

MONTECITO FIRE PROTECTION DISTRICT

Agenda for the Regular Meeting of the Board of Directors

April 26, 2021 at 2:00 p.m.

The Regular meeting will be held via teleconference connection as permitted under the Governor's Executive Order N-29-20, dated March 17, 2020 due to concerns of COVID-19 ("Executive Order").

Members of the public will be able to observe the Regular meeting and provide public comments via Zoom: <https://zoom.us/j/97396260290>, or by calling 1-669-900-6833, meeting ID: 973 9626 0290. Any member of the public who would like to provide public input on an item listed on the agenda may utilize the "Raise Hand" feature through the Zoom App or enter "*9" if participating by telephone only. The host will be notified, and you will be recognized to speak on the agenda item in the order such requests are received by the District.

Agenda items may be taken out of the order shown.

1. Public comment: Any person may address the Board at this time on any non-agenda matter that is within the subject matter jurisdiction of the Montecito Fire Protection District. (30 minutes total time allotted for this discussion.)
2. Introduction of new hire: Public Information Officer, Christina Favuzzi.
3. That the Board of Directors approve a Pension Obligation Bond financing option or modify or reject the presented options. (Strategic Plan Goal 9)
 - a. Staff report presented by Fire Chief Taylor and District Accountant Nahas.
4. That the Board of Directors adopt a Debt Policy to comply with debt issuance requirements set forth in Senate Bill 1029. (Strategic Plan Goal 9)
 - a. Staff report presented by Fire Chief Taylor and District Accountant Nahas.
5. That the Board of Directors approve and authorize the Fire Chief to execute an agreement for professional services with Capitol Public Finance Group, LLC, to provide Municipal Security Issuance Services for a Pension Obligation Bond. (Strategic Plan Goal 9)
 - a. Staff report presented by Fire Chief Taylor and District Accountant Nahas.
6. That the Board of Directors authorize the Fire Chief to enter into a contract with Fehr & Peers the lowest, responsive bidder, at an amount not to exceed \$86,170 to complete the Community Emergency Evacuation Analysis. (Strategic Plan Goals 1, 2, 3, 4 and 5)

- a. Staff report presented by Fire Marshal Briner.
7. That the Board of Directors authorize Board President Lee to execute the Joint Representation – Consent instrument acknowledging that the Board has been advised of Rule 1.7 of the Rules of Professional Conflict of the State Bar of California and that Mr. Manion has a present and continuing attorney-client relationship with Montecito Fire Protection District and Carpinteria-Summerland Fire Protection District. (Strategic Plan Goal 4)
 - a. Staff report presented by Fire Chief Taylor.
8. That the Board of Directors approve Resolution 2021-02, acknowledging receipt of a report made by the Fire Chief of the Montecito Fire Protection District regarding the inspection of certain occupancies required to receive annual inspections pursuant to sections 13146.2 and 13146.3 of the California Health and Safety Code. (Strategic Plan Goal 2)
 - a. Staff report presented by Fire Marshal Briner.
9. Consider approval of Resolution 2021-03, Authorizing Overtime Pay and Portal to Portal Pay for employees. (Strategic Plan Goal 7)
 - a. Staff report presented by Division Chief – Operations Neel.
10. Approval of Minutes of the March 16, 2021 Special Joint Meeting.
11. Approval of Minutes of the March 22, 2021 Regular Meeting.
12. Fire Chief's report.
13. Board of Director's report.
14. Suggestions from Directors for items other than regular agenda items to be included for the May 24, 2021 Regular Board meeting.

Adjournment

This agenda posted pursuant to the provisions of the Government Code commencing at Section 54950 and the Executive Order. The date of the posting is April 22, 2021.



Kevin Taylor, Fire Chief

Note: In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the District office at (805) 969-7762. Notification at least 48 hours prior to the meeting will enable the District to make reasonable arrangements. Board packets are available for public inspection during normal business hours at Montecito Fire Protection District Headquarters. Further, as required under the Executive Order the District will swiftly resolve any requests for a reasonable modification or accommodation from individuals with disabilities, consistent with the Americans with Disabilities Act and resolve any doubt whatsoever in favor of accessibility.

Agenda

Item #3



STAFF REPORT

To: Montecito Fire Protection District Finance Committee
From: Kevin Taylor, Fire Chief *KT*
Prepared by: Araceli Nahas, Accountant *AN*
Date: April 26, 2021
Topic: Pension Obligation Bond Financing Options

Summary

On April 12, 2021, the Board of Directors held a Special Meeting Study Session in which Capitol PFG Managing Partner Jeff Small, presented various funding strategies to manage the District's CalPERS pension unfunded accrued liability (UAL). The Board directed Staff to refine some of the Pension Obligation Bond (POB) financing options, and Jeff Small will review the two new options during the April 26th Board Meeting.

Discussion

During the Study Session, the Board took an in-depth look at the option to pay off the District's existing debt with CalPERS of \$25.6 million, borrowed at the 7% discount rate, and instead issue a POB at an assumed rate of about 3%. Based on direction from the Study Session, there are two new options for the Board's consideration – both options include a 95% funding target with CalPERS and utilize existing reserves (cash on hand) to pay off a portion of the UAL up-front.

Option 1A: Utilizes \$5.7 million of reserves, POB term is 13 years, with overall savings of \$23.2 million, and an assumed borrowing rate of 2.5%.

Option 1B: Utilizes \$7.7 million of reserves, POB term is 12 years, with overall savings of \$26.0 million dollars, and an assumed borrowing rate of 2.39%.

Please note that the new options re-structured the total POB and CalPERS UAL residual payments to total \$1.9 million on an annual basis, this amount is equal to the scheduled UAL payment for fiscal year 2022. And, the CalPERS residual UAL was changed to a 10-year payoff to maximize savings.

Conclusion

Staff recommends that the Board of Directors approve a Pension Obligation Bond financing option as presented or modify or reject the options.

Attachments

1. Pension Obligation Bond Financing Options

Strategic Plan Reference

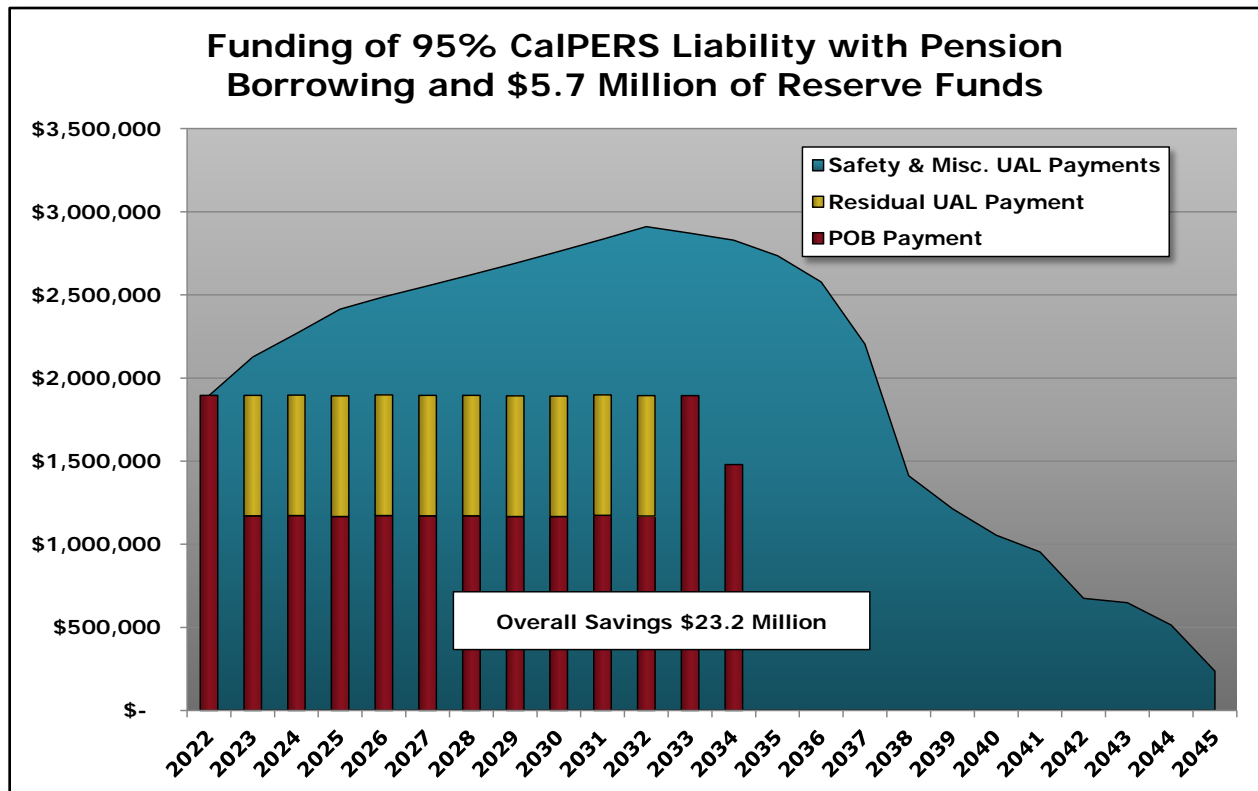
Strategic Plan Goal #9, Ensure Financial Accountability & Transparency

Montecito Fire Protection District Pension Obligation Bond Financing Options April 26, 2021

Option #1A

Reserve Funds			
	Proposed Budget FY 2020-21	Proposed	Amounts Available for One Time Prefunding of Retirement
Economic Uncertainties Reserve	\$4,330,000	\$4,330,000	\$0
Catastrophic Reserve	\$2,710,000	\$2,710,000	\$0
Unrestricted Residual	\$4,526,937	\$1,000,000	\$3,526,937
Capital Reserve	\$3,014,072	\$3,000,000	\$14,072
Land and Building Reserve	\$4,995,305	\$2,836,314	\$2,158,991
Total	\$19,576,314	\$13,876,314	\$5,700,000

