Tax.

- c. Prepare and assist with the publication of any notices for the continuation of the Tax, if needed.
- d. Attend District Board meetings as needed, including those at which the resolution is approved.
- e. Finalize the Tax Roll, other documents and supporting materials.
- f. Prepare the final Tax Roll for the Tax and submit it to the County Auditor/Tax Collector for inclusion on the upcoming fiscal year tax bills.
- g. Provide the County Auditor/Tax Collector with our toll-free phone number so property owners can directly contact SCI Consulting Group throughout the fiscal year regarding any questions that arise.
- h. Throughout the fiscal year, research and, if necessary, revise any taxes which we find to be based upon incorrect information being used to apply the Tax methodology. (It should be noted that, due to our comprehensive levy validation procedures, actual revisions are expected to be very minimal, if any.)

## PROJECT TEAM

### **JOHN BLISS, M.ENG., P.E., PRESIDENT, LICENSE NO. C52091**

John Bliss, a professional engineer and President of SCI, specializes in assessment engineering, special and general benefit analysis, crafting legally compliant, robust Engineer's Reports, assessment administration, cost estimating and budgeting, database design and implementation, regulatory compliance, and revenue measure formations. He has 17 years of experience in this field of expertise. Moreover, John is a recognized expert assessment engineer and Proposition 218 compliance specialist who has served as an expert witness and technical authority. He also has worked with most of the leading Proposition 218 specialized attorneys in the State, which has further expanded his professional and technical expertise.

During his tenure at SCI, John has served as the responsible Assessment Engineer on over 300 Engineer's Reports for new or increased assessments, comprising more post-Proposition 218 new assessment engineering than any other assessment engineer in the State.

John graduated from Brown University with a Bachelor of Science Degree in Engineering and holds a master's degree in Civil Engineering from the University of California, Berkeley, where he was a Regent's Scholar. He is a licensed professional Civil Engineer in the State of California and is a LEED accredited professional.

### **CHRIS COULTER, SENIOR CONSULTANT**

Chris Coulter contributes experience in funding measure feasibility, data analysis, and financial analysis services for public, private and non-profit sector organizations to the SCI team. Mr. Coulter specializes in rate study analysis and Proposition 218 formation of benefit assessment districts, community facility districts and fee rate structures. In addition, Mr. Coulter is experienced in spatial and regional analysis, opinion research, public outreach, demographic studies and ballot measure development. Mr. Coulter is a graduate of the University of California at Berkeley with a Bachelor of Art degree in English Literature.

### **SUSAN BARNES, SENIOR CONSULTANT**

Susan Barnes specializes in and leads opinion research and new local revenue measure balloting projects, including both benefit assessments and special taxes. She also manages the annual administration of several local funding measures. She uses her excellent facilitation and public speaking

experience when working with staff and board members, as well as with constituent groups. Susan's diligent work enables agencies to raise funds needed in order to obtain and maintain the facilities and services their communities desire. She also utilizes her broad project management experience to deliver her projects on time and on budget. Susan earned a Bachelor of Science degree in Business Administration from UC Berkeley and a master's Degree in Organizational Development from Sonoma State University.

**VALERIE FLORES, MANAGEMENT ANALYST**

Valerie Flores has over 25 years of experience working in the legal sector, non-profit agencies and school districts prior to coming to SCI. She currently manages levy administration projects primarily for fire districts and school districts. She also contributes with assisting in the formation of local revenue ballot measures for both benefit assessments and special taxes. Valerie brings a broad range of skills and talents to the SCI team. She graduated from the University of Phoenix, with a Bachelor of Science degree in Business Finance.

<b>REFERENCES</b>
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Below are project descriptions and references for you review. Please do not hesitate to contact us if you would like to speak with any of the clients for projects listed on the following page.

