

HIGHLANDS FIRE DISTRICT BOARD OF DIRECTORS
REGULAR MEETING MINUTES
March 15, 2016

The regular meeting of the Highlands Fire District Board of Directors was held on Tuesday, March 15, 2016 at Station 21, 2838 Kona Trail, Flagstaff, Arizona.

1. CALL TO ORDER. The meeting was called to order at 5:00 PM.
2. ROLL CALL. Chairperson Peter Kloeber, Clerk Jan Hirsch, Director Bill Murphy, Director Brad Bippus, and Director Robyn Martin were present.

Present from administrative staff were Chief Dirch Foreman, Battalion Chief Miller, Ms. Jayme Jones, and Mrs. Robyn Wilson.

3. PLEDGE OF ALLEGIANCE, INVOCATON, MISSION AND VISION STATEMENTS, AND BOARD RESPONSIBILITIES. The Pledge of Allegiance was recited, a silent invocation was offered, and the District's Mission and Vision Statements were stated. The Board also recited selected Board responsibilities.
4. WELCOME VISITORS. Chairperson Kloeber welcomed visitors Wiatt Wong representing VFIS Insurance and Deborah Cargill and Lynn Freed from Mormon Lake Fire District.
5. CALL TO THE PUBLIC. Chairperson Kloeber opened the call to the public; there were no comments made.
6. APPROVAL OF THE MINUTES
 - A. FEBRUARY 16, 2016 REGULAR MEETING. The Board reviewed the minutes of the February 16, 2016 regular meeting. A MOTION was made by Director Martin and was seconded by Clerk Hirsch to accept the minutes as presented. Director Murphy noted a single clerical error. The motion was unanimously APPROVED.
7. FINANCE
 - A. APPROVAL OF WARRANTS. The Board reviewed the HFD & Bear Jaw warrants issued in February. After questions, A MOTION was made by Director Murphy and was seconded by Clerk Hirsch to approve the warrants as presented; the motion was unanimously APPROVED.
 - B. FINANCIAL REPORT. The Board reviewed the monthly HFD and Bear Jaw Financial Reports, including the Bank Reconciliation Reports, Profit/Loss Budget Overviews, County's Fund Balance Summary Reports, and Cash Flow Projection. Staff answered questions regarding specific accounts. Chairperson Kloeber questioned whether the reserve account balances should be shown at 100% spent at this point in the year. In addition, he commented that the cash flow projections look good.

8. SUMMARY REPORTS & CORRESPONDENCE.

- A. LOCAL CHAPTER 1505. Captain Katrales, Chapter Trustee, reported the Union is quite busy. They participated in Bowl for Kids Sakes, the annual Big Brother/Big Sister Charity Event. The Chapter contributed \$500 to PRCA Rodeo; they hope to purchase a chute for promotion, and will assist with parking during the event. The Chapter also made a \$400 donation to the seven cardiac arrest survivor's account, which includes our own Captain Newberry.
- B. BATTALION CHIEF'S REPORT. Chief Miller presented the Battalion Chief's Report including activity, incidents, and training in February. He noted that Captain Pond's crew preformed "over and above" by clearing snow at a residence in Kachina Village. Additionally, crews helped a resident in Pine Del with flood mitigation.
- C. FIRE CHIEF'S REPORT. Chief Foreman presented the Fire Chief's Report.
- D. FIRE BOARD CHAIRPERSON'S REPORT. Chairperson Kloeber had nothing to report.
- E. CORRESPONDENCE. The Board reviewed thank you letters from Linda Farella and Camp Verde/ Montezuma Fire Districts for outstanding service. The Board greatly appreciates the letters.

9. TOPICS OF DISCUSSION AND POSSIBLE LEGAL ACTION.

- A. CONSIDERATION TO APPROVE FIRE DISTRICT INSURANCE POLICY. Chairperson Kloeber informed the Board the District received two insurance proposals for review. He acknowledged Mr. Wong and asked him to review his proposal.
 - a. PRESENTATION OF VFIS PROPOSAL BY WIATT WONG. Mr. Wong distributed an adjusted proposal and explained that the cost was adjusted to reflect recent apparatus removals from the account. Mr. Wong provided a brief overview of the proposal. He acknowledged a slight increase due to an increase in call volume and building values.
 - b. REVIEW OF ESIP PROPOSAL FROM CINDY ELBERT INSURANCE SERVICES, INC. The Board reviewed the ESIP Insurance proposal.

Chairperson Kloeber noted that there is about a \$3,000 difference in cost; however, it was discovered that some of the coverages were not equal. For example, ESIP has a cap per location on flood insurance, and they applied last year's values to property and apparatus coverage. After further discussion, a MOTION was made by Director Martin and was seconded by Director Murphy to accept the VFIS Insurance Renewal; the motion was unanimously APPROVED.

