



California Fire Safe Council
BOARD OF DIRECTORS MEETING
OPEN SESSION MINUTES
April 24, 2019 1:00pm – 3:30pm

Those Present: Tracy Katelman (staff), Jerry Davies, Ruben Grijalva, Troy Whitman, Kate Dargan, Laura Blaul, Pat Kidder, Pat Frost, Neil Fischer, Frank Stewart

Not Present: Dave Bischel, David Horne, David Shew, Ed Mertens, Bob Roper

1:16pm: The meeting was called to order and everyone welcomed by Chairman Jerry Davies. Due to lack of a quorum, meeting started with an overview of Leg Day

1. Leg Day: May 7 – Tracy presented a brief overview of the day
 - 20 participants confirmed to attend (map of counties represented pending)
 - Presidential Suite donated by Ruben; Briefing at 0830
 - Everyone walks to FF Memorial at Capitol at 0945 for 1000 Press Conference
 - Bruce Turbeville will join us
 - Reception at Ella Bar & Restaurant, 1700-1830
 - Board Dinner 1900 at
 - Main message is need for \$200k/County (\$12M) for admin/capacity building
 - Invites to 3 Senators and 3 Assemblymen and need two to confirm
 - Email to FSC attendees requesting names of legislators/representatives they would like to visit
 - Friday conference call with Task Force to develop final talking points, messages for funds, and an overview of group types. Kate will have schedule by May 5th
 - Jerry asked Kate to get 6 chairs and PA from Woods Office.
 - Board Members attending aside from Policy Committee: Ed Mertens, Frank Stewart, Pat Kidder
 - Ed Mertens agreed to be Deputy Logistics Chief!
2. Approve Minutes
 - Motion to approve March 20, 2019 Open Session Minutes by Ruben Grijalva, second by Frank Stewart, unanimous approval
 - Motion to approve March 20, 2019 Closed Session Minutes by Ruben Grijalva, second by Frank Stewart, unanimous approval
3. Finances/Fundraising – Troy/Tracy
 - Our IDC is currently 50% and USFS policy that it applies to all funds received by CFSC
 - Actual not that high and Finance Committee feels we need to work to get it lower when not working with USFS
 - State and agencies (SCE) limit IDC to 15-20%, requiring CFSC to:

- ✓ be more aggressive in challenging as emerging fundraising require change in posture
 - ✓ contest interpretation with USFS
- If unsuccessful in attempts to use different IDC for State & agency grants, CFSC would need to use limited resources and line of credit to cover difference
- We have been using a provisional rate (based on prior year) followed by final rate (based on actual) for USFS. USFS offers three other options:
 - ✓ A negotiated rate determined up-front
 - ✓ Fixed rate
 - ✓ 10%
- Tracy suggests finding an expert to evaluate which would be best
- Norm, our Accountant, states if we don't charge 50% indirect, we have to pay it and don't have funds. Not everyone agrees, including attorney, and we need to explore options.
- USFS funds – if we spend \$100k of leftover '15 SFA, funds can only be used if we don't charge indirect. That means we could need to outlay \$50k which Norm says will bankrupt CFSC and/or we fail our audit.
- Ruben stated it is critical we get an definite answer if we are requesting \$200k per county passed through CFSC and subject to 50% IDC. Tracy stated we would ask for additional monies to cover. Ruben asked for the source of income to repay if use credit? No one was sure (David not on call)
 - ✓ Kate agreed to the need to take risks as IDC is a limiter and important enough that we should consider losing short term grant opportunities as we sort through it
 - ✓ Troy concerned Edison has 20% cap and if use Federal 50% rate, won't get future funds
 - ✓ Pat Frost commented that RCD get funds from several sources with different IDCs and USFS never commented/attempted to correct
 - ✓ Ruben pointed out that we have too many differences:
 - Attorney – states we can accept different rate
 - Accountant – states we can accept different rate but have to backfill difference with CFSC funds (CFR 200)
 - Board Policy – looks like Margaret and Norm accepted as factual and implement as Board policy
 - Therefore, we should have an independent IDC consultant review (not identified by Norm)
 - i. Ruben has a contact who managed all grants under Homeland Security
 - ✓ Pat Kidder pointed out that this has been ongoing issue for over 10-years and nothing changes
 - Look at other Accounting Firms?
 - We would need to wait until after next audit

Motion: Kate moved to direct the Finance Committee to work with staff to find a scope of work and cost for an independent IDC consultant and bring back to board with second by Ed, unanimously approved. Troy asked that Ruben assist and Ruben agreed.