**WATERLOO MORADA RURAL COUNTY FIRE PROTECTION DISTRICT**

6925 E Foppiano Lane  
Stockton, CA 95212  
(209) 931-3107

**Contact:** Steve Henry, Fire Chief

**Email:** [shenry@sjgov.org](mailto:shenry@sjgov.org)

In 2019, SCI assisted the District with a new annual special tax to fund emergency services. SCI's services included conducting a feasibility analysis project and associated public opinion research. Following the survey showing low level of community support for a new funding measure, SCI developed messaging and outreach materials for the District, and coordinated the mailed election materials and requirements. This new special tax, with an annual rate of \$0.07 per square foot per residential unit, \$0.10 per square foot per commercial building, and \$12 per parcel for vacant, agricultural properties and other rates for other uses, was successful and received 75.03% voter support. The new tax generates over \$1.3M per year.

**CITY OF SANTA BARBARA**

Santa Barbara City Fire Department  
Fire Prevention Bureau  
925 Chapala  
Santa Barbara, CA 93101  
(916) 405-7166

**Contact:** Chris Braden, Fire Services Specialist

**Email:** [cbraden@SantaBarbaraCA.gov](mailto:cbraden@SantaBarbaraCA.gov)

In 2006, SCI assisted the City with the formation of the Wildland Fire Suppression Assessment District. SCI conducted a public opinion survey, which received positive results, and resulted in approval by the City Council to go ahead with a funding measure. SCI assisted the City with its successful Proposition 218 balloting process. Since then SCI has provided the annual administration services for this assessment district.

**KENTFIELD FIRE PROTECTION DISTRICT**

1004 Sir Francis Drake Blvd.  
Kentfield, CA 94904  
(415) 453-7464

**Contact:** Paul Smith, Fire Chief

**Email:** [psmith@kentfieldfire.org](mailto:psmith@kentfieldfire.org)

In 2013, SCI assisted the District with a new annual parcel tax to fund emergency services. SCI's services included conducting a feasibility analysis project and associated public opinion research. Following the survey showing a high level of community support for a new funding measure, SCI developed messaging and outreach materials for the District, and coordinated the mailed election materials and requirements. This new parcel tax, with an annual rate of \$0.10 per square foot and tiered rates for vacant properties, was successful and received 75.42% voter support. The new tax is generating over \$600,000 per year.

**MI-WUK SUGAR PINE FIRE PROTECTION DISTRICT**

24247 Highway 108  
Mi-Wuk Village, CA 95346  
(209) 586-5256

**Contact:** Larry Crabtree, Fire Chief

**Email:** [wuk.chief1@hub3.net](mailto:wuk.chief1@hub3.net)

In 2010, SCI assisted the District with a successful new annual assessment to fund fire protection and fire suppression services. SCI began by conducting an opinion research and revenue measure feasibility analysis project designed to measure the level of support from property owners and voters for a new benefit assessment. An issue SCI addressed in our opinion research is whether a voter decided parcel tax or property owner decided assessment would be more advantageous to the District. Our survey, designed to evaluate both funding mechanisms, found that a benefit assessment would be more appropriate. After discussing the survey findings with the District, the District elected to proceed with a new benefit assessment. SCI assisted the District with a successful ballot for this new assessment which is generating ongoing annual funding for fire and emergency services at the initial rate of \$170 per home, with no sunset and with annual increases to the rate.

**MEEKS BAY FIRE PROTECTION DISTRICT**

8041 Emerald Bay Road  
P.O. Box 189  
Tahoma, CA 96142  
(530) 525-7548 x11

**Contact:** Shawn R. Crawford, Clerk

**Email:** [mbfire@wildblue.net](mailto:mbfire@wildblue.net)

SCI assisted the District in 2009 with a successful new annual assessment to fund fire protection and fire suppression services. We began our services by conducting an opinion research and revenue measure feasibility analysis project designed to accurately measure the level of support from property owners and voters for a new benefit assessment or parcel tax. One significant issue we addressed in our research is that many of the property owners own vacation homes in the District and do not primarily reside in the District. As a result, the makeup of likely property owner ballot participants was very different than the makeup of likely voters for a parcel tax. Our opinion research found that out-of-District owners were very supportive of the proposed funding measure and a benefit assessment was the recommended funding alternative. Thereafter, SCI assisted the District with a successful ballot outcome for a new assessment that is generating ongoing annual funding for fire and emergency services.

