



**RANCHO SANTA FE FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS MEETING
AGENDA – UPDATED (Apr 6, 2009)**

Rancho Santa Fe FPD
Board/Community Room – 16936 El Fuego
Rancho Santa Fe, California 92067

April 8, 2009
Regular Session 1:00 pm

RULES FOR ADDRESSING BOARD OF DIRECTORS

Members of the audience who wish to address the Board of Directors are requested to complete a form near the entrance of the meeting room and submit it to the Board Clerk.

Any person may address the Board on any item of Board business or Board concern. The Board cannot take action on any matter presented during Public Comment, but can refer it to the Administrative Officer for review and possible discussion at a future meeting. As permitted by State Law, the Board may take action on matters of an urgent nature or which require immediate attention. The maximum time allotted for each presentation is FIVE (5) MINUTES.

Pledge of Allegiance

- 1. Roll Call**
- 2. Public Comment**
- 3. Motion waiving reading in full of all Resolutions/Ordinances**

All items listed on the Consent Calendar are considered routine and will be enacted by one motion without discussion unless Board Members, Staff or the public requests removal of an item for separate discussion and action. The Board of Directors has the option of considering items removed from the Consent Calendar immediately or under Unfinished Business.

4. Consent Calendar

- a. Board of Directors Minutes
 - i) APPROVE the Board of Directors minutes of March 18, 2009
 - ii) APPROVE the Board of Directors minutes of March 27, 2009ACTION REQUESTED: **APPROVE**

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in a meeting, please contact the Secretary at 858-756-5971. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements to assure accessibility to the meeting.

b. Receive and File

i) Monthly/Quarterly Reports – ACTION REQUESTED: **INFORMATION**

(1) List of Demands

Check 19094 thru 19220 for the period March 1 – 31, 2009 totaling:	\$453,600.19
Payroll for the period March 1 – 31, 2009	<u>\$432,195.48</u>
TOTAL DISTRIBUTION	\$885,795.67

(2) Activity Reports – March 2009

- Fire Prevention
- Operations
- Training

(3) District Articles – March 2009

(4) Correspondence - Thank you letters/cards were received from the following members of the public:

- None

5. Old Business

- a. None

6. Resolutions/Ordinances

a. Resolution No. 2009-02

To discuss and/or adopt the resolution entitled a *Resolution of the Board of Directors of the Rancho Santa Fe Fire Protection District to Participate in the San Diego County Fire Mitigation Fee Program*

ACTION REQUESTED: **ADOPT**

b. Resolution No. 2009-03

To discuss and/or approve a resolution entitled a *Resolution of the Board of Directors of the Rancho Santa Fe Fire Protection District Setting Benefit Charges for Fiscal Year 2009/2010*

ACTION REQUESTED: **ADOPT**

7. New Business

a. Agreement for Professional Services

To discuss and/or approve the Agreement between the Fire District and Willdan Financial Services to provide professional services for special tax/assessment administration. [Staff Report 09-06](#)

ACTION REQUESTED: **APPROVE**

b. Budget Authorization

To discuss and/or authorize the purchase of replacement thermal image cameras. [Staff Report 09-07](#)

ACTION REQUESTED: **APPROVE**

c. Ad Hoc Committee Appointment - Audit

To discuss the auditor's required communication to the Board of Directors and appoint two board members to serve on the District's FY09 Audit Ad hoc Committee.

ACTION REQUESTED: **APPOINT AD HOC COMMITTEE**

d. *LAFCO 2009 Special Districts Election*

To discuss and/or authorize the President to cast the ballot on behalf of the Fire District to elect a LAFCO Regular Special District Member and LAFCO Alternate member to the Special District Advisory Committee

ACTION REQUESTED: **Authorize President to cast ballot**

8. Oral Reports

- a. Fire Chief – Pavone
 - i) Fairbanks Ranch Replacement Fire Station – Update
 - ii) LAFCO Population Census
 - iii) District Activities
- b. Operations – Deputy Chief Michel
- c. Training – Battalion Chief Davidson
- d. Fire Prevention - Fire Marshal Hunter
- e. Administrative Manager – Rannals
- f. Board of Directors
 - i) North County Dispatch JPA – Update
 - ii) County Service Area – 17 – Update
 - iii) Comments

9. Closed Session

- a. With respect to every item of business to be discussed in closed session pursuant to Section 54956.8
 - i) Conference with negotiators for the following real property
 - (1) APN 266-182-21
 - (2) APN 266-182-22Negotiating Parties: James Ashcraft, Director; Nancy C. Hillgren, Director; Nick Pavone, Fire Chief
Under Negotiation: Both Price and Terms of Payment
- b. With respect to every item of business to be discussed in closed session pursuant to Section 54956.8
 - i) Conference with negotiators for the following real property
 - (1) APN 266-281-05Negotiating Parties: James Ashcraft, Director; Nancy C. Hillgren, Director; Nick Pavone, Fire Chief
Under Negotiation: Both Price and Terms of Payment

10. Adjournment



RANCHO SANTA FE FIRE PROTECTION DISTRICT
Board of Directors Regular Meeting – Agenda
Wednesday, April 8, 2009 1:00 pm PST

CERTIFICATION OF POSTING

I certify that on April 2, 2009 a copy of the foregoing agenda near the regular meeting place of the Board of Directors of Rancho Santa Fe Fire Protection District, said time being at least 72 hours in advance of the meeting of the Board of Directors (Government Code Section 54954.2)

Executed at Rancho Santa Fe, California on April 2, 2009

Karlana Rannals
Board Clerk



**RANCHO SANTA FE FIRE PROTECTION DISTRICT
REGULAR BOARD OF DIRECTORS MEETING
MINUTES – March 18, 2009**

President Ashcraft called to order the regular session of the Rancho Santa Fe Fire Protection District Board of Directors at 2:30 pm.

Pledge of Allegiance

Chief Pavone led the assembly in the *Pledge of Allegiance*.

1. Roll Call

Directors Present: Ashcraft, Hickerson, Malin, Tanner

Directors Absent: Hillgren

Staff Present: Nick Pavone, Fire Chief; Tony Michel, Deputy Chief; Fred Cox, Battalion Chief; and Karlana Rannals, Board Clerk

2. Public Comment

No one requested to speak to the Board.

3. Consent Calendar

MOTION BY DIRECTOR HICKERSON, SECOND BY DIRECTOR TANNER, CARRIED 4 AYES; 0 NOES; 1 ABSENT; 0 ABSTAIN to approve the Consent Calendar as submitted:

a. *Board of Directors Minutes*

1. MOTION BY DIRECTOR HICKERSON, SECOND BY DIRECTOR TANNER, CARRIED 4 AYES; 0 NOES; 1 ABSENT; 0 ABSTAIN to approve the Board of Directors minutes of February 19, 2009

2. MOTION BY DIRECTOR HICKERSON, SECOND BY DIRECTOR TANNER, CARRIED 4 AYES; 0 NOES; 1 ABSENT; 0 ABSTAIN to approve the Board of Directors minutes of March 3, 2009

b. *Receive and File*

1. MOTION BY DIRECTOR HICKERSON, SECOND BY DIRECTOR TANNER, CARRIED 4 AYES; 0 NOES; 1 ABSENT; 0 ABSTAIN to receive and file:

a. Monthly/Quarterly Reports

i. List of Demands

Check 18974 thru 19032 for the period February 1– 28, 2009 totaling \$ 94,360.14

Payroll for the period February 1 – 28, 2009 \$451,953.80

TOTAL DISTRIBUTION \$546,313.93

b. Activity Reports – February 2009

i. Fire Prevention

ii. Operations

iii. Training

c. District Articles – February 2009

d. Correspondence

i. Audrey & Jayden

ii. Kate Dargan – CA State Fire Marshal

4. Old Business

- a. None

5. New Business

a. *Budget Meeting Schedule*

Karlena Rannals requested to confirm the budget adoption schedule and the board members attendance. She requested from the Board that if they determine a schedule conflict that staff is notified prior to the June meeting. The following budget scheduled is planned:

- June 17, 2009 – Preliminary FY10 Budget: presentation and approval
- September 9, 2009 – Public Hearing Final FY10 Budget: public comment
- September 9, 2009 – Final FY10 Budget: presentation and approval

At the conclusion of the discussion, the Board agreed to proceed with the schedule presented unless a member of the Board contacts the Fire Chief with a conflict. There was no action taken by the Board of Directors.

6. Oral Reports

a. *Fire Chief – Pavone*

He reported on the following topics:

- Fairbanks Ranch Replacement Fire Station – Update: he reviewed the latest cost analysis and site plan prepared by the architect. He informed the Board that the District is requesting a reduction of 3 feet to the required 10-foot trail easement mandated by the County. He anticipates final approval from the County within 3-6 weeks. He made a presentation to the Fairbanks Ranch Homeowners Association Planning and Land Use Committee. The feedback to the design was positive and they believe that it will blend well with the existing commercial and homes in the area. He also made contact with the County's new Public Contact Liaison, whose job is to assist public agencies navigate through the County's planning and permit process. This person will also seek grant money from the federal stimulus package.
- SDG&E Litigation: he has been notified that SDG&E has dropped the lawsuits against the County's fire protection districts, with prejudice.
- Del Mar Cooperative Efforts: he received information that the consultant retained to evaluate the merits of cooperative efforts is no longer with the project. He has agreed to meet with two city council members in an effort to educate them on the history and benefits of participating cooperatively.
- District Activities
 - The Appreciation Dinner is scheduled for May 8, 2009 at The Inn at Rancho Santa Fe.

b. *Operations – Deputy Chief Michel*

He reported on the following topics:

- Significant calls include:
 - None to report

c. Training – Battalion Chief Davidson

Chief Davidson summarized the monthly training activity, which included:

- S290 Class (Intermediate Fire Behavior)
- Firehouse World Expo in San Diego
- CERT Academy postponed for lack of participants to train

d. Fire Prevention – Fire Marshal Hunter

- No report – not in attendance

e. Administration – Administrative Manager Rannals

- No report

f. Board of Directors

- North County Dispatch JPA – Update – Director Ashcraft: a meeting was held February 26, 2009. The number of dispatch applicants in the last recruitment exceeds 200. The FY08 audit was accepted as presented. He was reminded that the revenue for the JPA is classified as user fees, which makes it much more difficult for the State to raid the JPA's revenue.
- County Service Area 17 – Update – Director Hickerson: No report.
- Comments:
 - None

The following was disclosed prior to convening to closed session:

- Director's Ashcraft, Hillgren, and Tanner are residents within the Covenant and members of the Rancho Santa Fe Association

7. Closed Session

Pursuant to the following Government Code Section, the Board of Directors convened in Closed Session from 2:45 – 3:50 pm for discussions on the following:

- a. Conference with negotiators for the following real property, pursuant to Government Code Section 54956.8

1. APN 266-182-21

2. APN 266-182-22

Negotiating Parties: Jim Ashcraft, Director; Nancy Hillgren, Director; and Nick Pavone, Fire Chief

Under Negotiation: Both Price and Terms of Payment

- b. Conference with negotiators for the following real property, pursuant to Government Code Section 54956.8

1. APN 266-281-05

Negotiating Parties: Jim Ashcraft, Director; Nancy Hillgren, Director; and Nick Pavone, Fire Chief

Under Negotiation: Both Price and Terms of Payment

Upon reconvening, President Ashcraft reported that an update was provided to the board members and direction was provided to staff and negotiators regarding the eminent domain proceedings and the pursuit of real property for the Districts' parking needs.

All members of the Board and staff listed attended the Closed Session.

8. Adjournment

Meeting adjourned at 3:55 pm.

Karlana Rannals
Secretary

James H Ashcraft
President



**RANCHO SANTA FE FIRE PROTECTION DISTRICT
SPECIAL BOARD OF DIRECTORS MEETING
MINUTES – March 27, 2009**

President Ashcraft called to order the special meeting of the Rancho Santa Fe Fire Protection District Board of Directors at 10:30 am.

Pledge of Allegiance

Director Hillgren led the assembly in the *Pledge of Allegiance*.

1. Roll Call

Directors Present: Ashcraft, Hickerson, Hillgren, Malin, Tanner

Directors Absent: None

Staff Present: Nick Pavone, Fire Chief; Tony Michel, Deputy Chief; and Karlana Rannals, Board Clerk.

2. Public Comment

No one requested to speak to the Board.

It was disclosed prior to closed session that Director's Ashcraft, Hillgren, and Tanner are residents within the Covenant and members of Rancho Santa Fe Association.

3. Closed Session

Pursuant to the following Government Code Section, the Board of Directors convened in Closed Session from 10:31 – 11:48 pm for discussions on the following:

A. With respect to every item of business to be discussed in closed session pursuant to Section 54956.8

i) Conference with negotiators for the following real property

(1) APN 266-182-21

(2) APN 266-182-22

Negotiating Parties: James Ashcraft, Director; Nancy C. Hillgren, Director; Nick Pavone, Fire Chief

Under Negotiation: Both Price and Terms of Payment

B. With respect to every item of business to be discussed in closed session pursuant to Section 54956.8

i) Conference with negotiators for the following real property

(1) APN 266-281-05

Negotiating Parties: James Ashcraft, Director; Nancy C. Hillgren, Director; Nick Pavone, Fire Chief

Under Negotiation: Both Price and Terms of Payment

Upon reconvening, President Ashcraft reported that an update was provided to the board members and direction was provided to staff and negotiators regarding the eminent domain proceedings and the pursuit of real property for the Districts' parking needs.

All members of the Board and staff listed attended the Closed Session.

4. Agreement – Dacus Property

Chief Pavone reported that the agreement between Rancho Santa Fe Association, Rancho Santa Fe School District, and Rancho Santa Fe Fire Protection District is the final negotiated document by all parties. This agreement is for a six-month “stand still” to continue negotiations between all parties. The Fire District’s legal counsel took the lead in the development of the document, and therefore, it has been approved by the District’s attorney.

MOTION BY DIRECTOR MALIN, SECOND BY DIRECTOR HICKERSON, CARRIED 5 AYES; 0 NOES; 0 ABSENT; 0 ABSTAIN to approve the Agreement for the Dacus Property as presented.

5. Adjournment

Meeting adjourned at 11:50 pm.