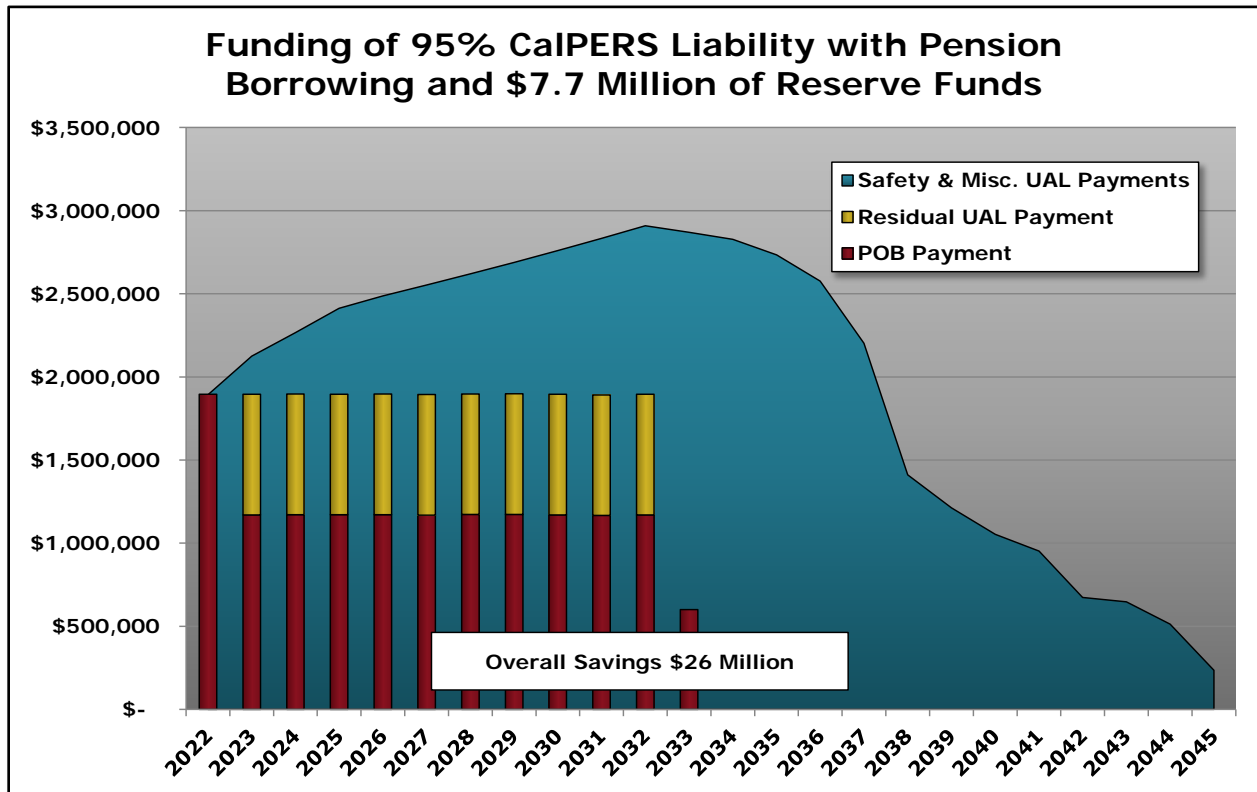
The District has approximately \$5.8 million in its Pension Trust that is locally controlled and can be used to achieve 100% Funded Status



Option #1B

Reserve Funds			
	Proposed Budget FY 2020-21	Proposed	Amounts Available for One Time Prefunding of Retirement
Economic Uncertainties Reserve	\$4,330,000	\$4,330,000	\$0
Catastrophic Reserve	\$2,710,000	\$2,710,000	\$0
Unrestricted Residual	\$4,526,937	\$0	\$4,526,937
Capital Reserve	\$3,014,072	\$3,000,000	\$14,072
Land and Building Reserve	\$4,995,305	\$1,836,314	\$3,158,991
Total	\$19,576,314	\$11,876,314	\$7,700,000

The District has approximately \$5.8 million in its Pension Trust that is locally controlled and can be used to achieve 100% Funded Status



Statistical Summary of Bond Options		
	Option #1	Option #2
POB Type	Public Offering	Public Offering
Funding Target	\$20,268,000	\$20,268,000
POB Deposit	\$14,568,000	\$12,568,000
District Contribution	\$5,700,000	\$7,700,000
Remaining UAL	\$5,267,936	\$5,267,936
Prior CalPERS Payments	\$47,462,753	\$47,462,753
POB Payments	\$16,964,421	\$14,204,385
Residual UAL Payments	\$7,251,110	\$7,251,110
Savings	\$23,247,223	\$26,007,258
POB Par Amount	\$14,890,000	\$12,870,000
All In Borrowing Cost	2.50%	2.39%

All scenarios assume a Funding Target of 95%. The 2021-22 UAL payment will be taken from funds allocated to the Funding Target. All In Borrowing Cost includes all estimated costs of issuance and reflects market interest rates for an assumed "AAA" rated bond as of April 13, 2021. Interest rates are subject to change based on market conditions at the time of sale. The Residual UAL Payments are calculated based on a 10 year "Fresh Start" estimate.

Agenda

Item #4



STAFF REPORT

To: Board of Directors
From: Kevin Taylor, Fire Chief *KT*
Prepared by: Araceli Nahas, Accountant *AN*
Date: April 26, 2021
Topic: Debt Policy Adoption

Summary

The Board of Directors is considering the issuance of a Pension Obligation Bond (POB) to address the existing pension unfunded accrued liabilities held with CalPERS. Prior to issuing any debt, the District must have an approved debt policy on file. Capitol PFG Managing Partner, Jeff Small, worked with Staff to develop the proposed debt policy to fulfill that requirement.

Discussion

In September 2016, the California legislature enacted Senate Bill 1029, which amended Government Code Section 8855 by requiring debt issuers to certify that they have adopted local debt policies 30 days prior to the issuance of debt. The proposed debt policy complies with the requirements of SB 1029 and includes best practices for issuing debt.

Conclusion

Staff recommends that the Board of Directors adopt the Debt Policy.

Attachments

1. Montecito Fire Protection District Debt Policy

Strategic Plan Reference

Strategic Plan Goal #9, Ensure Financial Accountability & Transparency

Debt Issuance and Management Policy

1 Authorized Purposes for the Issuance of Debt

The MFPD may issue debt for any of the following purposes:

1. To provide for cash flow needs
2. To fund pensions
3. To pay for the cost of capital improvements, including acquiring, constructing, reconstructing, rehabilitating, replacing, improving, extending, enlarging, and/or equipping MFPD facilities
4. To refinance existing debt

2 Authorized Types of Debt

The Fire Chief or designee shall recommend to the Board potential financing method(s) that result in the highest benefit to the MFPD, with the cost of staff and consultants considered. Potential financing sources may include:

1. Temporary borrowings from other sources and short-term debt, such as Tax and Revenue Anticipation Notes (TRANS), when necessary to allow the MFPD to meet its cash flow requirements
2. Lease financing and Installment Sale Agreements, including certificates of participation (COPs) and Lease Revenue Bonds (LRBs) and Pension Obligation Bonds (POBs)
 - a. To fund priority capital projects and equipment purchases when pay-as-you-go financing is not desirable
 - b. To fund unfunded pension liabilities

3 Relationship of Debt to MFPD Facilities Program and Budget

Decisions regarding the issuance of debt for the purpose of financing capital improvement shall be aligned with current needs of the MFPD, including its vehicle and apparatus replacement plan, capital improvement plan, and other applicable needs subject to the assessment of the projected costs and resources of the MFPD.

When considering a debt issuance, the MFPD may evaluate both the short-term and long-term implications of the debt issuance and additional operating costs associated with the new projects involved. Such evaluation may include the effect of annual debt service secured by the general fund on general fund expenditures; the amortization structure, prepayment features, and useful life of the projects being financed (for further information see "Structure of Debt Issues").

Montecito Fire Protection District Debt Policy

For debt issued to fund pension liabilities, the MFPD will consult with actuaries and advisors regarding the estimated effects of any pension bonds on future contributions, and any applicable changes to the current budget year.

The MFPD may enter into credit enhancement agreements such as municipal bond insurance, surety bonds, letters of credit, and lines of credit with commercial banks, municipal bond insurance companies, or other financial entities when their use is judged to lower borrowing costs, eliminate restrictive covenants, or have a net economic benefit to the financing.

4 Structure of Debt Issues

The MFPD shall consider the overall impact of the current and future debt burden of the financing when determining the duration of the debt issue.

The MFPD shall design the financing schedule and repayment of debt so as to take best advantage of market conditions, ensure cost effectiveness, provide flexibility, and, as practical, recapture or maximize its debt capacity for future use. Principal amortization will be structured to meet resources available for debt repayment and flexibility goals.

For debt issuances for capital improvements, the MFPD shall size the debt issuance with the aim of funding capital projects as deemed appropriate by the Board and consistent with the overall financing plan.

To the extent practicable, the MFPD shall also consider credit issues, market factors, and tax law when sizing the MFPD's debt issuance. The sizing of refunding bonds shall be determined by the amount of money that will be required to cover the principal of, any accrued interest on, and any redemption premium for the debt to be paid on the call date and to cover appropriate financing costs.

The final maturity of equipment or real property lease obligations will be limited to the useful life of the assets to be financed.

5 Method of Sale

For the sale of any district-issued debt, the MFPD's Municipal Advisor shall recommend the method of sale with the potential to achieve the lowest financing cost and/or to generate other benefits to the MFPD. Potential methods of sale include:

1. A competitive bidding process through which the award is based on, among other factors, the lowest offered true interest cost
2. Negotiated sale, subject to approval by the MFPD to ensure that interest costs are in accordance with comparable market interest rates
3. Direct loans and private placement sale. A direct loan with the MFPD's depository bank can be used when the terms, financing costs, and relationship make the direct loan the most cost effective and favorable option. A private placement may be used as an alternative when the terms of the private placement are more beneficial to the MFPD than a direct loan, or negotiated or competitive sale

Montecito Fire Protection District Debt Policy

6 Investment of Proceeds

The MFPD shall actively manage the proceeds of debt issued for public purposes in a manner that is consistent with state law governing the investment of public funds and with the permitted securities covenants of related financing documents executed by the MFPD. Where applicable, the MFPD's official investment policy and legal documents for a particular debt issuance shall govern specific methods of investment of bond-related proceeds. Preservation of principal shall be the primary goal of any investment strategy, followed by the availability of funds and then by return on investment.