**PENN VALLEY FIRE PROTECTION DISTRICT**

P. O. Box 180  
 10513 Spenceville Road  
 Penn Valley, CA 95946  
 (530) 432-2630

**Contact:** Don Wagner, Fire Chief

**Email:** [dwagner@pennvalleyfire.com](mailto:dwagner@pennvalleyfire.com)

In 2010 SCI assisted the District with a new annual parcel tax to fund emergency services. SCI's services included developing the educational outreach approach and action plan and assisting with outreach. In addition, SCI developed messaging and outreach materials and coordinated the mailed election materials and requirements. This new parcel tax, with an annual rate of \$98.00, was highly successful and received 72% voter support. The new tax is generating over \$570,000 per year.

<b>FEE SCHEDULE</b>
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In consideration for the work accomplished, as outlined in this proposal, SCI will be compensated as detailed below:

	<u>Special Tax</u>	<u>Benefit Assessment</u>
1a.) Engineer's Report	Non-applicable	\$ 33,500
1b.) Tax Methodology	\$ 6,500	Non-applicable
2.) Election Services	\$ 4,500*	\$ 29,250
3.) Community Outreach	\$ 16,000	\$ 16,000
4.) First Year Levy Administration	\$ 14,000**	\$ 14,000**

\*Plus, the cost to District from County to conduct the balloting.

(Also, if the Special Tax is approved, Government Code 54930 requires the preparation and mailing of a notice of new parcel tax to the owner of parcels affected by the tax, if that owner does not reside within the District. The District should budget approximately \$6,000 for this work.)

\*\* Only due if the measure is approved and levies are submitted to the County.

The scope of services includes up to four meetings with the District. Any additional meetings, if required, will be billed at the rate of \$1,500 per consultant per meeting.

Incidental costs incurred by SCI for the purchase of property data, maps, travel and other out-of-pocket expenses will be reimbursed at actual cost with the total not to exceed \$3,000 for the term of the contract without prior authorization from the District.

In the event the District elects to request optional, additive scope of work, SCI will work with the District to negotiate compensation for these additional tasks and execute an Addendum to the agreement of these additional services.

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<b>ADDITIONAL INFORMATION</b>
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**Employment Policies**

SCI does not and shall not discriminate against any employee in the workplace or against any applicant for such employment or against any other person because of race, religion, sex, color, national origin, handicap, or age or any other arbitrary basis. SCI Consulting Group insures compliance with all civil rights laws and other related statutes.

**Conflict of Interest Statements**

SCI has no known past, ongoing or potential conflicts of interest for working with the District, performing the Scope of Work or any other service for this Project.

**Independent Contractor**

If selected, SCI shall perform all services as an independent contractor.

**Additional Scope of Work**

In the event the District elects to request optional, additive scope of work, SCI will work with the District to negotiate compensation for these additional tasks and execute an Addendum to the agreement for these additional services.

**Responsibilities of District**

SCI will make every effort to minimize the workload on the District, but may need assistance, iteratively, with project overview and history, scheduling and budgeting.

**Coordination with District**

SCI will coordinate services with District staff through frequent and concise communications including face-to-face meetings, telephone calls and e-mail.