Karlana Rannals
Secretary

James H Ashcraft
President

Check	Amount	Vendor	Purpose
19094	\$198.00	A to Z Plumbing Inc	Service/Repair on Building
19095	\$630.00	Accme Janitorial Service Inc	Building Monthly Cleaning Service
19096	\$250.00	AFSS Conference	Admin - Overnight Conf/Seminars
19097	\$89.00	Allstar Fresh Water Systems Inc	Service on Drinking Water in Building
19098	\$146.37	AT&T	Telephone
19099	\$313.20	AT&T Calnet 2	Telephone
19100	\$1,173.18	AT&T/MCI	Telephone
19101	\$397.77	B & B Appliance Service Dept	Repair/Service on Building
19103	\$350.68	Blend	Outside Printing & Binding
19105	\$40.00	Cal Fire/State Fire Training	School Education Reimbursement
19106	\$58.00	Canyon Ridge Communications Inc	Pager Repair/Replacement
19107	\$3,960.00	Chula Vista Fire Department	School Education Reimbursement
19108	\$32.88	Daniels Tire Service Inc	Vehicle Scheduled Maintenance
19110	\$1,464.90	Direct Energy Business - Dallas	Elec/Gas/Propane
19111	\$200.00	Discount Carpet Cleaning	Carpet Cleaning in Building
19112	\$123.92	ECMS	Alterations
19113	\$21.66	FedEx	Shipping Service
19114	\$421.84	Fire ETC Inc	Apparatus Tool/Equipment Replacement
19115	\$928.81	Galls Retail	Uniform - Administrative/Safety/FP
19116	\$8,100.29	Geocon Inc	FBR #3 Replacement
19117	\$79.79	Gibbs, Michael J.	Mileage Reimbursement
19118	\$160.00	Government Finance Officers Association	Association Dues
19119	\$2,364.09	Guardian Life Insurance Co	Dental Insurance
19120	\$560.00	Hank Wayne	Radio (Mobile Repair)
19121	\$53,823.20	Health Net	Medical Insurance
19122	\$195.00	Heartland Fire Training Facility	School Education Reimbursement
19124	\$35.00	Jobs Available Inc.	Advertising
19125	\$501.07	Life-Assist Inc	CSA-17 - Supplies
19126	\$60.63	Metro Fire & Safety Inc	Extinguishers
19127	\$4,587.39	Motorola Inc.	Radio Equipment Replacement
19128	\$60.00	Myers-Stevens & Toohey Co Inc.	Disability/Life Insurance
19129	\$239.00	New Earth Enterprises Inc	Landscaping Maintenance Service

Check	Amount	Vendor	Purpose
19130	\$5,525.83	Ninyo and Moore Inc	Soil Contamination - Fuel Tank Removal
19131	\$39.00	Olson's Hand Car Wash Inc	Car Wash
19132	\$105,020.78	PERS	PERS (Employer Paid)
19133	\$165.60	Rannals, Karlena	Meetings/Meal Expenses/Reimbursement
19134	\$3,238.84	San Diego Gas & Electric	Elec/Gas/Propane
19135	\$425.00	SDCTOA	School Education Reimbursement
19136	\$10,621.00	Shapouri & Associates	FBR #3 Replacement
19137	\$22,384.00	Shapouri Engineering Company Inc	FBR #3 Replacement
19138	\$130.00	Sherwood, Bruce E	CSA-17 - Supplies
19139	\$3,617.97	Silverado Avionics Inc	Radio Equipment Replacement
19141	\$198.50	Terminix International	Monthly Contract Work on Building
19142	\$416.84	The Lincoln National Life Ins Co	Disability/Life Insurance
19143	\$3,187.15	The SoCo Group Inc	Gasoline & Diesel Fuel
19144	\$223.78	ThyssenKrupp Elevator Inc	Elevator Service
19145	\$100.44	U P S	Shipping Service
19146	\$3,873.80	U S Bank Corporate Payment System	Cal-Card./IMPAC program
19147	\$254.35	Uniform Specialists Inc	Uniform - Safety Personnel
19149	\$175.00	Vinyard Doors Inc	Repair on Building
19150	\$770.58	Waste Management Inc	Trash Disposal
19151	\$156.04	Waxie Sanitary Supply	Janitorial Supplies
19152	\$263.96	Willis, Erwin L.	Computer Equipment/Parts
19153	\$5,000.00	WinTech Computer Services	Consulting Services
19154	\$100.00	A to Z Plumbing Inc	Station Maintenance
19155	\$74.91	Aair Purification Systems Reinhart Corp	Apparatus - Miscellaneous
19156	\$240.95	ABC Mowers & Supply	Station Maintenance
19157	\$1,424.72	AT&T Calnet 2	Telephone
19158	\$257.89	AT&T/MCI	Telephone
19160	\$48.64	Corporate Clothiers Inc	Uniform - Prevention
19161	\$2,332.00	County of SD/RCS	800 MHz Network Admin Fees
19162	\$108.57	Direct Energy Business - Dallas	Elec/Gas/Propane
19163	\$29,842.38	Downtown Ford Sales, INc.	2009 Ford Crew Cab Pickup
19164	\$495.00	Fairbanks Ranch Com. Serv. Dis	Sewer

Check	Amount	Vendor	Purpose
19165	\$803.40	Fire ETC Inc	Apparatus Parts & Supplies
19166	\$305.89	Fireblast Inc	Apparatus Parts & Supplies
19168	\$191.06	Galls Retail	Uniform - Safety Personnel
19169	\$2,364.09	Guardian Life Insurance Co	Dental Insurance
19170	\$53,823.20	Health Net	Medical Insurance
19171	\$635.32	Home Depot, Inc	Training Miscl Equipment/Supplies
19172	\$437.50	Irvine Valley Air Condit. Inc	Monthly Repair/Service on Building
19173	\$8,800.00	Jeff Katz Architecture	FBR #3 Replacement
19175	\$557.07	Knox Company Inc	Apparatus Parts & Supplies
19176	\$362.53	L N Curtis & Sons Inc	Safety Clothing
19177	\$268.00	Life-Assist Inc	CSA-17 - Supplies
19178	\$535.68	Livingstone, David W.	Suppression Meal/Lodging/Travel Expenses Reimbursement
19179	\$47.13	Metro Fire & Safety Inc	Extinguishers
19180	\$60.00	Myers-Stevens & Toohey Co Inc.	Disability/Life Insurance
19181	\$152.96	Napa Auto Parts Inc	Apparatus Parts & Supplies
19182	\$17,055.00	North County Dispatch JPA	Dispatching
19183	\$2,511.65	North County EVS Inc	Apparatus Parts & Supplies
19184	\$358.78	Olivenhain Municipal Water District	Water
19185	\$2,948.00	Palomar College	In-Service Taining Program
19186	\$5,367.65	San Diego Gas & Electric	Elec/Gas/Propane
19187	\$700.00	Santa Fe Irrigation District	Vehicle Site Rental
19188	\$6,855.57	Silverado Avionics Inc	Radio Equipment Replacement
19189	\$1,305.61	Stephen J Fitch & Associates	Legal Services
19190	\$1,340.57	Suburban Propane	Training - Equipment/Supplies
19191	\$416.84	The Lincoln National Life Ins Co	Disability/Life Insurance
19192	\$3,002.72	The SoCo Group Inc	Gasoline & Diesel Fuel
19193	\$1,546.21	ThyssenKrupp Elevator Inc	Elevator Service
19194	\$55.95	U P S	Shipping Service
19195	\$1,049.81	Uniform Specialists Inc	Uniform - Safety Personnel
19196	\$1,351.46	Verizon Wireless	MDT Broadband + ATN Line/Cell phone lines
19197	\$240.15	Vista Paint Corp.	Hydrant Maintenance
19198	\$1,061.79	Waxie Sanitary Supply	Janitorial Supplies

RANCHO SANTA FE FIRE PROTECTION DISTRICT

Check	Amount	Vendor	Purpose
19200	\$140.00	AT&T	Telephone
19201	\$558.75	Bay City Electric Works Inc	Generator Maintenance
19202	\$2,286.31	Blend	Outside Printing & Binding
19203	\$59.00	Canyon Ridge Communications Inc	Pager Repair/Replacement
19204	\$1,345.22	Direct Energy Business - Dallas	Elec/Gas/Propane
19205	\$335.10	ECMS	Alterations
19206	\$10,338.50	EDD	Unemployment Insurance
19207	\$130.00	EMS Personnel Fund	CSA-17 - Supplies
19208	\$378.13	Galls Retail	Uniform - Safety Personnel
19209	\$7,355.00	Geocon Inc	FBR #3 Replacement
19210	\$74.63	Hunter, Clifford F	Prevention Meal/Lodging/Travel Exp
19211	\$185.00	Irvine Valley Air Condit. Inc	Building - RSF 2
19212	\$98.69	Metro Fire & Safety Inc	Extinguishers
19213	\$16,614.50	Motorola Inc.	Radio Equipment Replacement
19214	\$239.00	New Earth Enterprises Inc	Landscaping Maintenance Service
19215	\$392.33	Rannals, Karlana	Admin - Overnight Conf/Seminars/Meetings/Meal Exp/Mileage Reimb.
19217	\$149.50	Terminix International	Building - RSF 4
19218	\$2,828.11	The SoCo Group Inc	Gasoline & Diesel Fuel
19219	\$20.00	U P S	Shipping Service
	\$11,281.64	Various	Medical Reimbursements
Sub-total	\$453,600.19		
15-Mar-09	\$193,124.01	Rancho Santa Fe Fire PD	Payroll
30-Mar-09	\$4,869.60	Rancho Santa Fe Fire PD	Payroll
31-Mar-09	\$234,201.87	Rancho Santa Fe Fire PD	Payroll
Sub-total	\$432,195.48		
TOTAL	<u>\$885,795.67</u>		

Rancho Santa Fe Fire District
 Fire Prevention Bureau Monthly Activity Summary
 March 2009

PLAN REVIEW

RESIDENTIAL PLAN REVIEWS	Number of Structures	Sq Footage
Fire Marshal	11	39,849
Fire Inspector	1	0
Urban Forester	0	0
TOTAL	12	39,849

RESIDENTIAL ADDITIONS	Original Sq Footage	Added Sq Footage
Fire Marshal	18,713	0
Fire Inspector	0	0
Urban Forester	0	0
TOTAL	18,713	2,712

COMMERCIAL PLAN REVIEWS	Number of Structures	Sq Footage
Fire Marshal	2	0
Fire Inspector	1	
TOTAL	3	4,500

TOTAL NEW CONSTRUCTION		Sq Footage
Based on permitted Sq footage	Total Added	47,061

FIRE SPRINKLER REVIEWS	Commercial	Residential
Fire Marshal	0	0
Fire Inspector	2	2
TOTAL	2	2

TENANT IMPROVEMENTS	Number of Structures	Sq Footage
Fire Marshal	0	0
Fire Inspector	0	0
TOTAL	0	0

LANDSCAPE REVIEWS	Number of Reviews	Staff Hours
Urban Forester	7	6.5
TOTAL	7	6.5

Rancho Santa Fe Fire District
 Fire Prevention Bureau Monthly Activity Summary
 March 2009

SERVICES PERFORMED

DPLU - Fire Marshal	Number	Staff Hours
Project Availability Forms	3	3.0
Use Permits	2	2.0
Zaps	0	0.0
Administrative Review	0	0.0
Habit Plans	0	0.0
Approval Letters	3	3.0
TOTAL	8	8.0

INSPECTION SERVICES- All Staff	Number of Inspections	Staff Hours
Undergrounds	2	1.0
Hydros	6	6.0
Finals	17	14.0
Landscape	6	4.0
Reinspections	2	2.0
Code Enforcement	7	10.0
Misc.	7	7.0
TOTAL	47	44.0

HAZARD INSPECTIONS - All Staff	Number of Inspections	Staff Hours
Top 10 Hazards (# of Parcels Notified)		
#10. Mt. Israel/Lake Hodges	1	1.0
#9. Hacienda Santa Fe	0	0.0
#8. San Dieguito River/Zumaque Area	0	0.0
#7. Via del Alba	0	0.0
#6. La Glorieta	0	0.0
#5. La Madreselva	0	0.0
#4. Escondido Creek	0	0.0
#3. El Camino Real	0	0.0
#2. Sun Valley Road	0	0.0
#1. Roadway Vegetation/Canopies	0	1.0
Weed Abatement Inspection	15	7.5
Weed Abatement Reinspection	5	2.5
1st Notice	5	1.3
2nd Notice	3	0.8
Final Notice	0	0.0
Forced Abatement	0	0.0
Homeowner Meeting	3	3.0
TOTAL	32	17.0
Top 10 Hazards notified this month	1/1243	
Top 10 Hazards notified YTD	229/1243	
Shelter-In-Place Communities (5)	5/5	

Rancho Santa Fe Fire District
 Fire Prevention Bureau Monthly Activity Summary
 March 2009

SERVICES PERFORMED

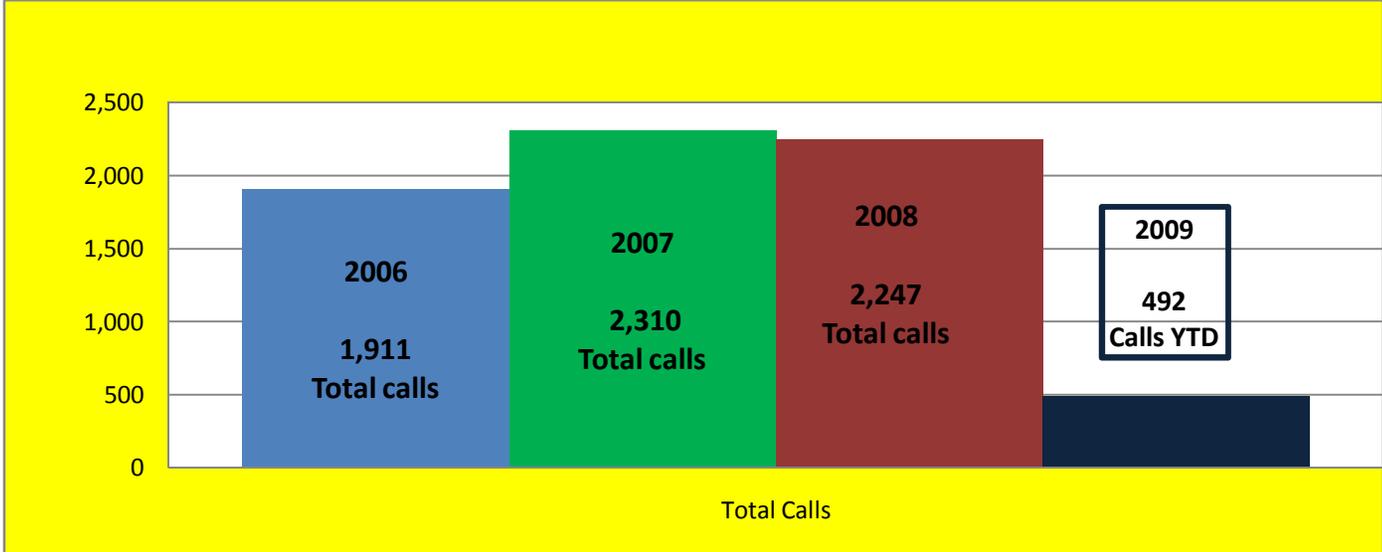
GRADING - Fire Marshal	Number of Inspections	Staff Hours
Plan Review	3	3.0
Site Inspection	0	0.0
TOTAL	3	3.0

SPECIAL PROJECTS - All Staff	Number of Inspections	Staff Hours
GIS Mapping	0	
Fuels Mitigation	0	
Special Projects/Other		46.0
Continuing Education (Staff Hours)		
TOTAL	0	46.0

FIRE PREVENTION - All Staff	Number	Staff Hours
Incoming Phone Calls	261	35.3
Consultations	3	3.0
General Office		10.0
TOTAL	264	38.3

PUBLIC EDUCATION - PRC	Number	Staff Hours
Web Master (Website hits and hours worked)	2,527	9.0
Graphic Design		0.0
Communication & Relations		5.0
Number of Releases	0.0	
Education: Design and Prepare		21.0
Education: Presentations	133.0	14.0
Number Reached: Children		
Number Reached: Adults		
In Service Staff Training		
Child Safety Seat Installations	8.0	8.0
Clerical		65.0
Continuing Education		3.0
Special Projects		10.0
TOTAL	2,668.0	135.0