4. Tracy stated the RFFC Grant Agreement was submitted for \$1.615 million to cover staff and contracted services: 300k for Tracy and support, 668k for 3 regional coordinators, 200K for contract training and travel, and 20% overhead.
5. SCE Grants: The recent SCE grant for \$500k and one for \$200k last Fall received 47 apps for \$900k
 - Tracy recommends spending as follows:
 - \$200k to outreach and education
 - \$100k for new FSCs
 - \$300k through Clearinghouse awarded May 1
 - \$100k for 20% Admin for 300k through Clearinghouse
 - ✓ Need to determine actual Admin costs
 - ✓ Cover cost of more staff?
 - Pat Kidder stated he was good with concept and questioned if Edison ok with it?
 - Tracy will make proposal to Edison
 - Troy feels Edison is supportive
6. FEMA Grants: Tracy and Kate will meet with Cal OES and CAL FIRE tomorrow to discuss FEMA funding
 - Explain how a retrofit structured grant will work
 - What retrofits are valuable
 - How funds will be distributed throughout state
 - How to work out multi-year funding
 - How tied to new leg (AB 38)
 - Educate OES and on how we work together
 - Tie to our specific grant
7. Foundation: Tracy is starting work on the Foundation side: Facebook, Google, Airbnb for funding for outreach and to run through Clearinghouse
8. USFS Clearinghouse Leftover Funds – Tracy reported:
 - She spoke with Tim from USFS on direction and Wendy who oversees our Master Grant
 - Summary spreadsheet on status in Cloud of what is going back from Norm– \$1.5M not spent in 2015, \$661k left in 2016, as well as 17-18. Why sending money to USFS? pay back due to IDC change, proposed → actual.
 - look at any money that's left and decide how to use for landowner/resident preparedness...would need modification request for each separate grant
 - Match with state money 50/50
 - Tim, Wendy, Amber and Tracy talked and agreed:

- once sub awards for master grants are closed, discuss on how to use residual funds can ensue
- Can we use some of the 1.5M from 2015 in next month? Tracy proposes:
 - ✓ 4 brochures: hardened home and defensible space North and South (1.5 million copes)
 - ✓ subcontractor take \$100 of Edison and \$100 of USFS to develop (no IDC allowed)
 - ✓ RFP sent two weeks ago for brochures and website overhaul
 - 3 responses
 - firm chosen
 - contract must be fulfilled by May 30 or void (incentive if finish sooner)
 - Finance and Executive Committees vetted and approved approach
- Board Discussion
 - ✓ Kate asked if this have the unanimous support of the finance committee? Yes as well as Ex Comm. She does have some concern if we don't have contingency plans for backfill in case something gets hung up/takes too long/doesn't come through.
 - ✓ Troy stated we have a \$100K line of credit and asked Yvonne to increase. We need to see this in black and white, in spreadsheet...
 - ✓ Tracy will prepare spreadsheet to show SCE grant \$ broken out
 - ✓ Troy mentioned \$100K from Edison is for Admin and may be used to repay should we need to use our line of credit to cover

Kate moved to approve the proposal for the \$100K out of the 15SFA and the acceptance of the \$200K bid by Four Waters Media Inc., second by Pat Frost, unanimous approval after discussion:

- Ruben asked how credit would be re-paid for the 20% admin portion of Edison grant (\$100k)
- Kate stated support despite quick pace as risk is moderate and gain is high: take risk with \$100k from USFS with no IDC charged (may need to come up with \$50k)?
- Laura asked if development of brochures will be coordinated with the SCE grant for brochure development to avoid duplication/conflict
- Ruben will support based on the two contract clauses – null and void if not done by May 31 and incentive clause for early completion

1447: Motion by Pat Frost, second by Pat Kidder to move to Closed Session, unanimous approval

1534: Motion by Pat Frost, second by Pat Kidder to close Closed Session move back to Open Session, Unanimous approval

9. 2019 Clearinghouse Funds

- Open today for \$2M
 - Coordinated with CAL FIRE who opened last week for \$43M with more coming in July/August
- Workshops will be held May 13-24 and training for reviewers/review period will follow with sub awards mailed out Oct 1

Next Month

- Think big about Mission and priorities
- Tracy pulled in many directions
- Closing out 2015
- BLM \$400k potential
- Moving Board Cloud to new platform
- Cal FIRE Rep on Board

Next Meeting May 8 in Sacramento preceded by dinner May 7 at 7pm

Meeting Adjourned at 1532