# PROJECTED SPECIAL TAX REVENUE

NORTH COUNTY FPD- Proposed Sepcial Tax Methodology & Revenue

METHODOLOGY	TAX UNITS	Rate 1	TAX UNITS	RATE 2	RATE 3
Residential- 1st Unit	1.000	\$ 50.00	1.000	\$ 39.00	\$ 89.00
Residential- additional Units after 1st	1.000	\$ 50.00	1.000	\$ 39.00	\$ 89.00
Unimproved (Ag/Vacant/Parking lot)	0.750	\$ 37.50	0.750	\$ 63.75	\$ 90.00
Commercial,Industrial, Office, Institutional	flat rate	\$ 100.00	flat rate	\$ 0.10	\$ 0.10

LAND USE	Factors			Acres	Method per	Commercial at flat rate		
	Parcels	Res Units	Bldg sqft			Calculated tax units	Calculated Revenue	Burden %
Single Family Residential	7,121	7,121	12,412,274	13,075		7121	\$ 356,050	66.3%
Mobile Home (separate parcel)	856	856	517,687	12,283		856	\$ 42,800	8.0%
Multiple SFR (2-4 units)	209	486	317,895	117		486	\$ 24,300	4.5%
Multi Family (>4 units)	66	809	207,217	253		809	\$ 40,450	7.5%
Commercial/Ind/Office	352	43	3,066,502	1,323	bsft	352	\$ 35,200	6.6%
Vacant/Ag/Parking	1,357	2	173,316	43,145		1018	\$ 38,175	7.1%
Non Taxable	1,007	24	273,900	6,613				100.0%
<b>TOTAL</b>	<b>10,968</b>	<b>9,341</b>	<b>16,968,791</b>	<b>76,809</b>				
Land Use Groups								
Residential	8,242	9,272	13,455,073	25,728		9,272	\$ 463,600	86.3%
Non-Residential	1,709	45	3,239,818	44,468		1,370	\$ 73,375	13.7%
Non-Taxable	1,007	24	273,900	6,613		-		
<b>Total</b>	<b>10,958</b>	<b>9,341</b>	<b>16,968,791</b>	<b>76,809</b>		<b>10,642</b>	<b>\$ 536,975</b>	<b>100.0%</b>

Commercial charged per building sq ft						
RATE 2			RATE 3			
Calculated tax units	Calculated Revenue	Burden %	Calculated tax units	Calculated Revenue	Burden %	
7,121	\$ 277,719	37.9%	7,121	\$ 633,769	51.8%	
856	\$ 33,384	4.6%	856	\$ 76,184	6.2%	
486	\$ 18,954	2.6%	486	\$ 43,254	3.5%	
809	\$ 31,551	4.3%	809	\$ 72,001	5.9%	
3,066,502	\$ 306,650	41.8%	3,066,502	\$ 306,650	25.1%	
1,018	\$ 64,898	8.9%	1,018	\$ 91,620	7.5%	
		100.0%			100.0%	
9,272	\$ 361,608	49.3%	9,272	\$ 825,208	67.4%	
3,067,520	\$ 371,548	50.7%	3,098,861	\$ 398,270	32.6%	
-			-			
3,076,792	\$ <b>733,156</b>	100.0%	3,108,133	\$ <b>1,223,478</b>	100.0%	



## Board Candidate Eligibility Determination, Interviews and Appointment

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**PURPOSE:** To provide the current Board of Directors an opportunity to determine board candidate eligibility, to conduct board candidate interviews and take action of board candidate selection.

**OUTLINE:** As of August 1<sup>st</sup>, 2019, Director Frank Balesteri tendered his resignation of his Board seat. Since then, the board has published a public notice of Board of Directors Seat Vacancy. The District received one letter of interest for consideration to fill the vacant board seat from Mr. Ramon Gomez.

### **Vacancies**

*(California Government Code Section 1770 – 1782 & Fire Protection District Law of 1987: Section 13800 of the Health & Safety Code)*

1. In case of a Board vacancy, the remaining directors shall fill such vacancy by appointment. The Board will receive applications from any qualified persons seeking to fill the position after suitable public notice. The vacancy shall, within sixty (60) days, be filled by appointment of a resident elector of the district by a vote of the remaining Directors. The person appointed shall serve until a successor has been elected and qualified. If the Board of Directors fails to fill the vacancy within the sixty-day period, the county legislative authority shall make the appointment. If the number of vacancies is such that there is not a majority of the full number of directors in office, the Board of Supervisors shall within thirty days of the vacancies appoint the required number to create a majority to fill the vacancies on an interim basis through the next general election.
2. An appointee shall meet the requirements provided by law and shall serve until the next regular scheduled fire district election, at which time a director shall be elected for the unexpired term.

