

TAHOE DOUGLAS FIRE PREVENTION DISTRICT
BOARD OF TRUSTEES MEETING
February 16, 2016

Special Meeting

Those Present:

Chairman Greg Felton
Vice Chairman Bill Kirschner
Trustee Kevin Kjer
Trustee Steve Seibel
Fire Chief Ben Sharit
Legal Counsel Alan Wechsler
Legal Counsel Devon Reese via phone

Fire Marshal Eric Guevin
Battalion Chief Jim Antti
Battalion Chief Todd Moss
Forester John Pickett
Office Manager Kate Warner
Accounting Specialist Carrie Nolting
Administrative Assistant Casey O'Neill
Engineer Nathan Johnson

1. Call to Order

Meeting was called to order at 10:00 a.m.

2. Pledge of Allegiance.

Pledge of allegiance was led by Trustee Seibel.

3. Roll Call

Chairman Felton, Vice Chairman Kirschner, Trustee Kjer and Trustee Seibel were present. Trustee Schussel was absent. A quorum was present.

4. Approval of the Agenda

Vice Chairman Kirschner motioned to approve the agenda. Trustee Kjer seconded the motion. Motion approved 4-0.

5. Public Comment

None.

6. Approval of the Consent Calendar.

Items: None.

7. **For Possible Action: No items to move forward.**
8. **For Possible Action: Reading, discussion and consideration for approval, as written or as revised by the Board, of proposed Memorandum of Understanding between the Tahoe Douglas Fire Protection District, on the one hand, and Douglas County, and/or the Redevelopment Agency, on the other hand, regarding the anticipated fiscal effects of the Redevelopment Plan for Redevelopment Area No. 2 within the Lake Tahoe Basin area of Douglas County and methods to address those effects.**
Fire Chief Ben Sharit

Chief Sharit stated that the purpose of having today's special meeting is to present a Memorandum of Understanding (MOU) between TDFPD, by and through the Board of Trustees, and Douglas County and the Douglas County Redevelopment Agency (RDA), regarding the Redevelopment Plan (RDP) for Redevelopment Area No. 2 and anticipated fiscal impacts to the fire district. Chief Sharit met with the county at their last Board of Commissioners meeting and they read into the record that they support public safety and will look for ways to limit the fiscal impacts on the fire district. The proposed MOU will be presented to the commissioners in order to attain their board's approval and to officially document their support for the fire district.

Legal Counsel Wechsler added that the purpose of the MOU is to document the fire district's concerns with the RDP in writing. The goal is for the county to sign the MOU, demonstrating that they recognize the problem and will ensure that the fire district receives adequate funding for public safety services. If they do not agree to the MOU, then the fire district at least presented it for the public record as a concern about the likely impacts. If the commissioners sign it, this ensures that if need be in the future, the fire district can go to the county and remind them that they agreed to meet additional funding needs. The MOU outlines some possible ways for funds to be provided to the fire district with an appendix describing the direct economic impact the RDP will have on the fire district by looking at current and future needs. Furthermore, the agreement states that for the duration of the RDP, the county will ensure that the fire district receives adequate revenue enabling the district to continue public safety services.

Vice Chairman Kirschner referenced page 2 of the agreement and asked how long the duration of the RDP would last for.

Wechsler stated that by law, it cannot last for more than thirty years. In the proposed RDP, it projects that it will last for thirty years, which is safe to assume. It could be less than thirty years, for example, if Nevada legislature ends all RDPs, but for all practical purposes, we should assume that it will be for the next thirty years.

Vice Chairman Kirschner asked who is making the presentation at the meeting.

Wechsler replied Chief Sharit will present at the meeting. If this action item is approved by the board today, Wechsler will send the MOU to the Assistant DA, Zach Wadle notifying him of the district's intent. The purpose of Thursday's hearing is for the commissioners to consider any evidence for or against the RDP. It cannot be signed because it was not included on their agenda; however, it will be included in their packets for review at the meeting. Chief Sharit will ask the commissioners to acknowledge that they are willing to work with us, ensuring that the district receives adequate funding and publically inviting them to sign the agreement. If they do not sign the MOU, at the very least, the issue is documented in public record.

Trustee Kjer asked if the commissioner's will be okay with this last minute presentation.

Wechsler stated that he does not think they will be thrilled, however, in fairness they do not have an argument because they did not bring the plan to the fire district in the first place. The district had to come to them. Chief Sharit has already expressed the concerns with Douglas County and the STAR Alliance, and they both said it was an oversight on their part.

Chief Sharit stated that today we are looking to document the concerns in public record, so that it is there for the tax payers and the residents to see. Chief Sharit and Wechsler initially had this discussion with them at previous meetings; however, now we have the fire district's financial impact study to present that justifies our concerns.

Wechsler added that it is sobering of what we anticipate the impact will be, but he assumes that the RDP will be approved anyway no matter what type of opposing public campaign is made.

Trustee Kjer stated that he appreciated the district's legal counsel and Chief Sharit for aggressively taking on this issue to protect the district.