Office Support Coordinator-Prevention	Number	Staff Hours
Phone Calls (All Administrative Staff)	376	18.8
Walk in/Counter (All Administrative Staff)	142	7.1
Knox Application Request	6	0.5
UPS Outgoing Shipments	10	0.8
Plan Accepted/Routed	40	6.7
Training Classes:		
Outside Meetings		
TOTAL		33.9



Incident Summary by Incident Type

Date Range: From 03/01/2009 To 03/31/2009

Incident Type(s) Selected: All

Incident Type	Incident Count	Used in Ave. Resp.	Average Response Time hh:mm:ss	Total Loss	Total Value
Fire	5	5	00:05:05	\$13,350.00	\$19,900.00
Rupture/Explosion	1	1	00:10:39	\$0.00	\$0.00
EMS/Rescue	77	73	00:05:36	\$0.00	\$0.00
Hazardous Condition	2	2	00:04:42	\$0.00	\$0.00
Service Call	22	6	00:07:18	\$0.00	\$0.00
Good Intent	30	4	00:05:08	\$0.00	\$0.00
False Call	22	22	00:06:54	\$0.00	\$0.00
Blank or Invalid	18	0		\$0.00	\$0.00
Totals	177	113		\$13,350.00	\$19,900.00

March 2009

March 2009							April 2009						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7	5	6	7	1	2	3	4
8	9	10	11	12	13	14	12	13	14	15	16	17	18
15	16	17	18	19	20	21	19	20	21	22	23	24	25
22	23	24	25	26	27	28	26	27	28	29	30		
29	30	31											

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Mar 1 - 7	Mar 1	2 9:00am 2613 - Zone f 1:30pm 2614 Zone RI	3 9:00am 2613 - Zone f 1:30pm 2614 - Zone f	4 9:00am 2611, 2612 O 11:00am 2613, 2614 O	5 Fire Prevention Inspe	6 9:00am 2611, 2612 O 11:00am 2613, 2614 O	7 Hose Testing; Station 9:00am CERT Academ
	8	9 Fire Prevention Inspe	10	11 8:00am Scripps Comt	12 8:30am Peer Review; 8:30am 2612, 2614 CI 1:30pm 2611,2613,26	13 8:30am 2612, 2614 CI 1:30pm 2611,2612,26	14 Battalion Chiefs Drill; 9:00am CERT Academ
Mar 8 - 14	15	16 9:00am 2611,2612,26 1:30pm 2612, 2614 CI	17 9:00am 2611 Haz Ma 1:30pm 2612 - Haz M	18 9:00am 2611 Haz Ma 1:30pm 2612 - Haz M	19 Fire Prevention Inspe	20 8:00am Scripps Comt 9:30am Station Tour; 3:30pm 2611 Station	21 Battalion Chiefs Drill; 8:30am 2614 - Zone f 1:00pm 2613 - Zone f
	22 8:00am Solana Beach	23 9:00am 2613 Haz Ma 1:30pm 2614 Haz Ma	24 8:00am S-330 Strike 1 9:00am 2611 Haz Ma 1:30pm 2612 - Haz M	25 8:30am Captains Mee 12:15pm Pizza Party; H 1:30pm 2614 & 2613	26 8:00am S-330 Strike 1 9:00am 2613 Haz Ma 1:30pm 2614 Haz Ma	27 8:00am S-330 Strike 1 9:00am 2611 Hose La 11:30am Pizza Party; S 1:30pm 2612 Hose La	28 Battalion Chiefs Drill;
Mar 15 - 21	29	30 8:00am Scripps Comt	31 Fire Prevention Inspe	Apr 1	2	3	4
	Mar 22 - 28						

RESOLUTION No. 2009-02

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RANCHO SANTA FE FIRE PROTECTION DISTRICT TO PARTICIPATE IN THE SAN DIEGO COUNTY FIRE MITIGATION FEE PROGRAM

WHEREAS, the Rancho Santa Fe Fire Protection District is anticipating that new development will occur within the district which will cause the need for the expansion of existing fire protection facilities; and

WHEREAS, the Rancho Santa Fe Fire Protection District is currently participating in the San Diego County's Fire Mitigation Program; and

WHEREAS, the County of San Diego is empowered to collect mitigation fees from applicants for new development for the purpose of the expansion of fire protection and firefighting facilities and equipment; and

WHEREAS, the County of San Diego has established fee ceilings for types of construction by Chapter 3 of Division 10 of Title 8 (commencing with § 810.301) of the San Diego County Code; and

WHEREAS, the County of San Diego has amended Chapter 3, Division 10 of Title 8 of the San Diego County Code of Regulatory Ordinances relating to fire mitigation fees; and

WHEREAS, the Rancho Santa Fe Fire Protection District intend hereby to comply with said amendments to continue to participate in the fire mitigation fee program.

IT IS HEREBY FOUND THAT:

- (1) The Rancho Santa Fe Fire Protection District does not have existing facilities which could be used to provide an adequate level of service to new development within the district's boundaries; and
- (2) The Rancho Santa Fe Fire Protection District does not have sufficient funds available to construct additional facilities from fund balances, capital facility funds, property tax sources, or any other appropriate sources; and
- (3) The lack of fire protection facilities and equipment to serve new development would create a situation perilous to the public health and safety if fire mitigation fees are not levied within the district; and
- (4) The annexation fees and plan check fees charged by the Rancho Santa Fe Fire Protection District do not include a payment toward the costs of capital facility and equipment expansion as a component of the fee.

NOW, THEREFORE, BE IT RESOLVED THAT:

- (1) The Rancho Santa Fe Fire Protection District requests the County to collect 100% of the ceiling amount of the fire mitigation fee on the district's behalf from applicants for building permits. This percentage of the ceiling fee is equal to or less than the capital facility expansion needs caused by new development.
- (2) The fee amounts do not exceed the ceiling for fire mitigation fees established by the San Diego County Board of Supervisors.
- (3) Mitigation fees paid under this program will be used to expand the availability of capital facilities and equipment to serve new development.
- (4) The district shall place all funds received by the County under this program, and all interest subsequently accrued by the district on these funds, in a separate budget accounting category to be known as the "San Diego County Fire Mitigation Fee."
- (5) The district shall expend funds from said "San Diego County Fire Mitigation Fee" budget accounting category only for the purposes of providing capital facilities and equipment to serve new development.
- (6) The district shall submit a Fire Mitigation Fee Annual Report, not later than August 29 of each year, to the Director of the Office of Disaster Preparedness specifying the amount of funds collected and the expenditures by category. In addition, the report shall specify the actions the district plans to take to alleviate the facility and equipment needs caused by new development in a Multi-Year Facilities and Equipment Plan adopted at a noticed public hearing. The district shall make available, upon request by the Director, a copy of its annual audit report.
- (7) The district shall make its records available to the public on request, which justify the basis for the fee amount.
- (8) The district shall hold San Diego County harmless for any errors made by the County in collecting and/or transmitting these fees to the district.
- (9) The district agrees to a review of revenues and expenditures collected and dispensed pursuant to this resolution each fiscal year by a committee established by the County Board of Supervisors.
- (10) The district shall make findings, with respect to any portion of the fee remaining unexpended or uncommitted in its account five or more years after deposit of the fee, to identify the purpose to which the fee is to be put and to demonstrate a reasonable relationship between the fee and the purpose for which it was charged. The agency

Resolution No. 2009-02

shall refund to the then current record owner or owners of the development project or projects on a prorated basis the unexpended or uncommitted portion of the fee, and any interest accrued thereon, for which need cannot be demonstrated.

- (11) By April 16 of each year following the year of original adoption of this District's resolution, the Rancho Santa Fe Fire Protection District shall submit a copy of a new resolution adopted by the Board of Directors making the required findings and setting the percentage off the fire mitigation ceiling requested by the District.
- (12) All fees collected pursuant to the San Diego County Fire Mitigation Fee Ordinance shall be used by the District for providing for capital facilities and equipment.
- (13) "Facilities and Equipment" means any long-term capital facilities and equipment used by the Rancho Santa Fe Fire Protection District for suppression or emergency medical services, including station construction, station expansion and fire or emergency medical apparatus.

BE IT FURTHER RESOLVED that this resolution supersede Resolution No. 2008-01 To Participate in the Fire Mitigation Fee Program adopted February 13, 2008.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Rancho Santa Fe Fire Protection District on April 8, 2009 by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

JAMES H ASHCRAFT
President

ATTEST:

Karlana Rannals
Secretary

RESOLUTION No. 2009-03

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
RANCHO SANTA FE FIRE PROTECTION DISTRICT SETTING
BENEFIT CHARGES FOR FISCAL YEAR 2009/2010**

BE IT RESOLVED, that pursuant to the Rancho Santa Fe Fire Protection District Board of Directors meeting held April 8, 2009 this board has determined that charges for providing fire protection services by the Rancho Santa Fe Fire Protection District for fiscal year 2009/2010 shall appear as a separate item on tax bills and collected at the same time and in the same manner as ordinary county ad valorem taxes and caused to be prepared and filed, written reports describing real property receiving fire protection services.

The amount of charges for each parcel for fiscal year 2009/2010 have been computed in conformity with the procedure set forth in, and charges described by applicable ordinances and resolution of the fire protection district.

THEREFORE, it is hereby determined and ordered as follows:

1. That each and every charge set forth in said report is adopted;
2. That said reports are hereby confirmed;
3. That said reports as confirmed by this board be filed with the Auditor & Controller of the County of San Diego;
4. The cost for fiscal year 2009/2010 shall be \$2.50 per benefit unit.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Rancho Santa Fe Fire Protection District on April 8, 2009 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

JAMES H ASHCRAFT
President

ATTEST

Karlana Rannals
Secretary

STATE OF CALIFORNIA
COUNTY OF SAN DIEGO

I, KARLENA RANNALS, Secretary, Rancho Santa Fe Fire Protection District, Board of Directors hereby certify that I have compared the foregoing copy with the original resolution adopted by said board at its regular meeting on April 8, 2009, which original resolution is on file in my office; and that same contains a full, true and correct transcript there from and of the whole thereof.

Witness my hand this _____ day of _____, 2009.

KARLENA RANNALS
Secretary

STAFF REPORT

NO. 09-06

TO: BOARD OF DIRECTORS
NICHOLAS PAVONE, FIRE CHIEF

FROM: KARLENA RANNALS, ADMINISTRATIVE MANAGER

SUBJECT: BENEFIT FEE PROCESSING CONTRACT

DATE: APRIL 2, 2009



BACKGROUND

On November 7, 2008, the County of San Diego Department of Public Works (DPW) informed the District that they would no longer be performing the service of benefit fee assessment processing which they had been doing for over 20 years. On December 3, 2008, I attended a meeting at DPW. DPW stated that they would not be performing this service due to an outdated computer mainframe; however, the County was working on an alternative solution and would hold a meeting in January. On January 27, 2009, I attended a follow-up meeting, and was informed that the County would not process special tax assessments for the upcoming fiscal year. Since other Fire District's were affected by the discontinuation of this service, seven agencies agreed to collaborate and develop a Request for Proposal (RFP) for processing services. The partners in this collaborative effort include Alpine, Bonita-Sunnyside, Borrego Springs, Deer Springs, Julian, Lakeside, and San Miguel Fire Districts. Alpine Fire District took the lead on this project.

On February 25, 2009, the seven Districts interviewed all vendors who responded to the RFP and selected Willdan Financial Services to perform the service. A contract was produced and sent to legal counsel for review and approval. Note: Alpine Fire District contracts with Stephen J Fitch for legal services.

CURRENT SITUATION

Time is of the essence regarding the approval of this contract as the Districts are required to have all processing completed no later than August 10th and transferred to the County Assessor for collections.

The proposed contract between Willdan Financial Services and District for Special Tax Administration is for the fiscal years 2009-2010 through 2011/2012 with two (2) one (1) year options to renew for fiscal years 2012/2013 and 2013/2014. Lakeside and San Miguel Fire Districts' chose not to participate in the final contract.

RECOMMENDATION

Approve the contract between Rancho Santa Fe Fire Protection District and Willdan Financial Services for Benefit Fee Processing and authorize the Board President to execute the document.

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT ("Agreement ") is made and entered into this 16th day of March, 2009 ("Effective Date"), by and between **WILLDAN FINANCIAL SERVICES ("WILLDAN")**, a **California corporation** hereinafter referred to as "Consultant," and the **FIRE DISTRICTS who are signatories to this Agreement**, all public agencies, hereinafter collectively referred to as "Districts."

WHEREAS, the Districts desire to employ Consultant to furnish ongoing professional services in connection with Special Tax/Assessment Administration for fiscal years 2009/2010 through 2011/2012, with two (2) one (1)-year options to renew for fiscal years 2012/2013 and 2013/2014, hereinafter referred to as the "Project."

NOW, THEREFORE, in consideration of the mutual premises, covenants and conditions herein contained, the parties agree as follows:

SECTION I – BASIC SERVICES

Consultant shall provide to the Districts the basic services described in detail in "Exhibit A" entitled Scope of Services, attached hereto and incorporated herein by this reference known hereinafter as the "Work." Consultant shall provide all labor, equipment, material, and supplies required or necessary to properly and competently perform the Work; and to determine the method, details, and means of doing the Work.

SECTION II – ADDITIONAL SERVICES

If requested and authorized in writing, Consultant shall furnish additional services, which are in addition to the Work ("Additional Services"). The hourly rates for the Additional Services are as indicated in "Exhibit B." If Additional Services are requested by Districts, jointly or individually, this Agreement shall be modified by execution of a written addendum setting forth the additional scope of services to be performed, the performance time schedule and the compensation for such services. Additional services may be agreed to and executed by an individual agency named in this Agreement as a separate and sole addendum affecting an individual agency, or mutually agreed to as a multiple agency addendum requiring the approval of all agencies named as signatories of this agreement. No District shall be bound by any addendum unless that District is an actual signatory to the addendum.

SECTION III – COMPENSATION

In exchange for complete performance of the Work, Districts agree to pay to Consultant a fee for the completed Work in accordance with the fee schedule attached hereto as "Exhibit B." There shall be no compensation for Additional Services unless requested and approved in advance in writing executed by the Districts, individually or jointly. Consultant's fee shall include all of Consultant's costs and expenses related to the Work. Consultant may submit monthly statements for the Work and approved Additional Services rendered provided the monthly billing for the Work does not exceed the annual fee for each District as set forth in Exhibit "B." The Districts will make payments to Consultant within thirty (30) days of invoice. All invoices not paid within thirty (30) days shall bear interest at the rate of one and one-half (1½) percent per month or the legal rate allowed.

SECTION IV – TERM

Except for early termination as provided for in Section IX, this Agreement shall be from the Effective Date until June 30, 2012 ("Term"). Districts shall have the option to extend this Agreement for two (2) additional one (1) -year terms. Districts, either individually or collectively shall notify Consultant in writing sixty (60) days prior to the expiration of the Term or extension thereof of its exercise of the option to extend the Agreement. Any such extension shall be on the same terms and conditions. No extension shall be binding on a District unless in writing and executed by the District.