### **RECOMMENDATION:**

1. That the Board take action to determine eligibility/acceptance of board candidates.
2. That the board conduct Candidate interviews for vacant board seat. Eligible candidates will have 15 minutes to conduct their interviews with a 5-minute interval between candidates for possible board discussion.
3. That the Board discussion of candidates and take action of candidate selection.

# RAMON M. GOMEZ

9611 Mountain View Terrace Lane , Prunedale, CA 93907  
(831) 247-5338 ☐ [cualrmg@gmail.com](mailto:cualrmg@gmail.com)

August 8, 2019

Via Email: [Carolina.bravo@ncfpd.org](mailto:Carolina.bravo@ncfpd.org)

Ms. Carolina Bravo, Clerk of the Board  
North County Fire Protection District of Monterey County  
11200 Speegle Street  
Castroville, CA 95012

Dear Ms. Bravo & Board Members,

I would like to express my interest in serving the residents and employees of the North County Fire Protection District of Monterey County by appointment to the vacant seat. I have enclosed my resume.

I have deep ties with the North Monterey County Community and based on my professional and volunteer experience as highlighted in the enclosed resume, I believe I can work with staff, board members and the community to help find solutions in meeting the fire protection needs of residents within the North County Fire Protection District.

My wife and I moved with our children from Watsonville to Prunedale over 8 years ago. My family has lived in the area for over 40 years, and I attended Pajaro and Hall Elementary Schools. I graduated from Watsonville High in 1988 and later from the University of California, Santa Cruz.

As shown by my resume, I have developed many skills in local and regional government during my tenure as both an elected and appointed official, as well as my work as an analyst for Santa Cruz County Supervisor Greg Caput

I look forward to seeing you at the Board of Directors meeting on August 20, 2019. Please call me if you have any questions at 831/247-5338.

Sincerely,

*Ramon M. Gomez*

Ramon M. Gomez

rmg: pc  
Enclosure: Resume

## PROFESSIONAL EXPERIENCE

### **Santa Cruz County- Santa Cruz, CA**

#### **☛ County Supervisor's Analyst**

**2017 to Present**

Working knowledge of functions and organizational activities of local, state and federal government and of related community programs; principles and practices of public administration; public financing and budgeting; public information channels and methods, administrative survey and evaluative principles and techniques.

Establish and maintain working relationships with a variety of groups and individuals; understand, interpret, explain and apply laws, rules, policies and procedures; Interpret programs and problems to policy makers and the public; plan, organize, coordinate, assign; prioritize and schedule work; collect, assemble, analyze and present information and proposed actions in succinct and accurate written and oral form; maintain complex records and files; deal with confidential and sensitive material and maintain confidentiality and Input, access and analyze data.

### **Gomez & Associates – Watsonville, CA**

#### **☛ Freelance Consultant**

**2000 to Present**

Offering consulting services to candidates, campaigns, causes and ballot initiatives. Planning, implementing and monitoring strategies to achieve desired outcome; with added focus on likely voters' identification and grassroots get-out-the vote campaigns. Coordinated and managed city council and county supervisor campaigns. Chaired and helped coordinate voter registration drives; defeat a repeal of public safety tax and pass a school bond.

### **Law Office of A. Keith Lesar– Aptos, CA**

#### **☛ Paralegal**

**1993 to Present**

Case planning; development and management; legal research; client interviews; fact gathering and retrieving information; drafting and analyze documents; collecting compiling and utilizing technical information and independent decision and recommendation to attorneys. Communicate by phone, in writing and in person with clients, insurance adjusters, doctors, employers, and attorneys.