Trustee Seibel stated that he noticed there were similar statements made at previous meetings based on what the fire district has presenting already. All we are trying to do now is to put it on paper and make it a bit more transparent. He believes the manner in which it is presented is extremely important and the message needs to be put out there. All of this could be negotiable as it will not happen overnight.

Chairman Felton mentioned that in section D of the MOU, it only talks specifically about advalorem tax. Will sales tax also be affected?

Chief Sharit replied no, sales tax is not affected.

Chairman Felton added that in the MOU the language states that there could be a potential increase in demand for services and is concerned that those viewing the document will underappreciate the fact that the increase is inevitable.

Wechsler responded that this is explained in a great amount of detail in the appendix.

Chairman Felton asked if there is a need to list the specific services the fire district provides to the community. He is not sure if the readers are aware of all these services.

Chief Sharit replied that all the services are listed in the appendix.

Chairman Felton referenced the bulleted items in the agreement regarding purchasers, lessors and owners; he asked if it was appropriate to reference developers as well.

Wechsler stated that it already states that there is a NRS provision that allows the RDA to offset the impacts on the properties in the RDA specifically, but does not see an issue with adding “developers” to this section.

Chairman Felton referenced the last bullet point on page 3 of the agreement and asked if we should generalize this statement so that all types of events are included instead of specific shows.

Wechsler agreed to add the words “*events or*” to the statement “live entertainment acts/shows at any venue within the RDA...”

Chairman Felton asked if there is a proposal in the appendix explaining how we will assess those economic impacts.

Chief Sharit stated no. Today the goal is to have it on public record and to give the future leaders of the district the ability to give those specificities when needed.

Wechsler added that the appendix lists what the concerns are and why it will be a problem down the road for the district. The specificities are not meant to be drilled down at this point in time. It is better to keep the document open ended due to many factors that could change the situation in the future.

Chief Sharit added that the MOU is meant for public record, addressing the costs to the district today since we do not know what the political climate will be like in the future.

Chairman Felton stated that to Trustee Seibel’s point, we do not want them to perceive this as a threat.

Chief Sharit stated that we want to work as a team and support the redevelopment as long as it includes public safety in the equation.

Chairman Felton asked what the fire district's recourse is if they do not address the problem.

Fire Marshal Guevin stated that fire code allows us to set fees for services on special event permits. The county has a process for special event permits and if the fire district does not approve these than they will not move forward. The district can set those fees with a means to collect on them. In addition to this, the fire district offers special operational permits, and could potentially disapprove an event, if a reasonable solution is not made. Fire code is very specific on this and the district has the right to assess and collect those fees if necessary.

Chairman Felton asked what about the increase in tenants and tourists in the area, which are not special events, but routine medical calls. Would there be an increase in taxes on the residents?

Chief Sharit stated yes, that could be the only option; however, do not forecast having to raise taxes anytime soon.

Wechsler added that litigation is also possible, but do not anticipate having to do this. At some point, it is politically unattainable to ignore the public service funding problem.

Chairman Felton stated that he alerted the superintendent of schools in the district to the fact that they may be affected and they turned it over to their CFO, but he has not heard back from them.

Chief Sharit replied that in the future it could be a moot point, but we need to make sure a record is in place for future leaders of the fire district and the county. The appendix is a snapshot in time and the business of the fire district will continue with public safety being the priority.

Trustee Kirschner asked if there is a tax increase, than only those people in the RDA would be affected; not the entire county?

Wechsler replied that when there are construction projects in the RDA, they will have to acquire environmental impact studies from the TRPA, and part of the process includes how to mitigate the effects on public safety, which may provide funding to the district.

Forester Pickett asked if they were planning to use federal funds for the RDP.

Wechsler stated that we do not know the answer to that at this point of the process.

Pickett explained that federal funds would require them to complete a combined environmental impact statement to comply with the federal lender, National Environmental Policy Act (NEPA), which would give them a great deal of leverage.

Chief Sharit stated that we do know the answer at this point in time because the RDP has not been approved yet.

Wechsler stated that he knows that the RDP will be a part of The Loop Road Project if it passes. The City of South Lake Tahoe is still looking at four different configurations of re-routing Highway 50. There are a lot of moving parts and over a dozen agencies involved in the process.

Chairman Felton granted a 15 minute recess to review the appendix.

Noted changes for the appendix are italicized:

- Page 1: "*Anticipated* economic impact to *TDFPD*".
- Page 2: Under Budget Information, paragraph 2 – "*calendar* years 2013 and 2014". And "*calendar* years 2016 and 2017" for when SAFER grant was awarded. (Not fiscal). Also, a typo found on paragraph 3 – "*projections* for 2016..." (Not projects).
- Page 5: Eliminate year 2016 from Table 4.

Trustee Seibel asked if the tax revenues on Table 5 are anticipated to be real dollars.