SECTION V – INDEMNITY; INSURANCE REQUIRED

A. **Indemnity.** Consultant shall indemnify, defend (with counsel acceptable to Districts), protect and hold harmless the Districts, its officers, officials, directors, employees, designated agents, and appointed volunteers from and against all claims, damages, losses and expenses, including attorney fees, arising out of the performance of the services described herein, caused in whole or in part by the negligent acts, errors, or omissions of Consultant, any subconsultant, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, except where caused by the active negligence or willful misconduct of the Districts or the District's officers, agents, or employees.

B. **Insurance.** Without in any way limiting Consultant's liability pursuant to the indemnification described above, Consultant shall maintain, during the term of this contract, the following insurance:

Coverage	Minimum Limits
<p>General Liability Comprehensive General Liability, including: Premises and Operations Contractual Liability Personal Injury Liability Independent Contractors Liability (if applicable)</p>	<p>\$1,000,000 Combined Single Limit, per occurrence and general aggregate</p>
<p>Automobile Liability Comprehensive Automobile Liability (including owned, non-owned and hired autos)</p>	<p>\$1,000,000 Combined Single Limit, per occurrence</p>
<p>Workers' Compensation and Employer's Liability Workers' Compensation Insurance Employer's Liability</p>	<p>Statutory, \$1,000,000</p>
<p>Professional Liability Professional Liability Insurance</p>	<p>\$1,000,000 per claim and annual aggregate</p>

All insurance policies required hereunder shall be obtained upon an "occurrence" basis and not as "Claims made" policies. All public liability, property damage, and other liability policies of Consultant shall be written as primary policies, not contributing with and not in excess of coverage which Consultant or Districts may carry. Consultant shall furnish Districts with a certificate of insurance with attached endorsements with respect to such policies. Such policies shall be secured from insurance companies with a Best's rating of A: Class IX or better and provide by endorsement that they may not be canceled or altered without sixty (60) days prior written notice delivered by the insurer to Districts.

SECTION VI – INDEPENDENT CONTRACTOR STATUS

Consultant shall be an independent contractor and shall have responsibility for and control over the details and means of providing the services under this Agreement. Consultant is and shall be responsible for payment of all income and other taxes for itself and its employees, and for providing its own workers compensation and other types of insurance. Consultant shall indemnify, defend and hold Districts harmless from all liability for loss, damage, resulting from Consultant's failure to properly account for and pay any taxes related to their status as an independent contractor.

SECTION VII – OWNERSHIP AND MAINTENANCE OF DOCUMENTS

Consultant may rely upon the accuracy of any documents provided by the Districts. All documents, including without limitation, reports, plans, specifications, field data, field notes, laboratory test data, calculations, estimates, schedules, spreadsheets, or other documents furnished by Consultant pursuant to this Agreement, regardless of media (e.g., paper, electronic, magnetic, optical, Mylar, etc), are instruments of Consultant's services in respect to this Project and not products. All such documents shall remain the property of Consultant provided, however, that a copy of the final documents in electronic and written format shall be made available to the Districts upon request at no additional cost to the Districts. The Districts acknowledge that their right to utilize the services and instruments of Consultant will continue only so long as the Districts are not in default of the terms and conditions of this Agreement.

Consultant's records, documents, calculations, test information, and all other instruments of service shall be kept on file in legible form for a period of not less than three (3) years after completion of the services covered in this Agreement.

SECTION VIII – SUSPENSION OF SERVICES

The Districts may, at any time, by thirty (30) days' written notice, suspend further performance by Consultant. All suspensions shall extend the time schedule for performance in a mutually satisfactory manner and Consultant shall be paid for all services performed and approved reimbursable expenses incurred prior to the suspension date.

SECTION IX – TERMINATION

Any party to this Agreement may terminate this Agreement without cause at any time by giving thirty (30) days' written notice to the other party of such termination. Notwithstanding the foregoing, no such termination shall be effective, except between September 1 and December 31 of any given year (e.g., notice would be given no earlier than August 31, nor later than November 30 of each year). In the event that this Agreement is terminated, payment shall be due Consultant for all Work performed by Consultant through the date of the notification of termination, less payments of compensations previously made. If individual District(s) terminate(s) this Agreement for services, there shall be no penalty or increase in fees to the Districts remaining under this contract.

SECTION X – GOVERNING LAW

This Agreement will be governed by and construed in accordance with the laws of the state of California

SECTION XI – SUCCESSORS AND ASSIGNS

This Agreement shall be binding on the successors and assigns of the parties; but either party, without written consent of the other party, shall not assign it. However, Consultant shall not subcontract, assign, or transfer this Agreement, or any part of it, without the prior written consent of the Districts.

SECTION XII – ATTORNEYS' FEES

In the event that any legal action is brought to enforce or construe this Agreement, the prevailing party shall be entitled to an award of reasonable attorney's fees, expert witness and consulting fees, and litigation costs.

SECTION XIII – ALTERNATIVE DISPUTE RESOLUTION

If a dispute arises between the parties relating to this Agreement, the parties agree to use the following procedure prior to either party pursuing other available remedies:

A. A meeting shall be held promptly between the parties, attended by individuals with decision-making authority regarding the dispute, to attempt in good faith to negotiate a resolution of the dispute.

B. If, within thirty (30) days after such meeting, the parties have not succeeded in negotiating a resolution of the dispute, they will jointly appoint a mutually-acceptable neutral person not affiliated with either of the parties (the "neutral"), seeking assistance in such regard if they have been unable to agree upon such appointment within forty (40) days from the initial meeting. The parties shall share the fees of the neutral equally.

C. In consultation with the neutral, the parties will select or devise an alternative dispute resolution procedure (“ADR”) by which they will attempt to resolve the dispute, and a time and place for the ADR to be held, with the neutral making the decision as to the procedure, and/or place and time (but unless circumstances require otherwise, not later than sixty (60) days after selection of the neutral) if the parties have been unable to agree on any of such matters within twenty (20) days after initial consultation with the neutral.

D. The parties agree to participate in good faith in the ADR to its conclusion, as designated by the neutral. If the parties are not successful in resolving the dispute through the ADR, then the parties may agree to submit the matter to binding arbitration or a private adjudicator, or either party may seek an adjudicated resolution through the appropriate court.

SECTION XIV – RECORDS

Records of Consultant’s direct labor costs, payroll costs, and approved reimbursable expenses pertaining to the Project covered by this Agreement will be kept on a generally recognized accounting basis and made available during normal business hours upon reasonable notice.

Consultant’s records will be available for examination and audit, if and as required.

SECTION XV – MISCELLANEOUS PROVISIONS

A. The titles used in this Agreement are for general reference only and are not a part of the Agreement.

B. The terms of this Agreement have been negotiated by the parties hereto and the language used in this Agreement shall be deemed to be the language chosen by the parties hereto to express their mutual intent. This Agreement shall be construed without regard to any presumption or rule requiring construction against the party causing such instrument or any portion thereof to be drafted, or in favor of the party receiving a particular benefit under the Agreement. No rule of strict construction will be applied against any person.

C. If any term or provision of this Agreement is determined to be illegal, unenforceable, or invalid in whole or in part for any reason, such illegal, unenforceable, or invalid provisions or part thereof shall be stricken from this Agreement and such provision shall not affect the legality, enforceability, or validity of the remainder of this Agreement. If any provision or part thereof of this Agreement is stricken in accordance with the provisions of this section, then this stricken provision shall be replaced, to the extent possible, with a legal, enforceable, and valid provision that is as similar in tenor to the stricken provision as is legally possible.

D. This Agreement supersedes any and all other agreements either oral or written or implied between the Parties. Each party acknowledges that no representation, inducements, policies, or agreements have been made by any party or anyone acting on behalf of any party, which are not embodied herein and that no other agreements, statement, or promise not contained in this contract shall be valid or binding on either party except as provided herein.

E. Time is expressly of essence with respect to this Agreement.

F. Any notices given pursuant to this Agreement shall be effective on the third business day after posting by first class mail, postage prepaid, to the address appearing immediately after the signatures below.

G. The waiver by any party of any term, condition, or covenant, or breach of any term, condition, or covenant, shall not constitute the waiver of any subsequent breach of any other term, condition, or covenant.

H. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement shall not be effective until the execution and delivery between each of the parties of at least one set of counterparts. The parties authorize each other to detach and combine original signature pages and consolidate them into a single identical original. Any one of such completely executed counterparts shall be sufficient proof of this Agreement.

I. Except as specifically provided in this Agreement no amendment or modification of the terms or conditions of this Agreement shall be valid unless in writing and signed by the parties hereto.

IN WITNESS WHEREOF, the parties hereto have accepted, made and executed this Agreement upon the terms, conditions, and provisions above stated, as of the day and year first above written.

"Consultant"

WILLDAN FINANCIAL SERVICES

By: _____

Name: Mark J. Risco

Title: Vice President

Address: 27368 Via Industria, Suite 110

Temecula, California 92590-3661

"District"

ALPINE FIRE PROTECTION DISTRICT

By: _____

Name: _____

Title: _____

Address: _____

"District"

BONITA SUNNYSIDE FIRE PROTECTION DISTRICT

By: _____
Name: _____
Title: _____
Address: _____

"District"

BORREGO SPRINGS FIRE PROTECTION DISTRICT

By: _____
Name: _____
Title: _____
Address: _____

"District"

DEER SPRINGS FIRE PROTECTION DISTRICT

By: _____
Name: _____
Title: _____
Address: _____

"District"

JULIAN FIRE PROTECTION DISTRICT

By: _____
Name: _____
Title: _____
Address: _____

"District"

RANCHO SANTA FE FIRE PROTECTION DISTRICT

By: _____
Name: _____
Title: _____
Address: _____

Exhibit A

SCOPE OF SERVICES

Special Tax / Assessment Administration

Consultant will perform the following scope of services to meet the needs of the Districts' annual Special District Assessment and Special Tax administration:

1. Schedule an annual kick-off meeting with each District staff to review the existing District administrative policies and procedures. Identify and discuss possible changes to the District for the upcoming fiscal year, including budget issues, annexations, modification, or expansion of District services, as well as regulatory changes that may impact the District
2. Prepare an annual levy timeline identifying key dates and timeframes for pertinent tasks throughout the levy process. This timeline will be reviewed and discussed with each District staff. As needed, the timeline will also be adjusted to address the Fire District's scheduling requirements or proposed District changes.
3. Maintain and update a parcel levy database by using the parcel information from the County of San Diego secured roll, parcel change database and various other sources. As new data becomes available, update the database and enhance the data through parcel research using current secured roll information, County Assessor maps, various third-party resources, and specific information provided by each District (e.g., up-to-date map approval status, building permits, or certificate of occupancy data). Updates to the database will include those necessitated by the addition and/or removal of parcels, land subdivisions and merges, land use code, ownership and mailing address changes, assessed values, and adjusted benefit unit information. This database will then become the source for the calculation of the annual District Assessments/Special Taxes. Utilizing additional resources (such as the County secured roll and parcel change database) can assist the district in maximizing revenue sources. Such was the case when Consultant recently identified additional revenue sources for San Diego County Department of Public Works.

Based upon their assigned benefit, MuniMagic software will be used to calculate the annual assessments for the parcels within the District. This software is capable of handling complex assessment methodologies and formulas, calculating the annual assessments, and producing files in the required format for submittal to the County Auditor/Controller's Office. The same data can then be used to reproduce databases of assessed parcels in hardcopy, CD-ROM, or other electronic formats.

4. Attend, in addition to the annual kick-off meeting, up to two (2) meetings, public hearings, and/or staff meetings for each District. Consultant will also be available to answer any questions requested by staff.
5. Provide Assessment/Special Tax amounts for each parcel by Assessor's Parcel Number to the County Auditor/Controller's Office in the media, format, and configuration required by the County for placement on the annual property tax roll, inclusive of specialized SBE listings for public utility parcels.
6. Provide resolutions ordering the levy, collection of assessments, and any other necessary information to the County Auditor/Controller's Office.
7. Research the exceptions upon receipt of a parcel exceptions list from the County; and update parcel number changes, as well as report the revised parcels and updated levy amounts to the County. As necessary, Consultant will prepare for each District staff additional County-required correspondences relating to the submittal, correction, or removal of assessments to the County tax roll. Willdan will manually invoice Special Tax installments that cannot be collected on the County property tax roll on behalf of each District.
8. Provide certification letter required by San Diego County.

Exhibit A

9. Provide each District with a levy summary report comparing budget amounts to the actual applied levy. This levy summary will include a description of the reasons for any significant variances between the amounts budgeted, and the amounts actually applied to the County tax roll.
10. Act as primary contact (at the discretion of each District) to answer property owner questions regarding the District and assessments. Consultant provides the County our toll-free telephone number for inclusion on the tax bills for property owners to call with questions.
11. Provide online access to MuniMagic software. Provide training and technical support to staff. This training will include maneuvering through the various screens and identifying parcel source data. Additionally, staff will be trained on how to electronically export District levy reports.
12. Keep abreast of changes in legislation, which could impact Special Districts.
13. Work with staff in processing forced abatement to ensure proper documentation is provided to the County for submittal of the Special Assessment. Monitor the delinquency status of the Special Assessments.

Client Responsibilities

Consultant will rely upon obtaining the following information from the Districts:

- Copy of the original written report prepared and filed with the Board Secretary.
- An electronic or written listing of all parcels within the district for the past fiscal year, including the assessment levied on each parcel; and the corresponding parcel information necessary to calculate the assessment for each parcel. Engineer's Report, as provided by the County of San Diego for prior year's Special Tax/Assessment, is acceptable.
- Changes, modifications, or updates to the services.
- Certified copies of the resolution(s), certification letter, or other documentation required by the County for submittal of the annual levy.
- Complete list of provided services.

Districts acknowledge that Willdan Financial Services is relying upon the accuracy of the information provided by the Districts or their designees and that Willdan shall not be liable for any inaccuracies contained therein.

Exhibit B

FEE SCHEDULE

Special Tax / Assessment Administration

The number of parcels and districts shown below is the basis of this agreement. All hourly rates, fees, and expense rates are subject to increase. The increase, if any, shall be based upon the Bureau of Labor Statistics CPI, subgroup "All Urban Consumers" (the "Index"), as published by the United States Department of Labor for Los Angeles-Riverside-Orange counties for the annual period ending December 31. The increase, if any, shall not exceed five percent (5%) per annum. As the work progresses, these fees are payable on a **monthly** basis, unless another billing format is mutually agreed upon between the Districts and Consultant.

Service	Taxable Parcels	Assessed Parcels	Annual Fee
Alpine Fire Protection District	5,125	5,073	\$ 2,000
Bonita Sunnyside Fire Protection District	4,215	4,217	2,000
Borrego Springs Fire Protection District	5,835	5,805	2,000
Deer Springs Fire Protection District	32,855	32,839	3,000
Julian Fire Protection District	4,639	4,637	2,000
	4,639	1,994	1,000
Rancho Santa Fe Fire Protection District	12,209	12,176	2,500
Total			\$ 14,500

Reimbursable Expenses

Consultant shall be reimbursed for District requested and approved out-of-pocket expenses. Examples of reimbursable expenses include, but are not limited to: postage, travel expenses, business mileage according to approved IRS standard business mileage reimbursement rates, maps, electronic data furnished from the County and/or other applicable resources, construction cost periodicals, and copying (currently 6¢ per copy). Approved additional expenses for reports or from outside services will be billed to the respective district. Charges for meeting and consulting with legal counsel, the Districts, or other parties regarding services not listed in the scope of work will be at our then-current hourly rates (see "Additional Services" section). There is no charge for telephone calls.