### **Saturday Citizenship Program - Watsonville, CA**

#### **☛ Director & Founder**

**1995 to 2008**

A non-profit venture in collaboration between a non-profit, a labor union and the Watsonville/Aptos Adult Education Program designed to help legal permanent residents become U.S. Citizens. Providing residents from the tri-county area education in civics, government, and English. Free citizenship application preparation and test readiness assistance.

### **City of Watsonville – Watsonville, CA**

#### **☛ City Council Member**

**1998 to 2006**

Elected by the people of Watsonville to two terms as their city representative. Drafted city policy, researched, took a stance and voted for appropriations. Supervisory responsibilities of local government city government:

Facilitated the building of housing.

Improved communication with constituents to improve public safety.

Developed partnership between non-profits, the city and schools to improve youth programs.

Championed and approved the construction of Watsonville City Plaza; a civic center in downtown Watsonville that includes a new library, county courts and a new city hall.

### **Association of Monterey Bay Area Governments (AMBAG) - Marina, CA**

#### **☛ Board Member & 2006 President**

**1999- 2006**

AMBAG provides a forum for regional planning, discussion, and study of problems of mutual interest and concern to the counties and cities in Monterey, San Benito, and Santa Cruz Counties.

As president presided over meetings of the board of directors. Represented AMBAG at regional conferences, events and the National Council of Government; Worked to improve the relationships between AMBAG and the California Housing and Community Development Department over the regional housing allocation; Facilitated cooperation/collaboration between cities and counties; Monterey, Santa Cruz and San Benito; In partnership with PG&E secured & approved a 3-year \$10million dollar energy conservation venture.

**The Citizenship Project – Salinas, CA**

**1999 to 2000**

➔ **Regional Project Manager**

Helped recruit, train and mobilize immigrant community volunteers to help them become U.S. citizens and register to vote.

**San Jose State University - San Jose, CA**

**1993**

➔ **UC Advisor**

Provided counseling to high and middle school students about academic and vocational school opportunities.  
Assisted students with admissions and financial aid applications.  
Developed case files on all participating students.  
Organized and developed and deployed outreach for workshops for parents.  
Tutored students in math, reading and writing.

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**VOLUNTEER EXPERIENCE**

**Various Local Schools, Youth Sports Leagues, and Non-Profits**

**1987 to 2018**

➔ USCIS Amnesty Advisor; UC Research Assistant, Teacher Assistant, Youth Basketball, Baseball and football coach, Santa Cruz Community Credit Union, LULAC Citizenship Advisor

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**COMMUNITY AFFILIATIONS**

- Member, Elkhorn School Site Council
- Knights of Columbus
- Pesante Water Ass.
- Board President, Independence Square Senior Housing Corporation
- UCSC Alumni Association
- NCRPD- JR Giants Coach

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**EDUCATION**

**B.A., History & B.A., Economics - University of California, Santa Cruz, CA**

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**PROFESSIONAL REFERENCES**

**Available upon Request**

## **Re-establishing Board organizational structure and subcommittee appointments**

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**PURPOSE:** To re-establishing the Board organizational structure and subcommittee appointments due to the board director appointment.

The Board will need to vote on the Board organizational structure and subcommittee appointments pursuant to Board of Directors Standard Operating Policies for the following:

- I. Slate of Officers
- II. Negotiations Committee



**Take Action to Hire Rael & Letson for Post-Retirement Actuarial Services in accordance with GASB Statement 75.**

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**PURPOSE:** To enter an agreement for services for a post-retirement actuarial study in accordance with the provisions of the Governmental Accounting Standards Board (GASB 75).

**OUTLINE:** Accounting standards require that agencies account for their future financial obligations in their annual financial statements. To determine this future obligation requires that an actuarial study be completed every two years, or when there are substantial changes in personnel or in benefit programs.