- B. DISCUSSION AND/OR CONSIDERATION TO APPROVE 7710 WORKERS' COMPENSATION INSURANCE. Mr. Wong presented an adjusted proposal for Workers' Compensation Insurance with 7710 Insurance. Mr. Wong explained many of the benefits for changing providers, pricing structure being a significant factor. Chairperson Kloeber asked for staff's recommendation. Chief

Foreman recommended going with 7710 Insurance. After further discussion, a MOTION was made by Director Martin and was seconded by Director Murphy to accept the 7710 Insurance for Workers' Compensation coverage; the motion was unanimously APPROVED.

C. CONSIDERATION TO APPROVE IGA WITH MORMON LAKE FD (MLFD) FOR SHARED SERVICES, WHICH INCLUDES TEMPORARY SERVICES OF THE FIRE CHIEF. Chief Foreman informed the Board that he had been approached by Mormon Lake FD to provide temporary guidance and shared services since their Fire Chief resigned. Chief Foreman recommended the Board approve the IGA as presented. It was established that there would be no impact to insurance premiums; however, the District would be exposed to more risk. Director Murphy asked if MLFD would be paying adequate compensation for the Chief's time. Director Martin pointed out that the IGA could be terminated with 30 days' notice if necessary. Chairperson Kloeber commented that it behooves HFD to assist neighboring fire districts; however, \$20 per hour does not seem fair and equitable. Director Martin commented that considering the size of the District and the pay scale of the former Chief, perhaps we could make it work at \$20 per hour; however, the Chief's activities should be monitored closely. After further discussion, a MOTION was made by Clerk Hirsch and was seconded by Director Martin to approve the IGA between MLFD and HFD. Director Murphy asked that the motion include reassessment or progress report of the Chief's activities at the next meeting; the Board agreed. The motion was unanimously APPROVED.

(F.) CONSIDERATION TO APPROVE EMPLOYMENT PURCHASING CARD PROGRAM WITH WELLS FARGO. Chief Foreman informed the Board that because we have experienced a certain amount of issues with Bank of America involving poor customer service, we have explored Wells Fargo as a purchasing card provider. Staff recommends the Board approve entering into an employee purchasing program with Wells Fargo and close the account with Bank of America. A MOTION was made by Director Martin and was seconded by Director Murphy to change to Wells Fargo to provide an employee purchasing card program; the motion was unanimously APPROVED.

(G.) CONSIDERATION TO APPROVE HR POLICY REVISIONS:

- a. HR POLICY #40.23 TRAVEL EXPENSE & PER DIEM
- b. HR POLICY #40.22 EDUCATIONAL ASSISTANCE & INCENTIVE

Ms. Jones informed the Board that policy revisions were made to apply a new travel approval procedure and to pay actual costs, limited to per diem established by U.S. General Services Administration (GSA) for travel expenses. A MOTION was made by Director Martin and was seconded by Clerk Hirsch to adopt revisions to HR Policies #40.23 and #40.22. The motion was unanimously APPROVED.

A MOTION was made by Director Murphy and was seconded by Clerk Hirsch to recess at 6:30 PM. The motion was unanimously APPROVED. The Board reconvened to regular session at 6:54 PM.

(E.) DISCUSSION REGARDING PROCUREMENT OF A BOND FOR CAPITAL EXPENSES. Chief Foreman presented the concept of using a bond to raise money to pay-off capital project expenses and to potentially purchase apparatus. Chief Foreman asked the Board if there was any interest in doing this. Chairperson Kloeber commented that he does not want any part of a bond election right now. Director Murphy commented that he is leery as well. Since Summit Fire District is currently in

the process of acquiring a bond, Clerk Hirsch and Director Martin suggested waiting to see the outcome of their election. After further discussion, the Board agreed that a bonding process is not recommended at this time.

(D.) DISCUSSION REGARDING CAPITAL IMPROVEMENT PLAN. Chief Foreman informed the Board of a concept to build an Administrative/Bear Jaw Facility utilizing a single footprint. He explained a potential financial plan to afford the construction and to selling surplus property. Chairperson Kloeber believes it is necessary to keep the reserve funds available for emergency purposes. Director Martin brought up the point that the District should ensure adequate funding in reserve to cover deductibles in case of a catastrophic event. Chairperson Kloeber suggested the Board consider taking the idea to the next step by getting a pre-planning concept plan done. After discussion, Chairperson Kloeber stated that for the Board to take further action regarding hiring someone to produce a pre-planning concept as well as any further discussion regarding the purchase of a pre-owned Type I Engine the Board should call a Special Meeting. The Board agreed to meet on March 17, 2016 at 2:00 to continue the discussion.

H. REVIEW BOARD TASK CALENDAR. The Board reviewed the Board Task Calendar.

10. ADJOURNMENT. The meeting adjourned at 8:06 PM.

Respectfully submitted,

Jayme Jones
Administrative Assistant III