In the event that a third party requests any documents, Consultant may, in accordance with their applicable rate schedule, charge such third party for providing these documents.

Exhibit B

Additional Services

Hourly Rates

Additional services may be authorized by a District and will be billed at our then-current hourly consulting rates. Our current hourly rates are:

Title	Hourly Rate
Group Manager	\$ 210
Principal Engineer	200
Principal Consultant	200
Senior Project Manager	165
Project Manager	145
Senior Project Analyst	130
Senior Analyst	120
Analyst	100
Analyst Assistant	100
Property Owner Services Representative	55
Support Staff	50

STAFF REPORT

NO. 09-07

TO: BOARD OF DIRECTORS
NICHOLAS PAVONE, FIRE CHIEF

FROM: JAMES STURTEVANT, BATTALION CHIEF

SUBJECT: BUDGET AUTHORIZATION

DATE: APRIL 2, 2009

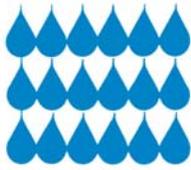


The following budget action is requested for approval and/or modification:

Description	FY 08/09 Budget	Funding Request	Funding Source	Action Requested
<i>Thermal Image Camera T320 (Qty 2)</i>	\$20,000	\$22,402.50	Capital Equipment Replacement <i>100% General Fund</i>	Authorize purchase

JUSTIFICATION for Funding Request:

- Staff is seeking authorization to purchase two (2) replacement Thermal Image Cameras:
- The replacement of two thermal imaging cameras was approved in the 08/09 budget. The Thermal Imaging Cameras to be purchased are the Bullard T320 at a cost of \$11,201.25 per unit. Our current Thermal Imaging Cameras, (Draegers), are over fourteen (14 yrs) old, heavy, large and use outdated technology. The Bullard T320 has a state-of-the-art imager, lightweight, durable, and a relative heat indicator.
 - Due to the change in technology and an increase in California sales tax, the cost for the cameras went from \$20,000.00 to 22,402.50.
 - The replaced cameras will be retained by the District and placed on reserve apparatus.



Charles Z. Fedak & Company

Certified Public Accountants

An Accountancy Corporation

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Charles Z. Fedak, CPA, MBA
Paul J. Kaymark, CPA

Auditor's Required Communication to the Governing Board

The Statement on Auditing Standards (SAS) No. 114, establishes a requirement for auditors to communicate certain matters related to the conduct of the audit to those who have responsibility for oversight of the financial reporting process and those charged with governance (the Governing Board).

The principal purposes of communication with the Governing Board are to:

- a. Communicate clearly with those charged with governance the responsibilities of the auditor in relation to the financial statement audit, and an overview of the scope and timing of the audit.
- b. Obtain from those charged with governance information relevant to the audit.
- c. Provide those charged with governance with timely observations arising from the audit that are relevant to their responsibilities in overseeing the financial reporting process.

This communication is usually completed during an Audit Entrance Conference and an Audit Exit Conference with the entity's Ad Hoc Audit Committee. This communication will address the auditor's responsibilities under generally accepted auditing standards, the planned scope and timing of the audit, significant accounting policies, qualitative aspects of accounting practices, management judgments and accounting estimates, corrected and uncorrected misstatements, significant audit adjustments, any disagreements with management, management's representations to the auditor, management's consultation with other independent accountants, major issues and/or findings discussed with management, and difficulties encountered in performing the audit. Also, Government Auditing Standards requires an additional reporting standard that auditors must follow. It requires the auditor to communicate his/her responsibility in a financial statement audit, including responsibilities for testing and reporting on internal controls and compliance with laws and regulations.

Therefore, we ask the Governing Board to appoint two or, if the entity has more than five board members, more members of the Governing Board to form an Ad Hoc Audit Committee to meet with management and the auditor during an Audit Entrance Conference before June 30th and an Audit Exit Conference upon completion of the audit and presentation of the draft financial statements and management letter.

During the audit process for fiscal year 2009, we will continue to update the Governing Board in regards to the audit status with "***Fiscal Year 2009 Audit Status Reports***" so that the Governing Board is apprised of key audit dates and the audit's progress and completion throughout the audit process.

Thank you,

Paul J. Kaymark, CPA

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The Auditor's Communication With Those Charged With Governance

(Supersedes SAS No. 61)

Source: SAS No. 114.

Effective for audits of financial statements for periods beginning on or after December 15, 2006.

.01 This section establishes standards and provides guidance on the auditor's communication with those charged with governance in relation to an audit of financial statements.¹ Although this section applies regardless of an entity's governance structure or size, particular considerations apply where all of those charged with governance are involved in managing an entity. This section does not establish requirements regarding the auditor's communication with an entity's management or owners unless they are also charged with a governance role.

.02 This section has been drafted in terms of an audit of financial statements, but may also be applied, adapted as necessary in the circumstances, to audits of other historical financial information when those charged with governance have a responsibility to oversee the preparation and presentation of the other historical financial information.

.03 For purposes of this section:

- a. *Those charged with governance* means the person(s) with responsibility for overseeing the strategic direction of the entity and obligations related to the accountability of the entity. This includes overseeing the financial reporting process. In some cases, those charged with governance are responsible for approving the entity's financial statements (in other cases management has this responsibility). For entities with a board of directors, this term encompasses the term *board of directors* or *audit committee* used elsewhere in generally accepted auditing standards.
- b. *Management* means the person(s) responsible for achieving the objectives of the entity and who have the authority to establish policies and make decisions by which those objectives are to be pursued. Management is responsible for the financial statements, including designing, implementing, and maintaining effective internal control over financial reporting.

.04 Recognizing the importance of effective two-way communication to the audit, this section provides a framework for the auditor's communication with those charged with governance and identifies some specific matters to be communicated with them. Additional matters to be communicated are identified

¹ The provisions of this section apply to audits of financial statements prepared either in accordance with generally accepted accounting principles or in accordance with a comprehensive basis of accounting other than generally accepted accounting principles. References in this section to generally accepted accounting principles are intended to also refer to other comprehensive bases of accounting when the reference is relevant to the basis of accounting used.

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in other Statements on Auditing Standards (see Appendix A [paragraph .66]). Further matters may be communicated by agreement with those charged with governance or management, or in accordance with external requirements.

.05 The auditor must communicate with those charged with governance matters related to the financial statement audit that are, in the auditor's professional judgment, significant and relevant to the responsibilities of those charged with governance in overseeing the financial reporting process.

.06 Clear communication of specific matters in accordance with this section is an integral part of every audit. However, the auditor is not required to perform procedures specifically to identify other significant matters to communicate with those charged with governance.

The Role of Communication

.07 The principal purposes of communication with those charged with governance are to:

- a. Communicate clearly with those charged with governance the responsibilities of the auditor in relation to the financial statement audit, and an overview of the scope and timing of the audit.
- b. Obtain from those charged with governance information relevant to the audit.
- c. Provide those charged with governance with timely observations arising from the audit that are relevant to their responsibilities in overseeing the financial reporting process.

.08 This section focuses primarily on communications from the auditor to those charged with governance. However, effective two-way communication is also very important in assisting:

- a. The auditor and those charged with governance in understanding matters related to the audit in context, and in developing a constructive working relationship. This relationship is developed while maintaining the auditor's independence and objectivity.
- b. The auditor in obtaining from those charged with governance information relevant to the audit. For example, those charged with governance may assist the auditor in understanding the entity and its environment, in identifying appropriate sources of audit evidence, and in providing information about specific transactions or events.
- c. Those charged with governance in fulfilling their responsibility to oversee the financial reporting process, thereby reducing the risks of material misstatement of the financial statements.

.09 Although the auditor is responsible for communicating specific matters in accordance with this section, management also has a responsibility to communicate matters of governance interest to those charged with governance. Communication by the auditor does not relieve management of this responsibility.

Legal Considerations

.10 In certain circumstances, the auditor may be required to report to a regulatory or enforcement body certain matters communicated with those charged with governance. For example, governmental auditing standards require auditors to report fraud, illegal acts, violations of provisions of contracts or grant

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agreements, and abuse directly to parties outside the audited entity in certain circumstances.

.11 In rare circumstances, laws or regulations may prevent the auditor from communicating certain matters with those charged with governance, or others within the entity. For example, laws or regulations may specifically prohibit a communication, or other action, that might prejudice an investigation by an appropriate authority into an actual or suspected illegal act. In such circumstances, it may be appropriate for the auditor to seek legal advice.

Those Charged With Governance

.12 The auditor should determine the appropriate person(s) within the entity's governance structure with whom to communicate. The appropriate person(s) may vary depending on the matter to be communicated.

.13 Governance structures vary by entity, reflecting influences such as size and ownership characteristics. For example:

- In some entities, those charged with governance hold positions that are an integral part of the entity's legal structure, for example, company directors. For other entities, a body that is not part of the entity may be charged with governance, as with some government agencies.
- In some cases, some or all of those charged with governance also have management responsibilities. In others, those charged with governance and management are different people.

.14 In most entities, governance is the collective responsibility of a governing body, such as a board of directors, a supervisory board, partners, proprietors, a committee of management, trustees, or equivalent persons. In some smaller entities, however, one person may be charged with governance, such as the owner-manager where there are no other owners, or a sole trustee. When governance is a collective responsibility, a subgroup, such as an audit committee or even an individual, may be charged with specific tasks to assist the governing body in meeting its responsibilities.

.15 Such diversity means that it is not possible for this section to specify for all audits the person(s) with whom the auditor is to communicate particular matters. Also, in some cases the appropriate person(s) with whom to communicate may not be clearly identifiable from the engagement circumstances, for example, entities where the governance structure is not formally defined, such as some family-owned entities, some not-for-profit organizations, and some government entities. The auditor's understanding of the entity's governance structure and processes obtained in accordance with section 314, *Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement*, is relevant in deciding with whom to communicate matters.

.16 When the appropriate person(s) with whom to communicate are not clearly identifiable, the auditor and the engaging party should agree on the relevant person(s) within the entity's governance structure with whom the auditor will communicate. When the entity being audited is a component² of a group,³ the appropriate person(s) with whom to communicate is dependent on the nature of the matter to be communicated and the terms of the engagement.

² *Component* means a head office, parent, division, branch, subsidiary, joint venture, associated company, equity investee, or other entity whose financial information is or should be included in the consolidated financial statements of a group.

³ *Group* means an entity whose consolidated financial statements include or should include financial information of more than one component.

Communication With the Audit Committee or Other Subgroup of Those Charged With Governance

.17 Audit committees (or similar subgroups with different names) exist in many entities. Although their specific authority and functions may differ, communication with the audit committee, where one exists, is a key element in the auditor's communication with those charged with governance. Good governance principles suggest that:

- The auditor has access to the audit committee as necessary.
- The chair of the audit committee and, when relevant, the other members of the audit committee, meet with the auditor periodically.
- The audit committee meets with the auditor without management present at least annually.

.18 The auditor should evaluate whether communication with a subgroup of those charged with governance, such as the audit committee or an individual, adequately fulfills the auditor's responsibility to communicate with those charged with governance. When considering communicating with a subgroup of those charged with governance, the auditor may take into account such matters as:

- The respective responsibilities of the subgroup and the governing body.
- The nature of the matter to be communicated.
- Relevant legal or regulatory requirements.
- Whether the subgroup (*a*) has the authority to take action in relation to the information communicated and (*b*) can provide further information and explanations the auditor may need.
- Whether the auditor is aware of potential conflicts of interest between the subgroup and other members of the governing body.
- Whether there is also a need to communicate the information, in full or in summary form, to the governing body. This decision may be influenced by the auditor's assessment of how effectively and appropriately the subgroup communicates relevant information with the governing body. The auditor retains the right to communicate with the governing body, a fact the auditor may make explicit in the terms of the engagement.

Communication With Management

.19 Many matters may be discussed with management in the ordinary course of an audit, including matters to be communicated with those charged with governance in accordance with this section. Such discussions recognize management's executive responsibility for the conduct of the entity's operations and, in particular, management's responsibility for the financial statements.

.20 Before communicating matters with those charged with governance, the auditor may discuss them with management unless that is inappropriate. For example, it may not be appropriate to discuss with management questions of management's competence or integrity. In addition to recognizing management's responsibility, these initial discussions may clarify facts and issues, and give management an opportunity to provide further information and explanations. Similarly, when the entity has an internal audit function, the auditor may discuss matters with the internal auditor before communicating with those charged with governance.

When All of Those Charged With Governance Are Involved in Managing the Entity

.21 In some cases, all of those charged with governance are involved in managing the entity. In these cases, if matters required by this section are communicated with person(s) with management responsibilities, and those person(s) also have governance responsibilities, the matters need not be communicated again with those same person(s) in their governance role.

.22 When all of those charged with governance are involved in managing the entity, the auditor should consider whether communication with person(s) with financial reporting responsibilities adequately informs all of those with whom the auditor would otherwise communicate in their governance capacity. (See paragraphs .12 and .18.)

Matters to Be Communicated

.23 The auditor should communicate with those charged with governance:

- a. The auditor's responsibilities under generally accepted auditing standards (see paragraphs .26 through .28);
- b. An overview of the planned scope and timing of the audit (see paragraphs .29 through .33); and
- c. Significant findings from the audit (see paragraphs .34 through .44).

.24 Management's communication of these matters to those charged with governance does not relieve the auditor of the responsibility to also communicate them. However, communication of these matters by management may affect the form or timing of the auditor's communication.

.25 Nothing in this section precludes the auditor from communicating any other matters to those charged with governance.

The Auditor's Responsibilities Under Generally Accepted Auditing Standards

.26 The auditor should communicate with those charged with governance the auditor's responsibilities under generally accepted auditing standards, including that:

- a. The auditor is responsible for forming and expressing an opinion about whether the financial statements that have been prepared by management with the oversight of those charged with governance are presented fairly, in all material respects, in conformity with generally accepted accounting principles.
- b. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

These responsibilities may be communicated through the engagement letter, or other form of contract that records the terms of the engagement, if that letter or contract is provided to those charged with governance.

.27 The auditor may also communicate that:

- a. The auditor is responsible for performing the audit in accordance with generally accepted auditing standards and that the audit is designed to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement.

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- b. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting.
- c. The auditor is responsible for communicating significant matters related to the financial statement audit that are, in the auditor's professional judgment, relevant to the responsibilities of those charged with governance in overseeing the financial reporting process. Generally accepted auditing standards do not require the auditor to design procedures for the purpose of identifying other matters to communicate with those charged with governance.
- d. When applicable, the auditor is also responsible for communicating particular matters required by laws or regulations, by agreement with the entity or by additional requirements applicable to the engagement.

.28 Section 550, *Other Information in Documents Containing Audited Financial Statements*, establishes the auditor's responsibility for information prepared by management that accompanies the audited financial statements.⁴ If the entity includes other information in documents containing audited financial statements, the auditor should communicate with those charged with governance the auditor's responsibility with respect to such other information, any procedures performed relating to the other information, and the results.