**RECOMMENDATION:** To engage Rael & Letson to complete a post retirement actuarial study with costs not to exceed \$10,500 for the June 30, 2019 actuarial valuation report, and \$6,500 for the June 30, 2020 updated measurement report. Optional supplemental services requested by the District would be charged separately at the hourly rates of \$375.00/hr. for Actuary and \$180.00/hr. for Analyst.



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Joel Mendoza, Fire Chief







**CONSULTING AGREEMENT**

***BETWEEN THE  
NORTH COUNTY FIRE PROTECTION DISTRICT  
AND  
RAEL & LETSON  
(Hereinafter called "Consultant")***

THIS AGREEMENT is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2019 between RAEL & LETSON ("Consultant") and the North County Fire Protection District (hereinafter called the "District").

**RECITALS**

District intends on retaining Consultant to provide consulting services described in Exhibit I (attached). Accordingly, District and Consultant enter into this Agreement to set forth Consultant's duties and responsibilities.

NOW, THEREFORE, it is agreed as follows:

***I***

**SERVICES**

Consultant agrees to serve District for the scope of services described in the attached Exhibit I, made a part of this Agreement.

***II***

**COMPENSATION**

Consultant's fee quotation is provided in Exhibit II (attached).

**CONSULTING AGREEMENT**

**(CONTINUED)**

**III**

**AMENDMENT**

This Agreement may be modified at any time, but only by an agreement in writing based upon the mutual agreement of the parties, and signed by both parties.

**IV**

**ASSIGNMENT**

No assignment of this Agreement shall be made by Consultant without prior written consent of District.

**V**

**EFFECTIVE DATE - DURATION AND TERMINATION**

This Agreement shall be effective as of \_\_\_\_\_, 2019 and shall continue until terminated by District or Consultant with 90 days written notice. After termination, there shall be no further liability on the part of District or Consultant, except as to the payment of any fees due for services performed to-date.

**VI**

**INSURANCE**

During the term of this Agreement, Consultant shall pay for and maintain professional liability insurance with policy limits of not less than \$10,000,000.

**CONSULTING AGREEMENT**

**(CONTINUED)**

***VII***

**NOTICES**

Any notices given under this Agreement shall be deemed delivered if sent by certified mail, return receipt requested to:

a. in the case of District:

Mr. Joel Mendoza  
Fire Chief  
North County Fire Protection District  
11200 Speegle Street  
Castroville, California 95012

b. in the case of Rael & Letson:

Mr. Jim Whelpley  
Rael & Letson  
2800 Campus Drive, Suite 150  
San Mateo, California 94403

***VIII***

**INDEMNITY**

Consultant agrees to fully indemnify and hold District harmless and agrees to provide a defense to District and to its present or former Board of Directors with respect to all claims, demands, or lawsuits against District and its present or former Board of Directors arising from the negligent acts or willful misconduct of Consultant.

District agrees to fully indemnify and hold Consultant harmless and agrees to provide a defense to Consultant with respect to all claims, demands or lawsuits against Consultant arising from negligent acts or willful misconduct of the present or former Board of Directors of District.

**CONSULTING AGREEMENT**

**(CONTINUED)**

**IX**

**ATTORNEY FEES**


In the event of any litigation between Consultant and District with respect to this Agreement, each party shall be responsible for paying their respective attorneys' fees and costs.

IN WITNESS THEREOF, the parties have executed this Agreement as of the date first written above.

**RAEL & LETSON**

**NORTH COUNTY FIRE PROTECTION DISTRICT**

**BY:**

  
\_\_\_\_\_  
Jim Whelpley, Health Consultant

**BY:**

\_\_\_\_\_  
Don Chapin, Board President

**DATE:**

July 25, 2019

**DATE:**

\_\_\_\_\_



**EXHIBIT I**  
**SCOPE OF WORK**

The following describes the scope of work Consultant will provide District.