The management of public funds shall enable the MFPD to respond to changes in markets or changes in payment or construction schedules so as to ensure liquidity and minimize risk.

7 Refunding/Restructuring

The MFPD may consider refunding or restructuring outstanding debt if it will be financially advantageous or beneficial for debt repayment and/or structuring flexibility. When doing so, the MFPD shall consider the maximization of the MFPD's expected net savings over the life of the debt issuance.

8 Goals of Debt Management Policy

The MFPD's debt issuance activities and procedures shall be aligned with the MFPD's vision and goals for providing adequate facilities and emergency services that protect the community. When issuing debt, the MFPD shall ensure that it:

1. Maintains accountability for the fiscal health of the MFPD, including prudent management and transparency of the MFPD's financing programs
2. If applicable, pursues the best possible credit rating for each debt issue in order to reduce interest costs, within the context of preserving financial flexibility and meeting capital funding requirements
3. Takes all practical precautions and proactive measures to avoid any financial decision that will negatively impact current credit ratings on existing or future debt issues
4. Maintains effective communication with rating agencies and, as appropriate, credit enhancers such as bond insurers or other providers of credit or liquidity instruments in order to enhance the creditworthiness, liquidity, or marketability of the debt
6. When determining the timing of debt issuance, considers market conditions, cash flows associated with repayment, and the MFPD's ability to expend the obtained funds in a timely, efficient, and economical manner consistent with federal tax laws
7. Determines the amortization (maturity) schedule which will fit best within the overall debt structure of the MFPD at the time the new debt is issued
8. Considers the useful lives of assets funded by the debt issue, as well as repair and replacement costs of those assets to be incurred in the future

Montecito Fire Protection District Debt Policy

9. Preserves the availability of the MFPD's general fund for operating purposes
10. Meets the ongoing obligations and accountability requirements associated with the issuance and management of debt under state and federal tax and securities laws

9 Internal Controls

The MFPD shall establish internal control procedures to ensure that the proceeds of any debt issuance are directed to the intended use. Such procedures shall assist the MFPD in maintaining the effectiveness and efficiency of operations, properly expending funds, reliably reporting debt incurred by the MFPD and the use of the proceeds, complying with all laws and regulations, preventing fraud, and avoiding conflict of interest.

The MFPD shall be vigilant in using bond proceeds in accordance with the stated purposes at the time such debt was incurred.

In addition, the MFPD shall ensure that it complies with all federal securities laws, federal tax compliance requirements, and covenants associated with the debt issuance.

10 Records/Reports

No later than 30 days prior to the sale of any debt issue, the MFPD shall submit a report of the proposed issuance to the California Debt and Investment Advisory Commission. The report of the proposed debt issuance shall include a certification by the MFPD that it has adopted local debt policies concerning the use of debt and that the contemplated debt issuance is consistent with those local debt policies.

No later than 21 days after the sale of the debt, the MFPD shall submit a report of final sale to the California Debt and Investment Advisory Commission. A copy of the final official statement for the issue shall accompany the report of final sale. If there is no official statement, the MFPD shall provide each of the following documents, if they exist, along with the report of final sale:

- Other disclosure document.
- Indenture.
- Installment sales agreement.
- Loan agreement.
- Promissory note.
- Bond purchase contract.
- Resolution authorizing the issue.
- Bond specimen.

The MFPD shall submit an annual report for any issue of debt for which it has submitted a report of final sale on or after January 21, 2017. The annual report shall cover a reporting period from July 1 to June 30, inclusive, and shall be submitted no later than seven months after the end of the reporting period. The annual report shall consist of the following information:

- Debt authorized during the reporting period, which shall include the following: (1) Debt authorized at the beginning of the reporting period; (2) Debt authorized and issued during the

Montecito Fire Protection District Debt Policy

reporting period; (3) Debt authorized but not issued at the end of the reporting period; and (4) Debt authority that has lapsed during the reporting period.

- Debt outstanding during the reporting period, which shall include the following: (1) Principal balance at the beginning of the reporting period; (2) Principal paid during the reporting period; and (3) Principal outstanding at the end of the reporting period.
- The use of proceeds of issued debt during the reporting period, which shall include the following: (1) Debt proceeds available at the beginning of the reporting period; (2) Proceeds spent during the reporting period and the purposes for which is was spent; and (3) Debt proceeds remaining at the end of the reporting period.

11 Municipal Advisor

The Fire Chief or designee shall retain a municipal advisor to assist with the issuance of debt or bank loans exceeding \$1.5 million in size. The municipal advisor will render advice, as directed, on the District's current debt, financing options for new debt including recommendations concerning the timing, structure, repayment, sizing, method of sale and other debt related issues. Municipal advisors shall be registered with the Securities & Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB).

12 SB 1029 Compliance

In September 2016, the California legislature enacted Senate Bill 1029, which amended Government Code Section 8855 by requiring debt issuers to certify that they have adopted local debt policies 30 days prior to the issuance of debt. The debt policies must include the following:

1. The purposes for which the debt proceeds may be used
2. The types of debt that may be issued
3. The relationship of the debt to, and integration with, the issuer's capital improvement program or budget, if applicable
4. Policy goals related to the issuer's planning goals and objectives
5. The internal control procedures that the issuer has implemented, or will implement, to ensure that the proceeds of the proposed debt issuance will be directed to the intended use

The above Debt Policy complies with the requirements of SB 1029 and includes best practices for issuing debt.

Agenda

Item #5



STAFF REPORT

To: Board of Directors
From: Kevin Taylor, Fire Chief *KT*
Prepared by: Araceli Nahas, Accountant *AN*
Date: April 26, 2021
Topic: Municipal Advisor Professional Services Agreement

Summary

The Board of Directors is considering the issuance of a Pension Obligation Bond (POB) to address the existing pension unfunded accrued liabilities held with CalPERS. Prior to issuing a bond, the District must assemble a POB team, which includes a Municipal Advisor, Bond Counsel, and Placement Agent.

Discussion

During the POB process, the Municipal Advisor (MA) provides analysis and recommendations on current debt, financing options for new debt including recommendations concerning the timing, structure, method of sale and other debt related issues. The MA also assists Staff by recommending Bond Counsel and a Placement Agent to complete the POB team. Most importantly for this role, Municipal Advisors have a fiduciary responsibility to act in the District's best interest, deal fairly and disclose all conflicts of interest during the debt issuance process.

Given the strong working relationship with Capitol PFG, Staff recommends that Managing Partner, Jeff Small, serve as the District's Municipal Advisor during the POB process. Mr. Small has a strong understanding of our District, financial position, debt restructuring needs, and has proven to be an extremely knowledgeable and experienced Municipal Advisor.

Conclusion

Staff recommends that the Board of Directors approve and authorize the Fire Chief to execute an agreement for professional services with Capitol Public Finance Group, LLC to provide Municipal Security Issuance Services for a Pension Obligation Bond. Per Exhibit A, payment will be a flat fee of \$35,000 if the Bonds are issued as a Direct Placement or \$55,000 if the Bonds are issued as a Public Offering.

Attachments

1. Agreement for Professional Services with Capitol Public Finance Group, LLC

Strategic Plan Reference

Strategic Plan Goal #9, Ensure Financial Accountability & Transparency

**AGREEMENT FOR
PROFESSIONAL SERVICES
BETWEEN
MONTECITO FIRE PROTECTION DISTRICT
AND
CAPITOL PUBLIC FINANCE GROUP, LLC**

1. Parties and Date.

This Agreement ("Agreement") is made and entered into this **26th day of April, 2021**, by and between **MONTECITO FIRE PROTECTION DISTRICT** (the "District") and **CAPITOL PUBLIC FINANCE GROUP, LLC** ("Consultant") (collectively referred to as the "Parties" and each individually as the "Party").

2. Recitals.

2.1 Consultant. Consultant is a professional consultant, experienced and properly certified/licensed to provide the professional services described herein, and is familiar with the plans of the District.

3. Terms.

3.1 Scope of Services, Qualifications and Term.

(a) General Scope of Services. Consultant promises and agrees to furnish all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply professional services, as more particularly described in the scope of work proposal and fee schedule set forth in **Exhibit "A"** attached hereto and incorporated herein by reference (collectively "Services").

(b) Fiduciary Duty. In accordance with the Municipal Securities Rulemaking Board Rules G-10 and G-42, Consultant has provided a Conflict of Interest Disclosure as set forth in **Exhibit "B"**. Consultant shall provide the District with periodic updates of Exhibit "B" on an as-needed basis. Any such updates of Exhibit "B" shall be incorporated by reference as of the date thereof into this Agreement to the same extent as if set forth herein.

3.2 Term. The term of this Agreement shall be from the date first written above and shall continue until June 30, 2023, unless earlier terminated as provided herein. The Parties may mutually agree to extend this term by written amendment.

3.3 General Considerations.

(a) Control and Payment of Consultants and its Subordinates. The District retains Consultant on an independent contractor basis and Consultant is not an employee of the District. Any additional personnel performing the Services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Consultant shall pay all wages, salaries, and other amounts due such personnel in connection with their

performance of Services under this Agreement and as required by law including, but not limited to, the payment of prevailing wage, as applicable.

(b) Conformance to Applicable Requirements. All work prepared by Consultant is subject to the approval of the District and any and all applicable regulatory State agencies, and shall be the property of the District.

(c) Coordination of Services. Consultant agrees to work closely with the District staff in the performance of Services and shall be available to the District's staff, consultants and other staff at all reasonable times.