Pickett explained that Table 5 is a present value calculation of the tax revenue from parcels as provided by Douglas County. He used their discounted rate of 5%, which is a total of \$720,000 present day dollars. The amount listed in the year 2025 is that same discount adjusted for inflation. He then held the cost of six full time paramedics constant because they are present value dollars as well. This is the declining purchasing power of those dollars over time.

Chairman Felton asked if both Tables 5 and 6 should be included in the appendix since they are fundamentally similar, one being a present value and the other a future value.

Pickett stated that Table 6 demonstrates the increased deficit to the fire district when taxes remain constant over the next thirty years due to inflation rates. He added that you need to look at both sides of the puzzle, a present and future value calculation. One shows the effect on declining tax revenue and the other shows the increase in costs over time.

Chairman Felton stated he understands, but believes Table 6 would be more intuitive for this audience.

Trustee Kjer added that Table 6 does seem more intuitive, but he thinks keeping both and adding an explanation to Table 5 would be helpful.

Wechsler stated that we can add a footnote in order to explain that Table 5 is a present value calculation.

Vice Chairman Kirschner asked if the Celebrity Golf Tournament at Edgewood could possibly bring in any funding to support the fire district.

Chief Sharit stated that the district already charges a fee for EMS services at this event.

Chairman Felton noted that on the third paragraph of page 2, it discusses that the ad valorem taxes for the district will reduce, but it does not state that it is subsequent to the \$70,000 reduction in ad valorem due to the energy tax incentive given to Harrah's/Harvey's. He understands that the district could enter the RDP at the lowest level of ad valorem tax funding that we have had in many years.

Wechsler stated that they can re-word this better by saying if the RDP is approved, fire district's ad valorem tax revenues from the RDA will be capped at a certain amount and date to be determined (the exact numbers have not been calculated).

Chairman Felton commented that in the final paragraph it states that call volumes have been increasing as the national and local economies improve and he is wondering if there are other factors that may also be affecting them.

Wechsler suggested adding the words "among other things" to this sentence.

Chairman Felton believes it is important to note that Station 23 is the area that will be serving the RDA when the document discusses call volumes per station on page 3.

Pickett will add a footnote on page 3 that states Station 23 is the first in response to the RDA.

Furthermore, Chairman Felton asked about the list of events on Page 4. He is concerned that it implies when a Paramedic works over time hours for a special event that they work the full twenty-four hour shift.

Chief Sharit stated that sometimes they will work the twenty-four hour shift and not just for the special event.

Chairman Felton asked why the employee would work the entire shift when the event only lasts three to four hours.

Chief Sharit answered that they are hired for the twenty-four hour period because more calls are generated throughout that period of time before, during and after the special event.

On page 5, Chairman Felton stated that the document only mentions the increase of ISO's and homeowner's insurance rates and suggested including businesses since they will also be affected.

Pickett will add businesses to this sentence.

Chairman Felton referenced Page 6 and the cost of redevelopment to the fire district with the focus being on EMS. Are there any additional fire district services that should be included?

Chief Sharit responded that the data demonstrates that those low frequency, high risk, incidents could be included, but he prefers to track EMS due to higher frequency of calls.

Chairman Felton suggested adding a statement that emphasizes Chief Sharit's point, stating that the focus is on EMS, but will include other services.

Chief Moss added that EOD will be doing sweeps at all the concerts this year, which has doubled from last year.

Chairman Felton asked if we should be more explicit about the new projects in the district, such as at Edgewood and with Harvey's offering more concerts, which in turn will increase more calls and more events.

Wechsler suggested changing the language to "the fire district expects call volume to increase proportionally with more people at events due to the nature of the proposed developments".

Chief Sharit added that the goal is to increase business in the district. EMS is the prime example of the increased cost to the fire district and breaking down every type of service creates a much longer document.

Chairman Felton suggested modifying the summary with two fundamental points:

1. Redevelopment has the potential to drive an increase in call volume.
2. The district anticipates the cost of offering services will increase over time.

The MOU is ready to sign and the board agreed to approve the appendix with noted changes.

Vice Chairman Kirschner motioned to approve the action item. Trustee Seibel seconded the motion.

Seibel stated that the presentation to the commissioners is critical and the district's goal is to move forward with process and to officially put the public service concerns on record.

Trustee Kirschner asked if Chief Sharit would like the trustees to attend.

Chief Sharit invited and encouraged all trustees to attend the meeting.

Motion approved 4-0.

9. Discussion: Confirm next meeting, with a proposed date of Wednesday, February 24, 2016 with a start time of 2:30 p.m. and possible agenda items.

- N/A

Meeting confirmed for Wednesday, February 24, 2016 with a start time of 2:30 p.m. in the Station 23 classroom.

Adjourn

Vice Chairman Kirschner motioned that the meeting be adjourned. Trustee Kjer seconded the motion. Motion approved 4-0.

Closed Session: Not needed at this meeting.

This meeting was recorded on audio tape.

**Casey O'Neill
Board Secretary
Tahoe Douglas Fire Protection District**