Planned Scope and Timing of the Audit

.29 The auditor should communicate with those charged with governance an overview of the planned scope and timing of the audit. However, it is important for the auditor not to compromise the effectiveness of the audit, particularly where some or all of those charged with governance are involved in managing the entity. For example, communicating the nature and timing of detailed audit procedures may reduce the effectiveness of those procedures by making them too predictable. Certain factors described in paragraph .53 may be relevant in determining the nature and extent of this communication.

.30 Communication regarding the planned scope and timing of the audit may:

- a. Assist those charged with governance in understanding better the consequences of the auditor's work for their oversight activities, discussing with the auditor issues of risk and materiality, and identifying any areas in which they may request the auditor to undertake additional procedures; and
- b. Assist the auditor to understand better the entity and its environment.

.31 Matters communicated may include the following:

- How the auditor proposes to address the significant risks of material misstatement, whether due to fraud or error.
- The auditor's approach to internal control relevant to the audit, including, when applicable, whether the auditor will express an opinion on the effectiveness of internal control over financial reporting.

⁴ Guidance on the auditor's consideration of other information is also provided by section 558, *Required Supplementary Information*, and section 551, *Reporting on Information Accompanying the Basic Financial Statements in Auditor-Submitted Documents*.

The Auditor's Communication With Governance

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- The concept of materiality in planning and executing the audit, focusing on the factors considered rather than on specific thresholds or amounts.
 - Where the entity has an internal audit function, the extent to which the auditor will use the work of internal audit, and how the external and internal auditors can best work together.
- .32** Other planning matters that the auditor may consider discussing with those charged with governance include:
- The views of those charged with governance about:
 - The appropriate person(s) in the entity's governance structure with whom to communicate.
 - The allocation of responsibilities between those charged with governance and management.
 - The entity's objectives and strategies, and the related business risks that may result in material misstatements.
 - Matters those charged with governance consider warrant particular attention during the audit, and any areas where they request additional procedures to be undertaken.
 - Significant communications with regulators.
 - Other matters those charged with governance believe are relevant to the audit of the financial statements.
 - The attitudes, awareness, and actions of those charged with governance concerning (a) the entity's internal control and its importance in the entity, including how those charged with governance oversee the effectiveness of internal control and (b) the detection or the possibility of fraud.
 - The actions of those charged with governance in response to developments in financial reporting, laws, accounting standards, corporate governance practices, and other related matters.
 - The actions of those charged with governance in response to previous communications with the auditor.
- .33** While communication with those charged with governance may assist the auditor in planning the scope and timing of the audit, it does not change the auditor's sole responsibility to determine the overall audit strategy and the audit plan, including the nature, timing, and extent of procedures necessary to obtain sufficient appropriate audit evidence.

Significant Findings From the Audit

- .34** The auditor should communicate with those charged with governance the following matters:
- a. The auditor's views about qualitative aspects of the entity's significant accounting practices, including accounting policies, accounting estimates, and financial statement disclosures (see paragraphs .37 and .38).
 - b. Significant difficulties, if any, encountered during the audit (see paragraph .39).
 - c. Uncorrected misstatements, other than those the auditor believes are trivial, if any (see paragraphs .40 and .41).
 - d. Disagreements with management, if any, (see paragraph .42).

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- e. Other findings or issues, if any, arising from the audit that are, in the auditor's professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process.

.35 Unless all of those charged with governance are involved in managing the entity, the auditor also should communicate:

- a. Material, corrected misstatements that were brought to the attention of management as a result of audit procedures. The auditor also may communicate other corrected immaterial misstatements, such as frequently recurring immaterial misstatements that may indicate a particular bias in the preparation of the financial statements.
- b. Representations the auditor is requesting from management. The auditor may provide those charged with governance with a copy of management's written representations.
- c. Management's consultations with other accountants (see paragraph .43).
- d. Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management (see paragraph .44).

.36 The communication of significant findings from the audit may include requesting further information from those charged with governance in order to complete the audit evidence obtained. For example, the auditor may confirm that those charged with governance have the same understanding of the facts and circumstances relevant to specific transactions or events.

Qualitative Aspects of the Entity's Significant Accounting Practices

.37 Generally accepted accounting principles provide for the entity to make accounting estimates and judgments about accounting policies and financial statement disclosures. Open and constructive communication about qualitative aspects of the entity's significant accounting practices may include comment on the acceptability of significant accounting practices. Appendix B [paragraph .67] provides guidance on the matters that may be included in this communication.

.38 The auditor should explain to those charged with governance why the auditor considers a significant accounting practice not to be appropriate and, when considered necessary, request changes. If requested changes are not made, the auditor should inform those charged with governance that the auditor will consider the effect of this on the financial statements of the current and future years, and on the auditor's report.

Significant Difficulties Encountered During the Audit

.39 The auditor should inform those charged with governance of any significant difficulties encountered in dealing with management related to the performance of the audit. Significant difficulties encountered during the audit may include such matters as:

- Significant delays in management providing required information.
- An unnecessarily brief time within which to complete the audit.
- Extensive unexpected effort required to obtain sufficient appropriate audit evidence.
- The unavailability of expected information.

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- Restrictions imposed on the auditors by management.
- Management's unwillingness to provide information about management's plans for dealing with the adverse effects of the conditions or events that lead the auditor to believe there is substantial doubt about the entity's ability to continue as a going concern.

In some circumstances, such difficulties may constitute a scope limitation that leads to a modification of the auditor's opinion.

Uncorrected Misstatements

.40 Section 312, *Audit Risk and Materiality in Conducting an Audit*, requires the auditor to accumulate all known and likely misstatements identified during the audit, other than those that the auditor believes are trivial, and communicate them to the appropriate level of management. The auditor should communicate with those charged with governance uncorrected misstatements and the effect that they may have on the opinion in the auditor's report, and request their correction. In communicating the effect that material uncorrected misstatements may have on the opinion in the auditor's report, the auditor should communicate them individually. Where there are a large number of small uncorrected misstatements, the auditor may communicate the number and overall monetary effect of the misstatements, rather than the details of each individual misstatement.

.41 The auditor should discuss with those charged with governance the implications of a failure to correct known and likely misstatements, if any, considering qualitative as well as quantitative considerations, including possible implications in relation to future financial statements. The auditor should also communicate with those charged with governance the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole.

Disagreements With Management

.42 The auditor should discuss with those charged with governance any disagreements with management, whether or not satisfactorily resolved, about matters that individually or in the aggregate could be significant to the entity's financial statements or the auditor's report. Disagreements with management may occasionally arise over, among other things, the application of accounting principles to the entity's specific transactions and events and the basis for management's judgments about accounting estimates. Disagreements may also arise regarding the scope of the audit, disclosures to be included in the entity's financial statements, and the wording of the auditor's report. For purposes of this section, disagreements do not include differences of opinion based on incomplete facts or preliminary information that are later resolved.

Management's Consultations With Other Accountants

.43 In some cases, management may decide to consult with other accountants about auditing and accounting matters. When the auditor is aware that such consultation has occurred, the auditor should discuss with those charged with governance his or her views about significant matters that were the subject of such consultation.⁵

⁵ Circumstances in which the auditor should be informed of such consultations are described in paragraph .07 of section 625, *Reports on the Application of Accounting Principles*.

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Significant Issues Discussed, or Subject to Correspondence, With Management

.44 The auditor should communicate with those charged with governance any significant issues that were discussed or were the subject of correspondence with management. Significant issues may include such matters as:

- Business conditions affecting the entity, and business plans and strategies that may affect the risks of material misstatement.
- Discussions or correspondence in connection with the initial or recurring retention of the auditor including, among other matters, any discussions or correspondence regarding the application of accounting principles and auditing standards.

Independence

.45 Generally accepted auditing standards require independence for all audits. Relevant matters to consider in reaching a conclusion about independence include circumstances or relationships that create threats to auditor independence and the related safeguards that have been applied to eliminate those threats or reduce them to an acceptable level.⁶

.46 Although the auditor's report affirms the auditor's independence, in certain situations, particularly for public interest entities,⁷ the auditor may determine that it is appropriate to communicate with those charged with governance circumstances or relationships (for example, financial interests, business or family relationships, or nonaudit services provided or expected to be provided) that in the auditor's professional judgment may reasonably be thought to bear on independence and that the auditor gave significant consideration to in reaching the conclusion that independence has not been impaired.

.47 The form and timing of communications regarding independence may be affected by the entity's governance structure and whether a formal subgroup such as an audit committee exists. In situations where all of those charged with governance are involved in managing the entity, the auditor may determine that those charged with governance have been informed of relevant facts regarding the auditor's independence through their management activities or through other means, such as the engagement letter. This is particularly likely where the entity is owner-managed, and the auditor's firm has little involvement with the entity beyond a financial statement audit.

⁶ Comprehensive guidance on threats to independence and safeguards, including application to specific situations, is set forth in the AICPA's *Conceptual Framework for AICPA Independence Standards* [ET section 100.01].

⁷ In addition to entities subject to Securities and Exchange Commission reporting requirements, the *Conceptual Framework for AICPA Independence Standards* [ET section 100.01] considers the following entities to be *public interest entities*: (1) employee benefit and health and welfare plans subject to Employee Retirement Income Security Act audit requirements; (2) governmental retirement plans; (3) entities or programs (including for-profit entities) subject to Single Audit Act OMB Circular A-133 audit requirements and entities or programs subject to similar program oversight; and (4) financial institutions, credit unions, and insurance companies. These entities are public interest entities because their audited financial statements are directly relied upon by significant numbers of stakeholders to make investment, credit, or similar decisions or indirectly relied upon through regulatory oversight (for example, in the case of pension plans, banks, and insurance companies) and, therefore, the potential extent of harm to the public from an audit failure involving one of these entities would generally be significant.

The Communication Process

Establishing a Mutual Understanding

.48 The auditor should communicate with those charged with governance the form, timing, and expected general content of communications. Clear communication of the auditor's responsibilities (paragraphs .26 through .28), an overview of the planned scope and timing of the audit (paragraphs .29 through .33), and the expected general content of communications helps establish the basis for effective two-way communication.

.49 Matters that may also contribute to effective two-way communication include discussion of:

- The purpose of communications. When the purpose is clear, the auditor and those charged with governance are in a better position to have a mutual understanding of relevant issues and the expected actions arising from the communication process.
- The form in which communications will be made.
- The person(s) on the audit team and among those charged with governance who will communicate regarding particular matters.
- The auditor's expectation that communication will be two way, and that those charged with governance will communicate with the auditor matters they consider relevant to the audit. Such matters might include strategic decisions that may significantly affect the nature, timing, and extent of audit procedures; the suspicion or the detection of fraud; or concerns about the integrity or competence of senior management.
- The process for taking action and reporting back on matters communicated by the auditor.
- The process for taking action and reporting back on matters communicated by those charged with governance.

.50 The communication process will vary with the circumstances, including the size and governance structure of the entity, how those charged with governance operate, and the auditor's view of the significance of matters to be communicated. Difficulty in establishing effective two-way communication may indicate that the communication between the auditor and those charged with governance is not adequate for the purpose of the audit (see paragraph .60).

Forms of Communication

.51 The auditor should communicate in writing with those charged with governance significant findings from the audit (see paragraphs .34 and .35) when, in the auditor's professional judgment, oral communication would not be adequate. This communication need not include matters that arose during the course of the audit that were communicated with those charged with governance and satisfactorily resolved. Other communications may be oral or in writing.

.52 Effective communication may involve formal presentations and written reports as well as less formal communications, including discussions. Written communications may include an engagement letter that is provided to those charged with governance.

.53 In addition to the significance of a particular matter, the form of communication (for example, whether to communicate orally or in writing, the

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extent of detail or summarization in the communication, and whether to communicate in a formal or informal manner) may be affected by such factors as:

- Whether the matter has been satisfactorily resolved.
- Whether management has previously communicated the matter.
- The size, operating structure, control environment, and legal structure of the entity being audited.
- Legal or regulatory requirements that may require a written communication with those charged with governance.
- The expectations of those charged with governance, including arrangements made for periodic meetings or communications with the auditor.
- The amount of ongoing contact and dialogue the auditor has with those charged with governance.
- Whether there have been significant changes in the membership of a governing body.
- In the case of a special purpose financial statement audit, whether the auditor also audits the entity's general purpose financial statements.

.54 When a significant matter is discussed with an individual member of those charged with governance, for example, the chair of an audit committee, it may be appropriate for the auditor to summarize the matter in later communications so that all of those charged with governance have full and balanced information.

.55 When the auditor communicates matters in accordance with this section in writing, the auditor should indicate in the communication that it is intended solely for the information and use of those charged with governance and, if appropriate, management and is not intended to be and should not be used by anyone other than these specified parties.

Timing of Communications

.56 The auditor should communicate with those charged with governance on a sufficiently timely basis to enable those charged with governance to take appropriate action.

.57 The appropriate timing for communications will vary with the circumstances of the engagement. Considerations include the significance and nature of the matter, and the action expected to be taken by those charged with governance. The auditor may consider communicating:

- Planning matters early in the audit engagement and, for an initial engagement, as part of the terms of the engagement.
- Significant difficulties encountered during the audit as soon as practicable if those charged with governance are able to assist the auditor to overcome the difficulties, or if the difficulties are likely to lead to a modified opinion.

.58 Other factors that may be relevant to the timing of communications include:

- The size, operating structure, control environment, and legal structure of the entity being audited.
- Any legal obligation to communicate certain matters within a specified timeframe.

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The Auditor's Communication With Governance

684-3

- The expectations of those charged with governance, including arrangements made for periodic meetings or communications with the auditor.
- The time at which the auditor identifies certain matters, for example, timely communication of a material weakness to enable appropriate remedial action to be taken.
- Whether the auditor is auditing both general purpose and special purpose financial statements.

Adequacy of the Communication Process

.59 The auditor should evaluate whether the two-way communication between the auditor and those charged with governance has been adequate for the purpose of the audit. If it has not, the auditor should take appropriate action to address the effectiveness of the communication process. (See paragraph .62.)

.60 As discussed in paragraph .08, effective two-way communication assists both the auditor and those charged with governance. Further, section 314, *Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement*, identifies participation by those charged with governance, including their interaction with internal audit, if any, and external auditors, as an element of the entity's control environment. Inadequate two-way communication may indicate an unsatisfactory control environment, which will influence the auditor's assessment of the risks of material misstatements.

.61 The auditor need not design specific procedures to support the evaluation required by paragraph .59. Rather, that evaluation may be based on observations resulting from audit procedures performed for other purposes. Such observations may include:

- The appropriateness and timeliness of actions taken by those charged with governance in response to matters communicated by the auditor.
- The apparent openness of those charged with governance in their communications with the auditor.
- The willingness and capacity of those charged with governance to meet with the auditor without management present.
- The apparent ability of those charged with governance to fully comprehend matters communicated by the auditor, such as the extent to which those charged with governance probe issues and question recommendations made to them.
- Difficulty in establishing with those charged with governance a mutual understanding of the form, timing, and expected general content of communications.
- Where all or some of those charged with governance are involved in managing the entity, their apparent awareness of how matters discussed with the auditor affect their broader governance responsibilities, as well as their management responsibilities.