(d) Insurance. Consultant shall provide insurance in amount and type required by the District, if any, subject to the review and approval of the District. Consultant shall also provide District with the copies of its insurance policies prior to commencing work on the Project if required in writing by the District.

3.4 Fees and Payments.

(a) Compensation. Consultant shall receive compensation, including reimbursements, for all Services rendered under this Agreement for the not-to-exceed fees set forth in Exhibit "A" attached hereto and incorporated herein by reference. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

(b) Reimbursement of Expenses. Consultant shall not be reimbursed for any expenses unless authorized in writing in advance by the District.

(c) Payment of Compensation. The District shall pay Consultant within a reasonable time and in accordance with this Agreement.

(d) Extra Work. At any time during the term of this Agreement, the District may request that Consultant perform Extra Work. As used herein, "Extra Work" means any Services which are determined by the District to be necessary, but which the Parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall be compensated for Extra Work as set forth in Exhibit "A."

3.5 **Maintenance of Accounting Records.** Consultant shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Consultant shall allow a representative of the District during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Consultant shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of four (4) years from the date of final payment under this Agreement.

3.6 General Provisions.

(a) Suspension of Services. The District may, in its sole discretion, suspend all or any part of Services provided hereunder without cost; provided, however, that if the

District shall suspend Services for a period of ninety (90) consecutive days or more and in addition such suspension is not caused by Consultant or the acts or omissions of Consultant, upon rescission of such suspension, the compensation will be subject to adjustment to provide for actual costs and expenses incurred by Consultant as a direct result of the suspension and resumption of Services under this Agreement. Consultant may not suspend its service without the District's express written consent.

(b) Termination of Agreement.

(i) Grounds for Termination. The District may, by written notice to Consultant, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Consultant of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Consultant shall be compensated only for those services which have been adequately rendered to the District, and Consultant shall be entitled to no further compensation. Consultant may not terminate this Agreement except for cause.

(ii) Effect of Termination. If this Agreement is terminated as provided in this Section, the District may require Consultant to provide all finished or unfinished documents, data, programming source code, reports or any other items prepared by Consultant in connection with the performance of Services under this Agreement. Consultant shall be required to provide such documents and other information within fifteen (15) days of the request.

(iii) Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, the District may procure, upon such terms and in such manner as it may determine appropriate, services similar or identical to those terminated.

(c) Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective Parties at the following address, or at such other address as the respective Parties may provide in writing for this purpose:

CONSULTANT:

CAPITOL PUBLIC FINANCE GROUP

2436 Professional Drive, Suite 300

Roseville, CA 95661

Tel.: (916) 641-2734

Attn: Jeffrey Small, Managing Partner

DISTRICT:

MONTECITO FIRE PROTECTION DISTRICT

595 San Ysidro Road

Santa Barbara, CA 93108

Attn: Kevin Taylor, Fire Chief

Such notice shall be deemed made when personally delivered to the address set forth above, or forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed as set forth above. Delivery of notice may also be made by overnight mail with proof of delivery; by facsimile with proof of transmission; or by email if receipt is acknowledged by the recipient of the email notice. Notice shall be deemed adequate on the date actual notice occurred, regardless of the method of service.

(d) Mediation. Disputes arising from this Agreement may be submitted to mediation if mutually agreeable to the Parties hereto. The type and process of mediation to be utilized shall be subject to the mutual agreement of the Parties.

(e) Ownership of Materials and Confidentiality.

(i) All materials and data prepared or collected by Consultant pursuant to performing the Services under this Agreement, shall be the sole property of the District, except for documents prepared solely for the Consultant's business purposes and except that Consultant shall have the right to retain copies of all such documents and data for its records or as may be required by laws, rules and regulations applicable to the Consultant. The District shall not be limited in any way in its use of such materials and data at any time, provided that any such use not within the purposes intended by this Agreement shall be at the District's sole risk and provided that Consultant shall be indemnified against any damages resulting from such use, including the release of this material to third parties for a use not intended by this Agreement.

(ii) Should the District wish to obtain possession of any such materials or data during the term of this Agreement or upon completion of the term of this Agreement, it shall make its request in writing. Such information shall be provided to the District within a reasonable time after its request.

(f) Limitation of Liability. In the absence of willful misconduct, bad faith, gross negligence or reckless disregard of obligations or duties hereunder on the part of Consultant or any of its associated persons, Consultant and its associated persons shall have no liability to District for any act or omission in the course of, or connected with, rendering services hereunder, or for any error of judgment or mistake of law, or for any loss arising out of any issuance of municipal securities, any municipal financial product or any other investment, or for any financial or other damages resulting from District's election to act or not to act, as the case may be, contrary to any advice or recommendation provided by Consultant to District. No recourse shall be had against Consultant for loss, damage, liability, cost or expense (whether direct, indirect, or consequential) of District arising out of or in defending, prosecuting, negotiating or responding to any inquiry, questionnaire, audit, suit, action, or other proceeding brought or received from the Internal Revenue Service in connection with any issuance of municipal securities, any municipal financial product or any other investment or otherwise relating to the tax treatment of any issuance of municipal securities, any municipal financial product or any other investment, or in connection with any opinion or certificate rendered by counsel or any other party. Notwithstanding the foregoing, nothing contained in this paragraph or elsewhere in this Agreement shall constitute a waiver by the District of any of its legal rights under applicable U.S. federal securities laws or any other laws whose applicability is not

permitted to be contractually waived, nor shall it constitute a waiver or diminution of Municipal Advisor's fiduciary duty to the District (if applicable) under Section 15B(c)(1) of the Securities Exchange Act of 1934, as amended, and the rules thereunder.

(g) Entire Agreement. This Agreement contains the entire Agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements.

(h) Governing Law. This Agreement shall be governed by the laws of the State of California. Any action brought to enforce the terms of this Agreement shall be brought in a state or federal court located in the County of Santa Barbara, State of California.

(i) Time of Essence. Time is of the essence for each and every provision of this Agreement.

(j) The District's Right to Employ Other Consultants. The District reserves right to employ other consultants in connection with this Project. However, Consultant shall be the exclusive consultant for purposes of the Services as noted within this Agreement, unless terminated as provided herein.

(k) Successors and Assigns. This Agreement shall be binding on the successors and assigns of the Parties, and shall not be assigned by Consultant without the prior written consent of the District.

(l) Amendments. This Agreement may not be amended except by a writing signed by the District and Consultant.

(m) Severability. If any section, subsection, sentence, clause or phrases of this Agreement, or the application thereof to any of the Parties, is for any reason held invalid or unenforceable, the validity of the remainder of the Agreement shall not be affected thereby and may be enforced by the Parties to this Agreement.

(n) Interpretation. In interpreting this Agreement, it shall be deemed that it was prepared jointly by the Parties with full access to legal counsel of their own. No ambiguity shall be resolved against any party on the premise that it or its attorneys were solely responsible for drafting this Agreement or any provision thereof.

(o) Conflict of Interest. For the term of this Agreement, no member, officer or employee of the District, during the term of his or her service with the District, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

(p) Non-Waiver. None of the provisions of this Agreement shall be considered waived by either party, unless such waiver is expressly specified in writing.

(q) Board Approval Required. This Agreement shall not be binding nor take effect unless approved or ratified by the District Board of Directors. Any amendments, except as required by law, to this Agreement shall require Board approval or ratification.

(r) Exhibits and Recitals. All Exhibits and Recitals contained herein are hereby incorporated into this Agreement by this reference.

(s) Counterparts. This Agreement may be executed in counterparts, each of which shall constitute an original and all of which shall constitute one agreement. Copies of signatures shall have the same force and effect as original signatures.

(t) Authority to Execute. The persons executing this Agreement on behalf of their respective Parties represent and warrant that they have the authority to do so under law and from their respective Parties.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement by their authorized officers as of the day, month and year first written above.

MONTECITO FIRE PROTECTION DISTRICT

CAPITOL PUBLIC FINANCE GROUP, LLC

By: _____

Name: Kevin Taylor

Title: Fire Chief

By:  _____

Name: Jeffrey Small

Title: Managing Partner

EXHIBIT "A"

Scope of Work and Fee Schedule

The services provided under this Agreement are limited to the services described below unless otherwise agreed to in writing by Capitol Public Finance Group.

Municipal Security Issuance Services

- Issuance of Montecito Fire Protection District, Pension Obligation Bonds (Bonds)
- Financial and credit analysis
- Selection of financing team and negotiation of contracts
- Recommendations regarding public offering and private placement based on initial and ongoing costs as well as consideration of liability, staff time and market conditions
- Design and sizing of bond
- Recommendation of bond terms such as ability to prepay
- Bond pricing and negotiation
- Document review
- Coordination with CalPERS, General Counsel, CPA, Bond Counsel, Underwriter/Banker and other professionals
- Preparation of all meeting materials including presentations

In consideration of Municipal Security Issuance Services provided, Montecito Fire Protection District will pay Capitol Public Finance Group a flat fee of \$35,000 if the Bonds are issued as a Direct Placement or a flat fee of \$55,000 if the Bonds are issued as a Public Offering contingent on the successful closing of the Bonds.

Unless otherwise provided above, Capitol Public Finance Group is not responsible for preparing any preliminary or final official statement, or for certifying as to the accuracy or completeness of any preliminary or final official statement, other than with respect to any information about Capitol Public Finance Group provided by Capitol Public Finance Group for inclusion in such documents. The Parties understand and intend that the District shall consult with their disclosure counsel to determine if any information provided in Exhibit "B" shall be disclosed in the preliminary or final official statement.

Extra Work

Capitol Public Finance Group, at the direction of the District, may provide additional financial planning and advisory services, including but not limited to financial planning for new and existing purposes and related products, proposals, inquiries and reports that will assist the District in financial decision making.

In consideration of Extra Work provided, the District will pay Capitol PFG an hourly rate of \$195 billed on a monthly basis. Capitol PFG will not bill any hourly work without first obtaining approval.