1. Perform a **June 30, 2019** actuarial valuation of District's liability for Other Post Employment Benefits (OPEB) and deliver a report which will provide information necessary for District to comply with Governmental Accounting Standards Board Statement No. 75 (GASB 75) for fiscal year **2019/2020**. Calculations will be based on census data collected as of June 30, 2019, and will be performed according to the guidelines set forth in GASB 75 as well as applicable standards/precepts set by the American Academy of Actuaries and the Society of Actuaries. Our report will be written in a manner easily understood by non-actuaries and will include the following:
  - a. An executive summary of the results and actuarial certification;
  - b. Presentation of District's OPEB liability broken down by current employees versus retirees. Report exhibits will show the following:
    - i. Actuarial Present Value of Benefits (APVB), which is District's net liability due to past and expected future service;
    - ii. Total OPEB Liability (TOL), which is District's net liability due to past service;
    - iii. Fiduciary Net Position (FNP) and Net OPEB Liability (NOL);
    - iv. Amortizations of annual NOL changes, and outstanding balance of unamortized amounts (Deferred Outflow/Inflow of Resources);
    - v. Annual OPEB Expense (AOE) and any optionally-defined Actuarially Defined Contribution (ADC);

**EXHIBIT I**  
**SCOPE OF WORK**  
**(CONTINUED)**

- vi. Effect to the NOL resulting from a 1% increase or decrease in assumed trend and discount rates (i.e., sensitivity analysis); and
  - vii. Annual reconciliations of TOL, FNP, and NOL.
- c. A ten-year projection of expected annual cash and implicit subsidy payments based on the current pool of actives and retirees; and
- d. A summary of the participant data, actuarial assumptions/methods, and Plan provisions used for the valuation.
2. Perform a **June 30, 2020** update to the prior actuarial valuation of District's OPEB liability and deliver a report which will provide information necessary for District to comply with GASB 75 for fiscal year **2020/2021**. So long as there have been no significant plan amendments or demographic shifts within 2019/2020, this updated measurement will use a rollforward of the same census data collected for the June 30, 2019 valuation. Our report will be formatted with the same disclosure items as in the June 30, 2019 valuation report.
3. Optional, supplemental services requested by District (e.g., additional presentations, special exhibits, or analysis of proposed benefit/subsidy changes).



**EXHIBIT II**  
**FEE QUOTATION**

For items 1 and 2 of Exhibit I, Consultant's fee will be hourly time charges (at the rates specified below) to the following caps:

- **\$ 10,500** for the June 30, 2017 actuarial valuation report
- **\$ 6,500** for the June 30, 2018 updated measurement report

These fees assume that there have been no changes to District's retiree welfare benefits program since the prior valuation, and that all information exchanges can be handled via phone or email rather than in-person.

Any supplemental tasks such as those described in **item 3** of Exhibit I will result in charges at the hourly rates below. Note that these rates include an allocation for normal office expenses and administrative support.

Actuary	\$375 per hour
Analyst	\$180 per hour

The June 30, 2019 valuation report will be delivered within six to eight weeks after receiving complete and clean census data (or two weeks after receiving the June 30, 2019 ICMA OPEB Trust asset information, if later).





### Take Action on Personnel Promotions

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**PURPOSE:** To attain board approval for personnel promotions to remain compliant with the labor contracts.

**OUTLINE:** Effective September 1<sup>st</sup>, 2019 there will be a vacancy in the captain rank due to a retirement. The Local 3058 MOU requires that vacant position be filled within 30 days. With the number of personnel currently reduced down to 22, it will be necessary to promote. It is my intent to promote both a Lieutenant to a Captain, and a Firefighter to a Lieutenant in order to maintain adequate staffing levels and avoid paying unnecessary overtime.

Interviews will be conducted on prior to September 1<sup>st</sup>, 2019, pending approval of the Board.

**RECOMMENDATION:** That the board approve the above promotions effective September 1<sup>st</sup>, 2019.



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Joel Mendoza, Fire Chief