.62 If, in the auditor's judgment, the two-way communication between the auditor and those charged with governance is not adequate, there is a risk the auditor may not have obtained all the audit evidence required to form an opinion on the financial statements. The auditor should consider the effect, if any, on the auditor's assessment of the risks of material misstatements.

AU §380.62

684-4 The Standards of Field Work

.63 The auditor may discuss the situation with those charged with governance. If the situation cannot be resolved, the auditor may take such actions as:

- Modifying the auditor's opinion on the basis of a scope limitation.
- Obtaining legal advice about the consequences of different courses of action.
- Communicating with third parties (for example, a regulator), or a higher authority in the governance structure that is outside the entity, such as the owners of a business (for example, shareholders in a general meeting), or the responsible government agency for certain governmental entities.
- Withdrawing from the engagement.

Documentation

.64 When matters required to be communicated by this section have been communicated orally, the auditor should document them.⁸ When matters have been communicated in writing, the auditor should retain a copy of the communication. Documentation of oral communication may include a copy of minutes prepared by the entity if those minutes are an appropriate record of the communication.

Effective Date

.65 This section is effective for audits of financial statements for periods beginning on or after December 15, 2006.

⁸ Section 339, *Audit Documentation*, requires the auditor to document discussions of significant findings or issues with management and others (including those charged with governance) on a timely basis, including responses. That section also requires that the audit documentation include documentation of the significant findings or issues discussed, and when and with whom the discussions took place.

.66

Appendix A

Requirements to Communicate With Those Charged With Governance in Other Statements on Auditing Standards

A1. Requirements for the auditor to communicate with those charged with governance are included in other Statements on Auditing Standards. This section does not change the requirements in:

- a. Paragraph .17 of section 317, *Illegal Acts by Clients*, to communicate with the audit committee or others with equivalent authority and responsibility illegal acts that come to the auditor's attention.
- b. Paragraph .22 of section 801, *Compliance Auditing Considerations in Audits of Governmental Entities and Recipients of Governmental Financial Assistance*, to communicate to management and the audit committee or others with equivalent authority and responsibility when the auditor becomes aware during an audit in accordance with generally accepted auditing standards that the entity is subject to an audit requirement that may not be encompassed in the terms of the engagement, and that an audit in accordance with generally accepted auditing standards may not satisfy the relevant legal, regulatory, or contractual requirements.
- c. Paragraph .22 of section 316, *Consideration of Fraud in a Financial Statement Audit*, to inquire directly of the audit committee (or at least its chair) regarding the audit committee's views about the risks of fraud and whether the audit committee has knowledge of any fraud or suspected fraud affecting the entity.
- d. Paragraph .79 of section 316, *Consideration of Fraud in a Financial Statement Audit*, to communicate with those charged with governance fraud involving senior management and fraud (whether caused by senior management or other employees) that causes a material misstatement of the financial statements. In addition, the auditor should reach an understanding with those charged with governance regarding the nature and extent of communications with those charged with governance about misappropriations perpetrated by lower-level employees.
- e. Paragraph .20 of section 325, *Communicating Internal Control Related Matters Identified in an Audit*, to communicate in writing to management and those charged with governance control deficiencies identified during an audit that upon evaluation are considered significant deficiencies or material weaknesses.

684-6 The Standards of Field Work

.67

Appendix B

Qualitative Aspects of Accounting Practices

The communication in accordance with paragraph .34a of this section, and discussed in paragraphs .37 and .38, may include such matters as the following:

Accounting Policies

- The appropriateness of the accounting policies to the particular circumstances of the entity, considering the need to balance the cost of providing information with the likely benefit to users of the entity's financial statements. Where acceptable alternative accounting policies exist, the communication may include identification of the financial statement items that are affected by the choice of significant policies as well as information on accounting policies used by similar entities.
- The initial selection of, and changes in, significant accounting policies, including the application of new accounting pronouncements. The communication may include the effect of the timing and method of adoption of a change in accounting policy on the current and future earnings of the entity; and the timing of a change in accounting policies in relation to expected new accounting pronouncements.
- The effect of significant accounting policies in controversial or emerging areas (or those unique to an industry, particularly when there is a lack of authoritative guidance or consensus).
- The effect of the timing of transactions in relation to the period in which they are recorded.

Accounting Estimates

- For items for which estimates are significant, issues discussed in section 342, *Auditing Accounting Estimates*, and section 328, *Auditing Fair Value Measurements and Disclosures*, including, for example:
 - Management's identification of accounting estimates.
 - Management's process for making accounting estimates.
 - Risks of material misstatement.
 - Indicators of possible management bias.
 - Disclosure of estimation uncertainty in the financial statements.

Financial Statement Disclosures

- The issues involved, and related judgments made, in formulating particularly sensitive financial statement disclosures (for example, disclosures related to revenue recognition, going concern, subsequent events, and contingency issues).
- The overall neutrality, consistency, and clarity of the disclosures in the financial statements.

Related Matters

- The potential effect on the financial statements of significant risks and exposures, and uncertainties, such as pending litigation, that are disclosed in the financial statements.

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The Auditor's Communication With Governance**684-7**

- The extent to which the financial statements are affected by unusual transactions including nonrecurring amounts recognized during the period, and the extent to which such transactions are separately disclosed in the financial statements.
- The factors affecting asset and liability carrying values, including the entity's bases for determining useful lives assigned to tangible and intangible assets. The communication may explain how factors affecting carrying values were selected and how alternative selections would have affected the financial statements.
- The selective correction of misstatements, for example, correcting misstatements with the effect of increasing reported earnings, but not those that have the effect of decreasing reported earnings.

[The next page is 685.]

AU §380.67



Chairman

Bill Horn
County Board of
Supervisors

April 3, 2009

Vice Chairman

Bud Pocklington
South Bay Irrigation District

TO: Independent Special Districts of San Diego County

FROM: Executive Officer
Local Agency Formation Commission

Members

Dianne Jacob
County Board of
Supervisors

SUBJECT: 2009 Special Districts Election

Donna Frye
Councilmember
City of San Diego

Carl Hilliard
Councilmember
City of Del Mar

Betty Rexford
Councilmember
City of Poway

Vacant
Special Districts
Representative

Andrew L. Vanderlaan
Public Member

Alternate Members

Greg Cox
County Board of
Supervisors

Sherri Lightner
Councilmember
City of San Diego

Mark Lewis
Mayor
City of El Cajon

John S. Ingalls
Santa Fe
Irrigation District

Harry Mathis
Public Member

Executive Officer

Michael D. Ott

Counsel

William D. Smith

By our letter of January 16, 2009, we solicited nominations for one LAFCO regular Special District member and one LAFCO alternate Special District member. By the deadline of February 27, 2009, two nominations for the regular member and five nominations for the alternate member were received by LAFCO. As required by the Selection Committee Rules, all eligible nominations were forwarded to the nominating committee. The 2009 nominating committee was comprised of Tom Pocklington (Bonita-Sunnyside Fire Protection District), Judy Hanson (Leucadia Wastewater District), and Augie Scalzitti (Padre Dam Municipal Water District). After the Candidate's Forum held on March 26, 2009 at the San Diego Chapter of the California Special Districts Association's special meeting, LAFCO Consultant Harry Ehrlich met with the nominating committee to discuss a recommended slate of nominees for the open positions. A copy of the committee's report is attached (**Attachment 1**), containing ballots on which to record your votes (**Attachment 2**). A list of the eligible independent special districts, formatted in label form, is provided for your convenience (**Attachment 3**). Special districts may use the mailing list to send letters of support or additional biographical material for a particular candidate. Please note that LAFCO staff has not included any of the candidates' promotional materials with the election materials. Lastly, attached are a summary and copies of all nominations received (**Attachment 4**).

With respect to ballots, there is a separate ballot for each position: yellow for the LAFCO regular member, and blue for the LAFCO alternate member. **Be sure each ballot is marked only for the number of positions to be voted for in that category. A ballot that is cast for more than the indicated number of positions will be disregarded.**

Independent Special Districts
April 3, 2009
Page Two

The ballots should be considered by your full district board. State Law and the Selection Committee Rules require a district's vote to be cast by its presiding officer, or an alternate member of the legislative body appointed by the other members. Therefore, the certification form has been incorporated with the ballot forms to be signed by the person who casts your district's votes. **A ballot received without a signed certification form will not be counted.**

All nominees are listed on the relevant ballot. An asterisk indicates the nominating committee's recommendations. Write-in candidates are permitted, and spaces have been provided for that purpose.

The deadline for receipt of the ballots by LAFCO is **May 15, 2009.** The Selection Committee Rules require that marked ballots be returned **by certified mail, return receipt requested.** Facsimile (FAX) ballots and certification forms will be accepted, **if necessary to meet the ballot deadline,** but originals must be submitted as soon as possible thereafter.

The Selection Committee Rules stipulate that a majority of the districts shall constitute a quorum for the conduct of committee business. There are 61 independent special districts in the County; therefore, a minimum of **31** ballots must be received to certify that a legal election was conducted. A candidate for a LAFCO member must receive at least a majority of the votes cast to be elected. The ballots will be kept on file in this office, and will be made available upon request.

Please call me or Tita Jacque Mandapat if you have any questions.



MICHAEL D. OTT
Executive Officer

MDO:tjm

- Attachments:
- 1) Nominating Committee Report and Recommendations
 - 2) Special District Election Vote Certification Form & Ballots
 - 3) Independent Special District Labels
 - 4) Independent Special District Summary of Nominations and Copies of Nomination Forms



Chairman

Bill Horn
County Board of
Supervisors

April 3, 2009

Vice Chairman

Bud Pocklington
South Bay Irrigation District

TO: Independent Special Districts in San Diego County

FROM: 2009 Special Districts Election Nominating Committee

Members

Dianne Jacob
County Board of
Supervisors

SUBJECT: Nominating Committee Report and Recommendations

Donna Frye
Councilmember
City of San Diego

In 2009, independent special district nominations were solicited for: (1) one regular special district member on LAFCO with a term expiring in 2013, and (2) one alternate special district member on LAFCO with a remaining term expiring in 2011. By the deadline of February 27, 2009, our office received two nominations for the LAFCO regular special district member position, and five nominations for the LAFCO alternate special district member position.

Carl Hilliard
Councilmember
City of Del Mar

Betty Rexford
Councilmember
City of Poway

Vacant
Special Districts
Representative

As required by the Selection Committee Rules, a nominating committee was appointed to review the nominations submitted, and to prepare a list of recommended candidates. According to the Selection Committee Rules, the nominating committee is appointed by the chairperson or vice chair of the Special Districts Advisory Committee. Since Chairwoman Jo MacKenzie is a candidate for the alternate commission position on LAFCO, Executive Officer Michael Ott made appointments to the nominating committee. A Candidates Forum, moderated by Mr. Ott and LAFCO Consultant Harry Ehrlich, was scheduled on March 26 as part of a special meeting of the San Diego Chapter, California Special Districts Association. All candidates were invited to attend and present a brief statement of qualifications. In the interest of impartiality, the nominating committee decided to conclude its deliberations after the Candidates Forum. In evaluating the nominations, the committee considered special district experience, interest, and knowledge of LAFCO issues. For those nominees who are incumbents, the committee further considered attendance records and meeting participation. The committee also wanted to ensure representation from those types of districts that most often are involved in making recommendations to LAFCO. The nominating committee's recommendations for each category follows.

Andrew L. Vanderlaan
Public Member

Alternate Members

Greg Cox
County Board of
Supervisors

Sherri Lightner
Councilmember
City of San Diego

Mark Lewis
Mayor
City of El Cajon

John S. Ingalls
Santa Fe
Irrigation District

Harry Mathis
Public Member

Executive Officer

Michael D. Ott

Attachment 1

Counsel

William D. Smith

NOMINATING COMMITTEE RECOMMENDATIONS

LAFCO Regular Special District Member

The Nominating Committee recommended **John Ingalls** (Santa Fe Irrigation District).

LAFCO Alternate Special District Member

The Nominating Committee recommended **Gary Croucher** (Otay Water District).

Copies of all nominations are attached following this report.

2009 NOMINATING COMMITTEE

TOM POCKLINGTON
Bonita-Sunnyside Fire Protection District

JUDY HANSON
Leucadia Wastewater District

AUGIE SCALZITTI
Padre Dam Municipal Water District

**2009 SPECIAL DISTRICTS ELECTION
SUMMARY OF NOMINATIONS
REGULAR AND ALTERNATE LAFCO COMMISSIONER**

LAFCO Regular Special District Member Candidates

* John Ingalls
(Santa Fe Irrigation District)

Charles W. Muse
(Helix Water District)

LAFCO Alternate Special District Member Candidates

Tom Bumgardner
(Valley Center Parks and Recreation District)

Tim Geiser
(Deer Springs Fire Protection District)

Martin Marugg
(Alpine Fire Protection District)

Jo MacKenzie
(Vista Irrigation District)

* Gary Croucher
(Otay Water District)

Please note: The order in which the candidates' names are listed were determined by random selection

* = Nominating committee's recommendation

2009 SPECIAL DISTRICTS
NOMINATION/RESUME

RECEIVED

FEB 20 2009

Date received by LAFCO: SAN DIEGO LAFCO

NOMINATED BY: Santa Fe Irrigation District

NAME OF NOMINEE: John S. Ingalls
Address: P.O. Box 409, Rancho Santa Fe, CA 92067
Phone: 858-527-2556
Email: jingalls@sfidwater.org

NOMINATED FOR: LAFCO Regular Member

DISTRICT EXPERIENCE:

Elected to Santa Fe Irrigation District Board of Directors in 2002 and re-elected in 2006. Serves on Finance Committee and Organization and Personnel Committee, represents community on San Dieguito River Valley Regional Open Space Park Joint Powers Authority Citizens Advisory Committee, former member of San Dieguito River Watershed Planning Guidance Group.

LAFCO EXPERIENCE:

Elected in 2005 as LAFCO Alternate Special District Member and re-elected in 2007. Has consistently attended LAFCO meetings and workshops of importance to special districts across the County. Provided input to LAFCO on specific issues during the North Central San Diego County Municipal Service Review and Sphere of Influence Update (approved May 2, 2005).

ADDITIONAL INFORMATION:

Appointed by Board of Supervisors to the San Dieguito Planning Group, participated in workshops on GP2020 update, and made presentations to County Planning Commission. Worked with Staff of County DPLU, DPW, and Parks Dept. on Specific Plan Amendments. Direct involvement in 2003 County Zoning Ordinance Relating to Wireless Telecommunications Facilities (01-03). Corona College Heights Orange & Lemon Association member/grower of citrus, primarily lemons. Former municipal bond lawyer and financial advisor to special districts nationwide, personally led efforts to enact legislation and organize special districts and joint powers authorities in several states besides California, for schools, water supply, wastewater treatment, public power, health care, affordable housing, and environmental cleanup. Active service on multiple boards of directors, including nonprofit and for-profit corporations, and advisory boards such as Scripps Clinic Board of Advisors. Life member, U.S. Navy League. Admitted to practice law in New York and Massachusetts. Chairman, Rancho Santa Fe Association Road & Traffic Committee. Resides in Rancho Santa Fe, with two children.