EXHIBIT "B"
MSRB Rule G-10 and G-42 Supplement

Conflict of Interest and Other Regulatory Disclosure
Montecito Fire Protection District

As of April 26, 2021

Municipal Advisory Services

As part of the fiduciary duty Municipal Advisors owe to their clients, Capitol PFG is providing this supplement to advise you of actual or potential conflicts of interest. Capitol PFG is identifying actual or potential conflicts of interest by marking the relevant conflict in the boxes below; providing a brief explanation of the nature, implications and potential consequences of each conflict; and providing an explanation of how Capitol PFG will manage or mitigate the conflict.

- any actual or potential conflicts of interest of which it is aware after reasonable inquiry that could reasonably be anticipated to impair its ability to provide advice to or on behalf of the client in accordance with its fiduciary duty to municipal entity clients
- any affiliate of the municipal advisor that provides any advice, service, or product to or on behalf of the client that is directly related to the municipal advisory activities to be performed by the disclosing municipal advisor
- any payments made by the municipal advisor, directly or indirectly, to obtain or retain an engagement to perform municipal advisory activities for the client
- any payments received by the municipal advisor from a third party to enlist the municipal advisor's recommendation to the client of its services, any municipal securities transaction or any municipal financial product
- any fee-splitting arrangements involving the municipal advisor and any provider of investments or services to the client
- any conflicts of interest arising from compensation for municipal advisory activities to be performed that is contingent on the size or closing of any transaction as to which the municipal advisor is providing advice

Explanation of Conflict. The fees to be paid by the Montecito Fire Protection District for Financial Transaction Services to Capitol PFG are contingent on the successful closing of the transaction. Although this form of compensation may be customary, it presents a conflict because Capitol PFG may have an incentive to recommend unnecessary financings or financings that are disadvantageous to the Montecito Fire Protection District. For

example, when facts or circumstances arise that could cause the financing or other transaction to be delayed or fail to close, Capitol PFG may have an incentive to discourage a full consideration of such facts and circumstances, or to discourage consideration of alternatives that may result in the cancellation of the financing or other transaction. Capitol PFG manages and mitigates this conflict primarily by adherence to the fiduciary duty which it owes to municipal entities such as the Montecito Fire Protection District which require it to put the interests of the Montecito Fire Protection District ahead of its own.

- any other engagements or relationships of the municipal advisor that could reasonably be anticipated to impair the municipal advisor's ability to provide advice to or on behalf of the client in accordance with its fiduciary duty to municipal entity clients
- Capitol PFG has determined, after exercising reasonable diligence, that it has no known material conflicts of interest that would impair its ability to provide advice to the Montecito Fire Protection District in accordance with its fiduciary duty to the Montecito Fire Protection District. To the extent any such conflicts of interest arise after the date of this Agreement, Capitol PFG will provide information with respect to such conflicts in the form of a written supplement to this Agreement.
- any legal or disciplinary event that is material to the Montecito Fire Protection District evaluation of Capitol PFG or the integrity of its management or advisory personnel

Copies of Capitol PFG filings with the United States Securities and Exchange Commission can currently be found by accessing the SEC's EDGAR system Company Search Page which is currently available at <https://www.sec.gov/edgar/searchedgar/companysearch.html> and searching for either Capitol Public Finance Group, LLC or for our CIK number which is 0001614042. There have been no material changes to the legal or disciplinary events that Capitol PFG has disclosed to the SEC.

Information for Municipal Advisory Clients

Capitol Public Finance Group, LLC is registered as a Municipal Advisor with the Municipal Securities Rulemaking Council (MSRB) and the Securities and Exchange Commission (SEC).

The MSRB's website address is <http://msrb.org/>

The MSRB provides a municipal advisory client brochure that is posted on its website. The brochure describes protections that may be provided by the MSRB and how to file a complaint with an appropriate regulatory authority.

The MSRB Client Brochure may be found at the following link:

<http://www.msrb.org/~media/Files/Resources/MSRB-MA-Clients-Brochure.ashx?la=en>

Agenda

Item #6



STAFF REPORT

To: Montecito Fire Protection District Board of Directors
From: Kevin Taylor, Fire Chief *KT*
Prepared By: Aaron Briner, Fire Marshal *AB*
Date: April 26, 2021
Topic: Community Emergency Evacuation Analysis

Summary

The Montecito Fire Protection District wishes to enhance community emergency preparedness by hiring a consultant to conduct a Community Emergency Evacuation Analysis. The Community Emergency Evacuation Analysis was approved in the current fiscal year budget process.

Discussion

Emergency officials have evacuated portions of Montecito ten times since the 2008 Tea Fire. The numerous emergencies warranting evacuations have provided experiences which inform the current District Emergency Evacuation Plan. Innovative state-of-the-art software make it possible to improve evacuation planning through the integration of spatial analytical methods, including Geographical Information System, spatial statistics, critical cluster optimization, and traffic simulations. By simulating emergency evacuations, analysts can identify the vulnerabilities of emergency evacuation specific to Montecito and provide recommendations on how best to address these vulnerabilities to improve the District's Emergency Evacuation Plan and increase efficiency for the next emergency evacuation.

The District developed specifications and a scope of work for this project. Requests for Proposals (RFP) were sent out to interested parties and posted on the District website beginning January 18, 2021. Public Notices of the competitive process were posted in the Santa Barbara News Press on January 18, 2021 and January 23, 2021. The bid closed on March 4, 2021; four bid packages were received.

District staff evaluated the responsiveness of each proposal based on how it addressed six key questions identified in the RFP: the consultant's qualifications and experience, their knowledge of the local area, and the project's estimated cost. The District hosted a "virtual community tour" to meet the potential project managers and to ensure they had the needed information to complete an accurate proposal. It was clear through correspondence and the proposal, that Fehr & Peers has the skills, knowledge, and ability to complete a robust emergency evacuation analysis. Fehr & Peers community experience includes assisting with traffic and circulation impact analysis' associated with the Mission Canyon and Montecito Community Plan updates as well as intimate involvement with the planning of the 101-widening project with the Santa Barbara County Association of Governments. Additionally, the Fehr & Peers proposal was the least expensive at \$86,170, which is 18% less than the average of the four proposals. While the proposal is greater than the project was initially budgetted, funds exist to cover the difference.

Conclusion

Staff recommends the Board authorize the Fire Chief to enter a contract with Fehr & Peers to complete the Community Emergency Evacuation Analysis for \$86,170.

Strategic Plan Reference

Strategic Priorities

Priority #1 – Constant Improvement Driven by the Needs of the Community

Maximize the effectiveness of process, structure, and operations to support timely delivery of citizen oriented and efficient community service.

Priority #2 – Innovative Service Delivery

Maximize opportunities to measurably improve citizen and community outcomes and leverage resources through the continuous integration of health, community and public safety services.

Goals

Goal #1- Achieve excellence in Community Service

Goal #2 – Contain our Risks

Goal #3 – Mitigate Disaster

Goal #4 – Deliver Exceptional Emergency Service to our Community

Goal #5 – Innovate Alternate Delivery Systems



MONTECITO FIRE DEPARTMENT

An Independent Fire District

Community Emergency Evacuation Analysis
RFP# 2021-001


Contractor	Bid	Responsive
Fehr & Peers	\$86,170.00	Yes
Integrated Solutions	\$92,889.52	Yes
UCSB	\$105,000.00	Yes
Stantec	\$186,405.00	Yes

Agenda

Item #7



STAFF REPORT

To: Board of Directors
From: Kevin Taylor, Fire Chief 
Date: April 26, 2021
Topic: Joint Representation Agreement

Summary

The Board of Directors endorsed the concept of a Joint Fire Station in partnership with the Carpinteria Summerland Fire Protection District at a Special Joint Board of Directors meeting on March 16, 2021. The next step in the Joint Fire Station process is the development of a Memorandum of Understanding (MOU) between the two Fire Districts to articulate roles and responsibilities of each District.

Discussion

An MOU between the two Fire Districts, developed by District Counsel and approved by both Boards, will provide a framework for all predevelopment, acquisition, development, and operation of a Joint Fire Station. Our District Counsel, Mark Manion, Partner at Price, Postel & Parma, also represents the Carpinteria Summerland Fire Protection District. Because Mr. Manion represents both Fire Districts, it is necessary for the Board to provide informed consent to joint representation for this project.

Based upon the information available today, no conflict of interest as defined by Rule 1.7 of the Rules of Professional Conduct of the State Bar of California exist in this project. However, Mr. Manion's representation of both Districts may involve potential conflicts on certain issues at some time in the future. Should Mr. Manion become aware of an actual conflict of interest among the Districts, he will advise both Districts as soon as reasonably possible.

The Joint Representation – Consent instrument attached acknowledges that the Board has been advised of Rule 1.7, that Mr. Manion has a present and continuing attorney-client relationship with both Districts, and that the Board endorses Mr. Manion representing them in this project.

Conclusion

Staff recommends that the Board of Directors authorize Board President Lee to execute the Joint Representation – Consent instrument.

Attachments

1. Joint Representation – Consent dated April 1, 2021

Strategic Plan Reference

1. Strategic Plan Goal #4, Deliver Exceptional Emergency Service to our Community.

Todd A. Amspoker
Kristen M. R. Blabey
Shannon D. Boyd
Timothy M. Cary
Melissa J. Fassett
Ian M. Fisher
Arthur R. Gaudi
Cameron Goodman
Emily B. Harrington
Christopher E. Haskell
James H. Hurley, Jr.
Eric P. Hvolbøll
Mark S. Manion
Steven K. McGuire



PRICE, POSTEL & PARMA LLP

Counsellors at Law

200 East Carrillo Street, Suite 400
Santa Barbara, CA 93101-2190

Mailing Address: P.O. Box 99
Santa Barbara, CA 93102-0099

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Ph (805) 962-0011 Fax (805) 965-3978

Timothy E. Metzinger
Shereef Moharram
Craig A. Parton
Karen K. Peabody
Kenneth J. Pontifex
Paul A. Roberts
Douglas D. Rossi
Peter D. Slaughter
Jeremy D. Stone
David W. Van Home
C.E. Chip Wullbrandt
Ryan D. Zick

Our File Number:
12611

E-mail:

CAMERON PARK OFFICE
3330 Cameron Park Drive, Suite 100
Cameron Park, CA 95682-7652
Ph (805) 962-0011
Fax (805) 965-3978

April 1, 2021

VIA E-MAIL ONLY

Board of Directors
Montecito Fire Protection District
Attn: Michael Lee, President
595 San Ysidro Road
Santa Barbara, CA 93108

ktaylor@montecitofire.com

Board of Directors
Carpinteria-Summerland Fire Protection District
Attn: Suzy Cawthon, President
1140 Eugenia Place
Carpinteria, CA

g.fish@csfd.net

Re: Joint Representation - Consent

Dear Members of the Boards of Directors:

You have asked that Price, Postel & Parma LLP provide joint representation of the Carpinteria-Summerland Fire Protection District (“CSFPD”) and the Montecito Fire Protection District (“MFPD”) in connection with the predevelopment, acquisition, development and operation of a joint fire station serving both Districts (“Project”). As you are aware, Price, Postel & Parma LLP currently serves as general counsel to both MFPD and CSFPD.

I have advised you that before we may commence such joint representation, we must obtain your informed written consent. Based upon the information available to us, we do not believe that our representation of CSFPD and MFPD in connection with the Project involves any actual conflict of interest. However, you should be aware that such representation may

Montecito Fire Protection District
Carpinteria-Summerland Fire Protection District
April 1, 2021
Page 2

involve potential conflicts and that the interests and objectives of each of the parties on certain issues may, at some time in the future, be inconsistent with the interests and objectives of the others. In the event I become aware of an actual conflict of interest among the parties, I shall advise all parties of the conflict as soon as practicable.

This potential conflict of interest situation is made more difficult because we have represented both parties for a considerable period of time and it is anticipated that we will continue to serve as general counsel for both parties in the future.

As attorneys we are governed by specific rules relating to our representation of clients when conflicts of interest exist. Rule 1.7 of the Rules of Professional Conduct of the State Bar of California provides as follows:

- "(a) A lawyer shall not, without informed written consent from each client and compliance with paragraph (d), represent a client if the representation is directly adverse to another client in the same or a separate matter.
- (b) A lawyer shall not, without informed written consent from each affected client and compliance with paragraph (d), represent a client if there is a significant risk the lawyer's representation of the client will be materially limited by the lawyer's responsibilities to or relationships with another client, a former client or a third person, or by the lawyer's own interests.
- (c) Even when a significant risk requiring a lawyer to comply with paragraph (b) is not present, a lawyer shall not represent a client without written disclosure of the relationship to the client and compliance with paragraph (d) where:
 - (1) the lawyer has, or knows that another lawyer in the lawyer's firm has, a legal, business, financial, professional, or personal relationship with or responsibility to a party or witness in the same matter; or

Montecito Fire Protection District
Carpinteria-Summerland Fire Protection District
April 1, 2021
Page 3

(2) the lawyer knows or reasonably should know that another party's lawyer is a spouse, parent, child, or sibling of the lawyer, lives with the lawyer, is a client of the lawyer or another lawyer in the lawyer's firm, or has an intimate personal relationship with the lawyer.

- (d) Representation is permitted under this rule only if the lawyer complies with paragraphs (a), (b), and (c), and:

(1) the lawyer reasonably believes that the lawyer will be able to provide competent and diligent representation to each affected client;

(2) the representation is not prohibited by law; and

(3) the representation does not involve the assertion of a claim by one client against another client represented by the lawyer in the same litigation or other proceeding before a tribunal.

- (e) For purposes of this rule, "matter" includes any judicial or other proceeding, application, request for a ruling or other determination, contract, transaction, claim, controversy, investigation, charge, accusation, arrest, or other deliberation, decision, or action that is focused on the interests of specific persons, or a discrete and identifiable class of persons."

Accordingly, we request that each of you sign and return to us a copy of this letter acknowledging that:

1. You have been advised of Rule 1.7 and of the conflicts associated with your respective interests;

Montecito Fire Protection District
Carpinteria-Summerland Fire Protection District
April 1, 2021
Page 4

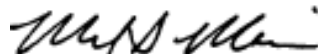
2. You have been advised that our firm has a present and continuing attorney-client relationship with MFPD and CSFPD; and

3. You nevertheless want us to represent you in connection with the Project.

I want to stress to you that each of you remains completely free to seek independent counsel at any time even if you decide to sign the consent set forth below.

Should you have any questions concerning this letter or the consent, please discuss them with me before signing and returning the enclosed copy of this letter.

Very truly yours,



Mark S. Manion
for PRICE, POSTEL & PARMA LLP

Montecito Fire Protection District
Carpinteria-Summerland Fire Protection District
April 1, 2021
Page 5

CONSENT

Price, Postel & Parma LLP has explained to each of the undersigned that there exists potentially conflicting interests in the above-described matter and has informed each of us of the possible consequences of these conflicts, one possible consequence being that Price, Postel & Parma LLP may be precluded from representing any of us.

We understand that we have the right to seek independent counsel before signing this consent or at any time in the future. Nevertheless, each of the undersigned desires representation by Price, Postel & Parma LLP to the extent described above and therefore consents and gives approval to such representation.

MONTECITO FIRE PROTECTION DISTRICT

Date: April ____, 2021

By: Michael Lee
Its: President

**CARPINTERIA-SUMMERLAND FIRE
PROTECTION DISTRICT**

Date: April ____, 2021


By: Suzy Cawthon
Its: President

Agenda

Item #8



STAFF REPORT

To: Montecito Fire Protection District Board of Directors
From: Kevin Taylor, Fire Chief 
Prepared By: Aaron Briner, Battalion Chief/Fire Marshal
Date: April 26, 2021
Topic: **Consideration of Resolution 2021-02 Accepting State Mandated Annual Fire Inspections Report in Compliance with SB 1205**

Summary

On September 27, 2018, the Governor of the State of California signed Senate Bill No. 1205. The bill mandates that every city or county fire department, or fire district shall report annually to its administering authority on its compliance with the Health and Safety Code, Sections 13146.2 and 13146.3. The Bill states that the report shall occur when the administering authority discusses its annual budget, or at another time determined by the administering authority.

This item is before the Board of Directors to request approval of Resolution 2021-02 (Attachment 1) accepting the state mandated annual fire inspection report, in compliance with SB 1205.

Discussion

The California State Fire Marshal, through the California Health and Safety Code, mandates that certain occupancy types shall be inspected annually. These mandated occupancy types include private and public schools, hotels, motels, lodging houses and apartment/condominium buildings in accordance with California Health and Safety Code Sections 13146.2 and 13146.3. The purpose of annual fire inspections is to mitigate known hazards, reduce risk to the community and ensure reasonable compliance with the California Fire Code. The Montecito Fire Protection District performs the mandated inspections, as well as inspections of local businesses as part of the District's annual fire inspection program completed by engine companies and Fire Prevention Bureau personnel. The Fire District inspected 100% of the state mandated annual inspections within the calendar year 2020.

California Health and Safety Code Section 13146.2 mandates that the local fire department or district inspect all hotels, motels, and lodging houses once annually. The Montecito Fire Protection District inspected 3 of 3 hotels, motels, and lodging houses during the 2020 calendar year.

California Health and Safety Code Section 13146.3 mandates that the local fire department or district inspect all public and private schools once annually. The Montecito Fire Protection District inspected 9 of 9 school facilities during the 2020 calendar year.

California Health and Safety Code Section 13146.2 mandates that the local fire department or district inspect all apartments once annually. The California Building Code also specifies that condominiums should be considered apartments for building code application. An apartment shall consist of three or

more attached units, and excludes all duplex and townhome buildings as defined by code. The Montecito Fire Protection District inspected 6 of 6 apartment/condominium complexes during the 2020 calendar year.

Additionally, the Montecito Fire Protection District inspected residential care facilities that may contain residents or clients that have a range of needs, including those related to custodial care, mobility impairments, cognitive disabilities, and similar. The residents may also be non-ambulatory or bedridden. The Montecito Fire Protection District inspected 1 of 1 residential care occupancies of this nature.

In total, the Montecito Fire Protection District conducted 19 of the 19 state mandated inspections during the 2020 calendar year, per the California Health and Safety Code.

The acceptance of this compliance report and the recommended Resolution fulfill the statutory requirements contained in California Health and Safety Code Sections 13146.2, 13146.3, and 13146.4, as amended by SB 1205.

Conclusion

Staff recommends that the Board approve Resolution 2021-02 accepting a report on the status of all state mandated annual fire inspections in the Montecito Fire Protection District in conjunction with SB 1205 and California Health and Safety Code Section 13146.4 requirements.

Attachments

1. Resolution 2021-02.

Strategic Plan Reference

Strategic Plan Goal #2, Contain our Risks.