Michael T. Hogan, President
Santa Fe Irrigation District Board of Directors

RECEIVED

2009 SPECIAL DISTRICT
NOMINATION/RESUME

FEB 10 2009

SAN DIEGO LAFCO

Date Received by LAFCO _____

NOMINTED BY: Helix Water District

NAME OF NOMINEE: Charles W. Muse
Address: 7811 University Avenue, La Mesa, CA 91944
Phone: 619-465-3207
Email: cmuse33911@aol.com

NOMINATED FOR: LAFCO REGULAR MEMBER (✓)
LAFCO ALTERNATE MEMBER ()

DISTRICT EXPERIENCE:

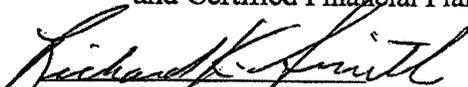
Past President of Helix Water District Board of Directors
President of Council of Water Utilities
District representative to the Water Conservation Garden Authority
District representative on Harry Griffen Park Steering Committee
District representative to San Diego River Conservancy and San Diego River Coalition
Board member of San Diego East County Chamber of Commerce
Insurance and Personnel Committee member at Association of California Water Agencies
District representative to Association of California Water Agencies Joint Insurance Powers
Authority, member of Risk Management Committee
District representative to National Water Resources Association

LAFCO EXPERIENCE:

None

ADDITIONAL INFORMATION:

Member of City of La Mesa Citizens' Preparedness Ad Hoc Committee
Retired President and CEO of GAF Financial and Insurance Services
Served as adjunct faculty of the College for Financial Planning and as instructor at San Diego
State University Department of Finance for 18 years
Founding Director of the Home for Guiding Hands, residential facility for developmentally
Disabled and currently on Foundation Board
Served as Board member of Lemon Grove Chamber of Commerce and Vice-Chair of San Diego
Historic Site Board
Served for 14 years as a Planning Commissioner for City of La Mesa
Twice appointed by Govern Reagan to serve on Developmental Disabilities Board for San Diego
and Imperial Counties
Three professional designations: Chartered Life Underwriter, Chartered Financial Consultant
and Certified Financial Planner


Authorized Signature

**2009 SPECIAL DISTRICTS
NOMINATION/RESUME**

Date Received by LAFCO _____

NOMINATED BY: Valley Center Parks and Recreation District
District

NAME OF NOMINEE: Tom Bumgardner
Address: PO Box 141
Phone: (760) 749-8852
E-mail: bum1313@gmail.com

NOMINATED FOR: LAFCO ALTERNATE MEMBER (X)

DISTRICT EXPERIENCE:

- 1. Director, Valley Center Parks and Recreation District - 6 years
- 2. Past Director of Deer Springs Fire District Board - 6 years
- 3. Several subcommittees for the Valley Center Planning Group - 6 years

LAFCO EXPERIENCE:

- 1. Fire and emergency medical board for two years.

ADDITIONAL INFORMATION:

- 1. Director of Paradise Victim Relief Board - 18 months (2003)
- 2. President, Valley Center Chamber of Commerce - 2 years
- 3. Chair, Valley Center Western Days, 5 years; involved 25 years

Tom Bumgardner
(Authorized Signature)

2009 SPECIAL DISTRICTS
NOMINATION IRESUME

RECEIVED

FEB 24 2009

Date Received by LAFCO _____

~~SAN DIEGO LAFCO~~

NOMINATED BY: Deer Springs Fire Protection District
District

NAME OF NOMINEE: Tim Geiser
Address: 26208 Jersmond Dene Rd. Escondido, CA 92026
Phone: 760-738-9331
E-mail: MATINATI@AOL.COM

NOMINATED FOR: LAFCO REGULAR MEMBER ()
LAFCO ALTERNATE MEMBER (X)

DISTRICT EXPERIENCE:

Director- Deer Springs Fire Protection District

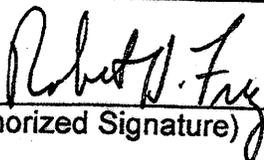
LAFCO EXPERIENCE:

Have not served directly. I have followed closely many of the issues that the Board has been confronted with.

ADDITIONAL INFORMATION:

Past Commissioner- California Avocado Commission

President - TANGENT Enterprises A Calif/ Corp for twenty-five years


(Authorized Signature)

Attachment 2

2009 SPECIAL DISTRICTS
NOMINATION/RESUME

RECEIVED

FEB 23 2009

Date Received by LAFCO SAN DIEGO LAFCO

NOMINATED BY: Alpine Fire Protection District
(District)

NAME OF NOMINEE: Martin Marugg

Address: 1976 Pine View Road, Alpine CA 91901

Phone: 619-445-1751

Email: mmarugg@cox.net

NOMINATED FOR: LAFCO REGULAR MEMBER ()
LAFCO ALTERNATE MEMBER (X)

DISTRICT EXPERIENCE: Martin Marugg has served on the Alpine Fire Protection District (AFPD) Board since 2002. In November 2006, he was reelected to a four-year term and held the position of Board President for two years. Marugg represents AFPD as alternate commissioner of the multi-agency Heartland Communications Authority (HCFA). He has served as second vice president and membership chairman of the San Diego Chapter of California Special District's Association and as the District's representative to FAIRA (Fire Agencies Insurance Risk Authority). He was appointed to FDAC Board of Directors on February 6, 2009 as Zone 6 Director. On Labor Day 2008, he was re-elected for a seat on the Palomar Mountain Mutual Water Company and serves as President for a second three year term of office.

LAFCO EXPERIENCE: Mr. Marugg served as Alpine Fire District's representative to the Fire Districts and County Fire Chiefs Substantially Similar Plan (SSP) group. He attended all meetings of both groups in the formation of the SSP position paper. He continues to serve in this position.

ADDITIONAL INFORMATION: Marugg retired from the San Diego Fire Department (SDFD) in September 1999 after 32 years of service. One of the highlights of his tenure was serving as officer in charge of the ECHO 3 Communications Van which was funded through the County of San Diego, and in that capacity responding to all second alarm fires or greater in the County of San Diego and providing assistance in setting up the command structure for the incident. Marugg held the position as Facilities Maintenance Officer for the San Diego Fire Department. During his 32 years with SDFD he served as Fire Marshal after the Normal Heights Fire and was in charge of all weed and brush abatement for the city of San Diego. He also served as the Chief in charge of the Fire Communications Center for four years during which he supervised 27 dispatchers, 4 rear office staff, and 4 dispatch Captains. Since his retirement Marugg has continued his involvement in community related organizations and has served on the supervisory committee for the Federal Firefighters Credit Union for nineteen years.


(Authorized Signature)

RECEIVED

FEB - 9 2009

**2009 SPECIAL DISTRICTS
NOMINATION/RESUME**

SAN DIEGO LAFCO

Date Received by LAFCO _____

NOMINATED BY: _____ VISTA IRRIGATION DISTRICT
District

NAME OF NOMINEE: _____ Jo MacKenzie
Address: _____ 1578 Palomar Drive, San Marcos, CA 92069
Phone: _____ (760) 743-7969
E-mail: _____ mackgroup@cox.net

NOMINATED FOR: LAFCO REGULAR MEMBER ()
LAFCO ALTERNATE MEMBER (X)

DISTRICT EXPERIENCE: Elected to Board of Directors in 1992, serving as President in 1993/94, 1999, 2004 and 2008. Chaired Water ReUse Committee, Water Rights Committee member, and Public Affairs Committee; Fiscal Policy Committee member 1996-2008, serving as Chair in 1996 -1997, 2003 - 2004, 2007- 2008. Presently serving as Chair of the Warner Ranch Committee and Vice-Chair of the Water Sustainability Committee.

LAFCO EXPERIENCE: Member of LAFCO Special District Advisory Committee, 1994 to present, Vice-Chair 2001 to 2004; serving as Chair of the Special District Advisory Committee from 2005 to present. Committee Member of LAFCO's Municipal Service Review Working Group. As a land use planner owning my own consulting firm since 1986, I have processed annexations, dissolutions and reorganizations to water and sewer districts and the cities of San Marcos, Escondido and Vista.

ADDITIONAL INFORMATION: Served as CSDA, San Diego Chapter, Vice President 1996/97, President 1998/99. Elected State CSDA Board member Region 6 in 2003. Presently serving on the State CSDA Executive Committee as Treasurer. Chair CSDA Legislative Committee, 2006-2009. Active in the Assoc. of California Water Agencies since 1993. Serving on the ACWA Membership Committee since 1996 and as Vice Chair from 2000 to present. ACWA Region 10 Board member since 1997; presently Alternate Chair. Actively involved with the cities of San Marcos and Vista: Served on the San Marcos City Planning Commissioner, San Marcos Affordable Housing Task Force, and San Marcos Budget Review Committee member, 1980-1982 and 1995 to 2006, Chair from 1996 to 2006.



(Authorized Signature)
Lisa R. Soto, Board Secretary

2009 SPECIAL DISTRICTS
NOMINATION/RESUME

RECEIVED

FEB 18 2009

Date Received by LAFCO SAN DIEGO LAFCO

NOMINATED BY: Otay Water District

NAME OF NOMINEE: Gary Croucher

Address: 2554 Sweetwater Springs Blvd., Spring Valley, CA 91978

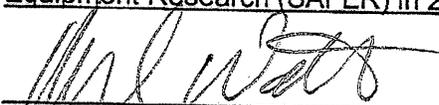
Phone: 619-670-2280

NOMINATED FOR: LAFCO REGULAR MEMBER ()
 LAFCO ALTERNATE MEMBER (X)

DISTRICT EXPERIENCE: Mr. Gary Croucher was appointed to the Board of the Otay Water District in June 2001 by the SD County Board of Supervisors and following his appointment was elected twice to the Division 3 seat in November 2002 and 2006 for four-year terms. Mr. Croucher is currently serving his 3rd term as President of Otay's Board of Directors and has served as one of the District's two representatives to CWA since July 2001. He is chair of Otay's Engineering, Operations and Water Resources Committee, is past chair of its Employee Negotiations Ad Hoc Committee and serves as the alternate representative on the Water Conservation Garden Authority's Board of Directors. As a member of CWA's Board of Directors, Mr. Croucher has been reappointed to the Legislative, Conservation and Outreach Committee, the Small Contractor Outreach and Opportunity Program Committee and as 2nd Alternate to SANDAG. He is past chair of their Imported Water Committee and a past member of its Colorado River Programs Committee and the Conservation Ad Hoc Committee. Mr. Gary Croucher is currently Vice Chair of CSDA's San Diego Chapter.

LAFCO EXPERIENCE: Mr. Croucher is currently a member of LAFCO's Special Districts Advisory Committee and served as the alternate for Fire Chief Augie Ghio on the LAFCO Task Force on Fire Protection and Emergency Medical Services. He also participated as a Board of Director with the LAFCO Municipal Service Review and has experience at the employee and staff level serving on two (2) separate successful Special District Consolidations which were requested by the agencies.

ADDITIONAL INFORMATION: Mr. Croucher was unanimously nominated by the Otay Water District's Board of Directors for the Alternate Member seat on LAFCO's Board. He is supported by both Water and Fire Districts and is endorsed by outgoing LAFCO Regular District representative, Mr. Andy Menshek. He and Mr. John Ingalls (as Regular LAFCO Member) desire to work together and support each other to ensure Special Districts are properly and consistently represented at LAFCO. Mr. Croucher is a long-time firefighter in San Diego and a resident of Spring Valley. He is the Division Chief for the San Miguel Consolidated Fire Protection District and during his 24 year career as a firefighter, has moved up the ranks from Firefighter, Engineer, Captain and Battalion Chief to his current position as Division Chief. He has also been recognized for numerous achievements including being named Employee of the Year and served as the President of the Executive Board of Directors for Southern Area Fire Equipment Research (SAFER) in 2004.



(Authorized Signature)

FY 09-10 ALTERNATIVE APPORTIONMENT of San Diego LAFCO NET OPERATING COST

Cities and Special Districts Population

Population: Cities¹

1. Carlsbad	103,811
2. City of Chula Vista	231,305
3. City of Coronado	23,101
4. City of Del Mar	4,580
5. City of El Cajon	97,934
6. City of Encinitas	63,864
7. City of Escondido	143,389
8. City of Imperial Beach	28,200
9. City of La Mesa	56,660
10. City of Lemon Grove	25,611
11. City of National City	61,194
12. City of Oceanside	178,806
13. City of Poway	51,103
14. City of San Marcos	82,743
15. City of Santee	56,068
16. City of Solana Beach	13,500
17. City of Vista	95,770

21. Lakeside WD	31,890
22. Lakeside FPD	61,179
23. Leucadia County WD	60,808
24. Lower Sweetwater FPD	2,420
25. Majestic Pines CSD	1,126
26. Mission RCD	115,716
27. Mootamai MWD	330
28. Morro Hills CSD	998
29. North County Cemetery	246,335
30. North County FPD	50,004
31. Olivenhain MWD	69,814
32. Otay WD	194,873
33. Padre Dam MWD	98,885
34. Palomar Pomerado HCD	500,126
35. Pauma MWD	124
36. Pauma Valley CSD	538
37. Pine Valley FPD	2,020
38. Pomerado Cemetery	176,690
39. Questhaven MWD	3
40. Rainbow MWD	18,986
41. Ramona Cemetery	35,658
42. Ramona MWD	34,758
43. Rancho Santa Fe CSD	7,890
44. Rancho Santa Fe FPD	29,668
45. Rincon Del Diablo MWD	121,534
46. Rincon Ranch CSD	207
47. San Diego Rural FPD	22,741
48. San Luis Rey MWD	137
49. San Miguel Con FPD	123,037
50. Santa Fe Irrigation District	19,868
51. South Bay Irrigation District	124,379
52. Tri City HCD	365,182
53. Upper San Luis Rey RCD	9,853
54. Vallecitos Water District	92,664
55. Valley Center Cemetery	21,232
56. Valley Center CSD	16,201
57. Valley Center FPD	15,788
58. Valley Center MWD	25,797
59. Vista FPD	18,069
60. Vista Irrigation District	124,086
61. Whispering Palms CSD	2,740
62. Wynola WD	129
63. Yuima MWD	1,260

Population: Special Districts²

1. Alpine FPD	15,293
2. Bonita Sunnyside FPD	13,189
3. Borrego Springs FPD	2,901
4. Borrego Springs Park CSD ³	304
5. Borrego WD	2,544
6. Canebrake County WD	67
7. Cuyamaca WD	187
8. Deer Spring FPD	11,982
9. Descanso CSD	713
10. East County FPD ⁴	11,980
11. Fairbanks Ranch CSD	1,733
12. Fallbrook HCD	54,276
13. Fallbrook PUD	33,877
14. Greater San Diego RCD	1,323,790
15. Grossmont HCD	491,159
16. Helix WD	261,482
17. Jacumba CSD	571
18. Julian CSD	282
19. Julian-Cuyamaca FPD	3,473
20. Lake Cuyamaca Rec/Park	259

¹ Source: Calif. Dept. of Finance *E-1 City/County Population Estimates*, January 2008

² Source: SANDAG estimates generated from 2008 Census; updated, January 2009

³ Borrego Springs Park CSD consolidated with Borrego WD as of February 9, 2009

⁴ East County FPD consolidated with San Miguel Cons FPD as of July 3, 2008