RESOLUTION 2021-02

**A RESOLUTION OF THE BOARD OF THE MONTECITO FIRE PROTECTION DISTRICT,
ACKNOWLEDGING RECEIPT OF A REPORT MADE BY THE FIRE CHIEF OF THE
MONTECITO FIRE PROTECTION DISTRICT REGARDING THE INSPECTION OF CERTAIN
OCCUPANCIES REQUIRED TO RECEIVE ANNUAL INSPECTIONS PURSUANT TO SECTIONS
13146.2 AND 13146.3 OF THE CALIFORNIA HEALTH AND SAFETY CODE.**

WHEREAS, California Health & Safety Code Section 13146.4 was added in 2018, and became effective on September 27, 2018; and,

WHEREAS, California Health & Safety Code Sections 13146.2 and 13146.3 requires all fire departments, including the Montecito Fire Protection District, that provide fire protection services to perform annual inspections in every building used as a public or private school, hotel, motel, lodging house, apartment house, and certain residential care facilities for compliance with building standards, as provided and,

WHEREAS, California Health & Safety Code Section 13146.2 requires all fire departments, including the Montecito Fire Protection District, that provide fire protection services to report annually to its administering authority on its compliance with Sections 13146.2 and 13146.3 and,

WHEREAS, the Board of the Montecito Fire Protection District intends this Resolution to fulfill the requirements of the California Health & Safety Code regarding acknowledgment of the Montecito Fire Protection District's compliance with California Health and Sections 13146.2 and 13146.3.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Montecito Fire Protection District that said Board expressly acknowledges the measure of compliance of the Montecito Fire Protection District with California Health and Safety Code Sections 13146.2 and 13146.3 in the area encompassed by the Montecito Fire Protection District, as follows:

A. EDUCATIONAL GROUP E OCCUPANCIES:

Educational Group E occupancies are generally those public and private schools, used by more than six persons at any one time for educational purposes through the 12th grade. Within the Montecito Fire Protection District, there lie 9 Group E occupancies, buildings, structures and/or facilities.

During the calendar year ending 12/31/20, the Montecito Fire Protection District completed the annual inspection of 9 Group E occupancies, buildings, structures and/or facilities. This is a compliance rate of 100 % for this reporting period.

Additional items of note regarding this compliance rate can be found in the accompanying staff report for this resolution.

B. RESIDENTIAL GROUP R OCCUPANCIES:

Residential Group R occupancies, for the purposes of this resolution, are generally those occupancies containing sleeping units, and include hotels, motels, apartments (three units or more), etc., as well as other residential occupancies (including a number of residential care facilities). These residential care facilities have a number of different sub-classifications, and they may contain residents or clients that have a range of needs, including those related to custodial care, mobility impairments, cognitive disabilities, etc. The residents may also be non-ambulatory or bedridden. Within the Montecito Fire Protection District, there lie **9** Group R (and their associated sub-categories) occupancies of this nature.

During the calendar year ending 12/31/20, the Montecito Fire Protection District completed the annual inspection of **9** Group R occupancies, buildings, structures and/or facilities. This is a compliance rate of **100%** for this reporting period.

Additional items of note regarding this compliance rate can be found in the accompanying staff report for this resolution.

PASSED AND ADOPTED, by the Board of Directors the Montecito Fire Protection District this 26th day of April 2021, by the following vote, to wit:

AYES:

NAYS:

ABSTAIN:

ABSENT:

Mike Lee, President

ATTEST:


Judith Ishkanian, Secretary

Agenda

Item #9



STAFF REPORT

To: Board of Directors
From: Kevin Taylor, Fire Chief 
Prepared by: David Neels, Division Chief - Operations
Date: April 26, 2021
Topic: California Fire Assistance Agreement Update – Public Information Officer

Summary

The California Fire Assistance Agreement (CFAA) Resolution must be updated when an employee classification is changed. Resolution 2019-02 includes the Communications Coordinator position; this position has since been reclassified to Public Information Officer which requires the Resolution to be updated.

Discussion

Montecito Fire Department participates in the California Fire Assistance Agreement (CFAA). As part of this agreement, the district receives reimbursement for employee wages, fire apparatus and administrative fees when we send resources to CFAA incidents. CFAA requires updates by the governing body to confirm that employees responding to these incidents are paid overtime and portal-to-portal. Current Memorandum of Understandings with our labor groups provide overtime pay and time calculated using a portal-to-portal formula for our employees.

Resolution 2019-02 authorizes overtime and portal-to-portal pay for District employees when operating on CFAA incidents in accordance with their current Memorandum of Understanding. Resolution 2021-03 updates this list to include the Public Information Officer and remove the Communications Coordinator.

Conclusion

Staff recommends that the Board of Directors approve Resolution 2021-23 authorizing overtime pay and portal to portal for District employees.

Attachments

1. Resolution 2019-02; Authorizing Overtime Pay and Portal to Portal for Employees.
2. Resolution 2021-03; Authorizing Overtime Pay and Portal to Portal for Employees.

Strategic Plan Reference

1. Strategic Plan Goal #7: Develop our Employees

RESOLUTION NO. 2019-02

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE MONTECITO FIRE PROTECTION DISTRICT
AUTHORIZING OVERTIME PAY AND PORTAL TO PORTAL PAY FOR EMPLOYEES**

WHEREAS, the Montecito Fire Protection District ("District") is formed and operates pursuant to the Fire Protection District Law of 1987 ("Act"), codified in Health & Safety Code section 13800 et seq.; and

WHEREAS, it is the District's desire to provide fair and legal payment to all its employees for time worked; and

WHEREAS, the District has in its employ, fire department response personnel including: Fire Chief, Division Chief, Battalion Chief, Fire Captain, Engineer, Firefighter/Paramedic, Firefighter, Wildland Specialist, Accountant, Communications Coordinator, Mechanic, Administrative Assistant, and Dispatcher; and

WHEREAS, the District will compensate its employees portal to portal while in the course of their employment and away from their official duty station and assigned to an emergency incident, in support of an emergency incident, or pre-positioned for an emergency response; and

WHEREAS, the District will compensate its employees overtime in accordance with their current Memorandum of Understanding while in the course of their employment and away from their official duty station and assigned to an emergency incident, in support of an emergency incident, or pre-positioned for emergency response.

NOW, THEREFORE, BE IT RESOLVED that the conditions set forth in this resolution, as stated above, take effect upon adoption by the District.

PASSED AND ADOPTED by the Board of Directors of the Montecito Fire Protection District this 25th day of February, 2019, by the following vote, to wit:

AYES: S. Easton, P. van Duinwyk, J. Ishkanian, J. A. Powell, M. Lee
NAYS: None
ABSTAIN: None
ABSENT: None


President of the Board of Directors
Montecito Fire Protection District

ATTEST:


Secretary of the Board of Directors
Montecito Fire Protection District

RESOLUTION NO. 2021-03

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE MONTECITO FIRE PROTECTION DISTRICT
AUTHORIZING OVERTIME PAY AND PORTAL TO PORTAL PAY FOR EMPLOYEES**

WHEREAS, the Montecito Fire Protection District (“District”) is formed and operates pursuant to the Fire Protection District Law of 1987 (“Act”), codified in Health & Safety Code section 13800 et seq.; and

WHEREAS, it is the District’s desire to provide fair and legal payment to all its employees for time worked; and

WHEREAS, the District has in its employ, fire department response personnel including: Fire Chief, Division Chief, Battalion Chief, Fire Captain, Engineer, Firefighter/Paramedic, Firefighter, Wildland Specialist, Accountant, Public Information Officer, Mechanic, Administrative Assistant, and Dispatcher; and

WHEREAS, the District will compensate its employees portal to portal while in the course of their employment and away from their official duty station and assigned to an emergency incident, in support of an emergency incident, or pre-positioned for an emergency response; and

WHEREAS, the District will compensate its employees overtime in accordance with their current Memorandum of Understanding while in the course of their employment and away from their official duty station and assigned to an emergency incident, in support of an emergency incident, or pre-positioned for emergency response.

NOW, THEREFORE, BE IT RESOLVED that the conditions set forth in this resolution, as stated above, take effect upon adoption by the District.

PASSED AND ADOPTED by the Board of Directors of the Montecito Fire Protection District this 26th day of April 2021, by the following vote, to wit:

AYES:
NAYS:
ABSTAIN:
ABSENT:

President of the Board of Directors
Montecito Fire Protection District

ATTEST:

Secretary of the Board of Directors
Montecito Fire Protection District

Agenda

Item #10

CARPINTERIA-SUMMERLAND AND MONTECITO FIRE PROTECTION DISTRICTS

Minutes for the Special Joint Meeting of the Board of Directors

March 16, 2021 at 1:00 p.m.

Held via teleconference connection as permitted under the Governor's Executive Order N-29-20, dated March 17, 2020 due to concerns of COVID-19 ("Executive Order").

Director Lee called the meeting to order at 1:00 p.m.

Present: Director Lee, Director Easton, Director Ishkanian, Director van Duinwyk, Director Powell, Director Cawthon, Director Guravitz, Director Jenkins, Director McGlade, Director Nicoli. Chief Fish, Chief Taylor and District Counsel Mark Manion were also present.

- 1. Public comment: Any person may address the Joint Boards at this time on any non-agenda matter that is within the subject matter jurisdiction of the Carpinteria-Summerland and Montecito Fire Protection Districts; 30 minutes total time is allotted for this discussion.**

There were no public comments at this meeting.

- 2. Receive presentation of the Fire Station Location Study from Kurt Latipow, Senior Project Manager/Division Lead, AP Triton, LLC.**

Kurt Latipow, Senior Project Manager/Division Lead, AP Triton, LLC provided a presentation regarding the Fire Station Location Study.

- 3. Consider recommendation that Montecito Fire Protection District and Carpinteria-Summerland Fire Protection District's Board of Directors adopt the four joint recommendations in the Fire Station Location Study as policy.**

- a. Staff report presented by Fire Chiefs Fish and Taylor.**

Chiefs Taylor and Fish provided a staff report regarding the Fire Station Location Study, highlighting the four joint recommendations. Motion to adopt Joint Recommendations A, B, C, and D of the AP Triton Fire Station Location Study made by Director van Duinwyk, seconded by Director Easton. The Roll Call vote was as follows:

Ayes: S. Cawthon, J Jenkins, L. Guravitz, J. Nicoli, R. McGlade, S. Easton, P. van Duinwyk, J. Ishkanian, J.A. Powell, M. Lee

Nays: None

Abstain: None

Absent: None

Meeting adjourned at 2:34 p.m.

President Michael Lee

Secretary Judith Ishkanian

President Suzanne Cawthon

Secretary Lisa Guravitz

Agenda

Item #11

MONTECITO FIRE PROTECTION DISTRICT

Minutes for the Regular Meeting of the Board of Directors

March 22, 2021 at 2:00 p.m.

Held via teleconference connection as permitted under the Governor's Executive Order N-29-20, dated March 17, 2020 due to concerns of COVID-19 ("Executive Order").

Director Lee called the meeting to order at 2:00 p.m.

Present: Director Lee, Director Easton, Director Ishkanian, Director van Duinwyk, Director Powell. Chief Taylor and District Counsel Mark Manion were also present.

- 1. Public comment: Any person may address the Board at this time on any non-agenda matter that is within the subject matter jurisdiction of the Montecito Fire Protection District. (30 minutes total time allotted for this discussion.)**

There were no public comments at this meeting.

- 2. Receive presentation from Craig Fechter of Fechter & Company regarding the Annual Financial Report for Fiscal Year Ended June 30, 2020. (Strategic Plan Goal 9.1)**

Craig Fechter of Fechter & Company provided a presentation regarding the Annual Financial Report for Fiscal Year Ended June 30, 2020.

- a. Consider recommendation for approval of the report.**

Motion to approve the Annual Financial Report for Fiscal Year Ended June 30, 2020 made by Director van Duinwyk, seconded by Director Ishkanian. The Roll Call vote was as follows:

Ayes: S. Easton, J. Ishkanian, J. A. Powell, P. van Duinwyk, M. Lee

Nays: None

Abstain: None

Absent: None

- 3. That the Board of Directors direct the Fire Chief to complete and return the LAFCO Municipal Service Review Survey and Questionnaire no later than May 7, 2021. (Strategic Plan Goal 4)**

- a. Staff report presented by Fire Chief Taylor.**

Chief Taylor provided a staff report regarding the LAFCO Municipal Service Review Survey and Questionnaire.

b. Presentation from Mike Prater, Executive Officer of the Santa Barbara LAFCO.

Mike Prater of the Santa Barbara LAFCO provided a presentation regarding the LAFCO Municipal Service Review Survey and Questionnaire. Motion to direct the Fire Chief to complete and return the LAFCO Municipal Service Review Survey and Questionnaire no later than May 7, 2021 made by Director Ishkanian, seconded by Director Lee. The Roll Call vote was as follows:

Ayes: S. Easton, J. Ishkanian, J. A. Powell, P. van Duinwyk, M. Lee

Nays: None

Abstain: None

Absent: None

4. Receive Fire Prevention Bureau Overview and Update from Fire Marshal Briner. (Strategic Plan Goal 2)

Fire Marshal Briner and his staff presented the Fire Prevention Bureau Overview and Update.

5. Report from the Finance Committee. (Strategic Plan Goal 9.1)

a. Consider recommendation to approve the GASB 75 Actuarial Valuation Report of the retiree health insurance program as of June 30, 2020 prepared by DFA, LLC.

District Accountant Nahas provided a staff report regarding the GASB 75 Actuarial Valuation Report of the retiree health insurance program as of June 30, 2020. Motion to accept and file the GASB 75 Actuarial Valuation Report made by Director van Duinwyk, seconded by Director Easton. The Roll Call vote was as follows:

Ayes: S. Easton, J. Ishkanian, J. A. Powell, P. van Duinwyk, M. Lee

Nays: None

Abstain: None

Absent: None

b. Consider recommendation to approve January and February 2021 financial statements.

District Accountant Nahas and Director van Duinwyk provided a report regarding the January and February 2021 financial statements. Motion made by Director

van Duinwyk, seconded by Director Easton to approve the January and February 2021 financial statements. The Roll Call Vote was as follows:

Ayes: S. Easton, J. Ishkanian, J. A. Powell, P. van Duinwyk, M. Lee

Nays: None

Abstain: None

Absent: None

c. Review PARS Post-Employment Benefits Trust statement for January 2021.

Director van Duinwyk provided a report regarding the PARS Post-Employment Benefits Trust statements for January 2021.

6. Approval of Minutes of the February 22, 2021 Regular Meeting.

Motion to approve the minutes of the February 22, 2021 Regular meeting made by Director Powell, seconded by Director van Duinwyk. The Roll Call vote was as follows:

Ayes: J. Ishkanian, J. A. Powell, P. van Duinwyk, M. Lee

Nays: None

Abstain: S. Easton

Absent: None

7. Fire Chief's report.

Division Chief Neels highlighted significant calls for the month of February. He also provided an update regarding the fire academy. Division Chief Neels stated the Station 1 Flooring project should be completed by next week. He also stated the HVAC systems at stations 1 and 2 have been enhanced with a filtration system. Division Chief Neels provided an update regarding the Solar project. He also provided an update regarding the Roofing project at 1259 East Valley Road. Chief Taylor stated that Santa Barbara County is now in the red tier, however the organization remains in phase 2 of the Continuity of Operations Plan. He noted that 90% of staff will be fully vaccinated at the end of this week, and the Department is waiting for the Public Health Department to update their guidance on normal day to day operations as it relates to that percentage of vaccinated employees. Chief Taylor provided an update regarding the next steps for the Fire Station Location Study. The Chief stated that staff would like to schedule a Special Board meeting in April to study financial policy. The Board determined that the meeting would be held on April 12, 2021 at 2 p.m.

8. Board of Director's report.

There were no items to report at this meeting.

9. Suggestions from Directors for items other than regular agenda items to be included for the April 26, 2021 Regular Board meeting.

There were no additional suggestions from the Directors.

Meeting Adjourned at 4:12 p.m.

President Michael Lee

Secretary Judith Ishkanian

Agenda

Item #12

Calls by Incident Type March 2021

Total Incidents: 132

Fire: 3

EMS: 58

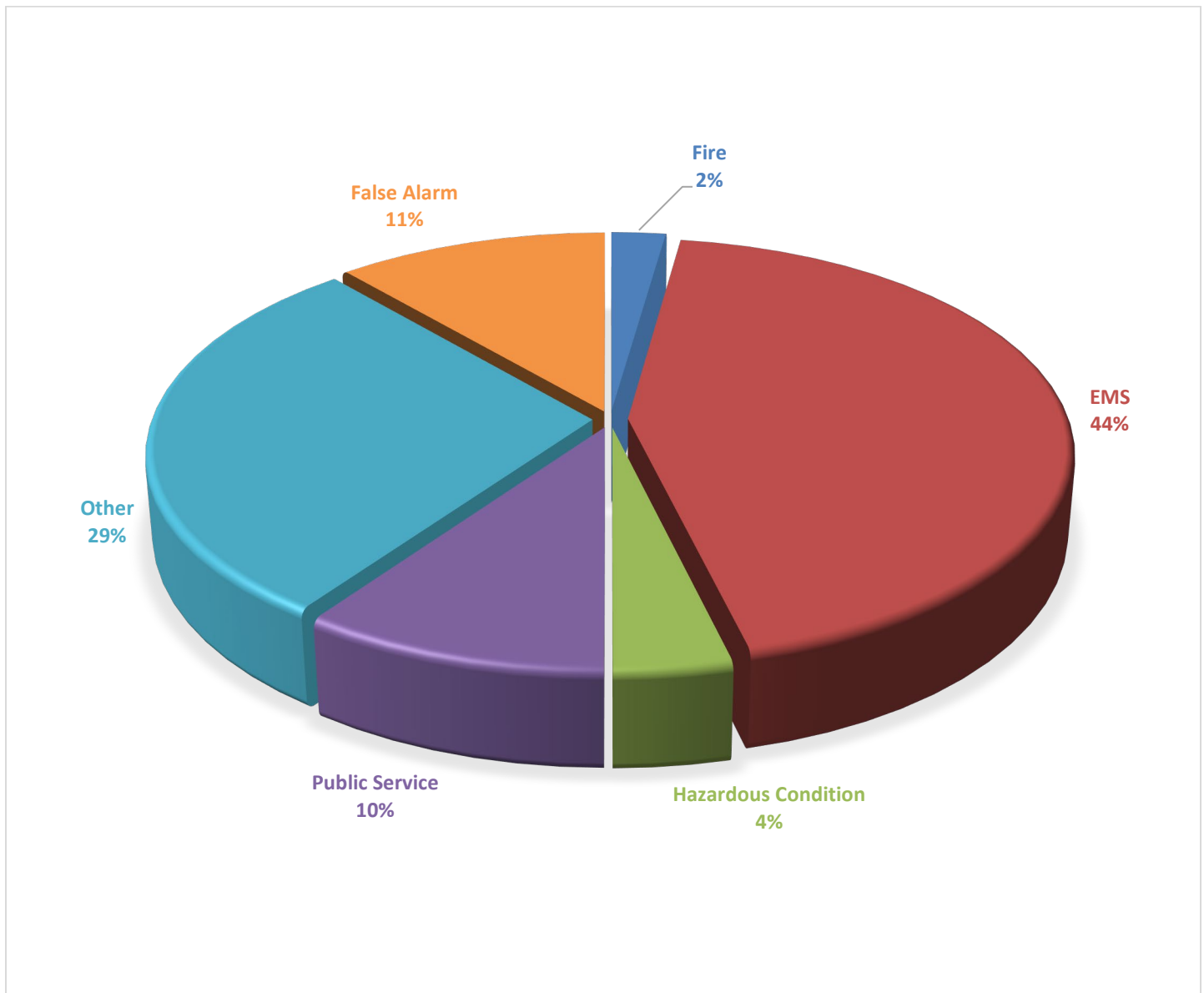
Public Service: 13

Hazardous Condition: 5

Other: 38

False Alarm: 15

Definitions:



-Other: Firefighters respond to a reported emergency, but find a different type of incident or nothing at all upon arrival to the area. (Dispatched and Cancelled In Route falls in this category.) Example: A caller reports smoke on the hillside. Firefighters arrive to discover a grading operation at a construction site is creating dust mistaken for smoke.

-Public Service: Non-emergency requests for assistance. Examples: lock out, animal rescue, ring removal, water problem, lift assists, seized gate, stalled elevator, providing the Sheriff's Department with a ladder to enter a building.

October 2020 to March 2021 Incident Trend

