

HIGHLANDS FIRE DISTRICT BOARD OF DIRECTORS
REGULAR MEETING MINUTES
May 17, 2016

The regular meeting of the Highlands Fire District Board of Directors was held on Tuesday, May 17, 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, Director Bill Murphy, Director Brad Bippus, and Director Robyn Martin were present, and Clerk Jan Hirsch was absent.

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.
5. CALL TO THE PUBLIC. Chairperson Kloeber dispensed with the call to the public.
6. APPROVAL OF THE MINUTES
 - A. APRIL 19, 2016 REGULAR MEETING. The Board reviewed the minutes of the April 19, 2016 Regular Meeting. Chairperson Kloeber noted that the motion related to latent defects of the fire stations was left out of the minutes. Ms. Jones assured the Board that the tape recording would be reviewed, and the motion would be appropriately added to the minutes. A MOTION was made by Director Martin and was seconded by Director Murphy to accept the minutes with changes as noted; the motion was unanimously APPROVED.
 - B. APRIL 19, 2016 EXECUTIVE SESSION. The Board reviewed the minutes of the April 19, 2016 Executive Session. Chairperson Kloeber pointed out a misspelling of our attorney's name, and the results of the vote to adjourn. A MOTION was made by Director Murphy and was seconded by Director Martin to accept the minutes with changes as discussed; the motion was unanimously APPROVED.
7. FINANCE
 - A. APPROVAL OF WARRANTS. The Board reviewed the HFD warrants issued in April. Director Murphy suggested that significant purchases be explained in the memo portion of the Check Run Report. Ms. Wilson explained that the memo does not show on the report because the check is made for

more than one item. After additional questions, a MOTION was made by Director Murphy and was seconded by Director Martin to approve the warrants as presented; the motion was unanimously APPROVED.

- B. FINANCIAL REPORTS. 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. Chairperson Kloeber asked for an explanation for the expenditure noted in the Capital Improvement Fund Account. Ms. Wilson informed him that the \$67,068 notation refers to surplus revenue incurred last fiscal year. Chairperson Kloeber questioned whether it was appropriate to put revenue in an expense account, and he suggested this be discussed more at a later time. In addition, Chairperson Kloeber asked why the checks written on the Profit/Loss and Bank Reconciliation Statements do not match. Ms. Wilson said she would will look into it.

8. SUMMARY REPORTS & CORRESPONDENCE.

- A. LOCAL CHAPTER 1505. Captain Katrales reported that Engineer Gross is on leave due to the birth of his daughter. The Local will be assisting with parking at the rodeo on June 23-25. They will also be providing a donation to help support a White Mountain Firefighter diagnosed with cancer. The Pancake Breakfast is scheduled on July 3, and Board members are invited to help serve pancakes. Captains Henningsen and Newbery will be retiring in August.
- B. BATTALION CHIEF'S REPORT. Chief Miller presented the Battalion Chief's Report including activity, incidents, and training in April. Call volume decreased to 27 calls.
- C. FIRE CHIEF'S REPORT. Chief Foreman presented the Fire Chief's Report for April. Chief Foreman informed the Board that his report addresses the mid-year progress on his annual goals. Chairperson Kloeber suggested the Board revisit the contract for the collection of emergency service fees at the next meeting.
- D. FIRE BOARD CHAIRPERSON'S REPORT. Chairperson Kloeber informed the Board that USAA Insurance is giving a discount to members insuring property in Arizona within a Firewise Community.
- E. CORRESPONDENCE. The Board reviewed correspondence about the AFDA Conference in July.

9. TOPICS OF DISCUSSION AND POSSIBLE LEGAL ACTION.

- A. UPDATE REGARDING CAPITAL IMPROVEMENT PLAN FOR STATION 23 SITE. The Board reviewed conceptual drawings provided by Loven Contracting.
- B. FOLLOW-UP DISCUSSION REGARDING THE FY 2017 BUDGET. Chairperson Kloeber opened the issue of the FY 2017 Budget for discussion. The Board was informed that questions should be directed to staff, and not to each other.

C. CONSIDERATION TO APPROVE ARIZONA STATE FORESTRY DIVISION COOPERATIVE IGA. Chief Foreman recommended the Board renew the IGA with Arizona State Forestry. After discussion, a MOTION was made by Director Martin and was seconded by Director Murphy to accept Contract No. FD-16-0095-ASF-A1S with Arizona State Forestry; the motion was unanimously APPROVED.

D. CONSIDERATION TO APPROVE FISCAL POLICY GUIDELINES.

- (1) POLICY # 141 FEE SCHEDULES
- (2) POLICY # 151 PAYROLL
- (3) POLICY # 152 PURCHASING
- (4) POLICY # 153 PURCHASING & CHARGE CARDS
- (5) POLICY # 160 SURPLUS PROPERTY

Ms. Jones presented fiscal policies for the Board's consideration. She explained that the policies had been moved from *Executive Directives* and *Internal Control Handbook* to form a new *Fiscal Policy Guidelines* manual. After questions, a MOTION was made by Director Murphy and was seconded by Director Bippus to approve the *Fiscal Policy Guidelines* with revisions as discussed; unanimously APPROVED.

E. PRESENTATION OF INFORMATION REGARDING NOVEMBER 8, 2016 ELECTION OF THREE HFD FIRE BOARD MEMBERS; DIRECTORS BIPPUS, MARTIN, AND KLOEBER'S TERMS EXPIRE ON NOVEMBER 30, 2016. Ms. Jones provided the Board members information regarding the November Special District Election.

F. DISCUSSION REGARDING AUTHORSHIP OF FIRE BOARD ARTICLE FOR THE HIGHLANDS FIRE DRAGON NEWSLETTER TO BE DISTRIBUTED AT THE JULY 3 PANCAKE BREAKFAST. The Board discussed past authors of the newsletter article, and Director Martin volunteered to write an article.

G. REVIEW COMMUNITY SURVEY RESULTS. The Board reviewed the results of the Community Survey presented.

H. DISCUSS AND/OR TAKE POSSIBLE ACTION RELATED TO LATENT DEFECTS OF FIRE STATIONS. Chairperson Kloeber informed the Board that the issue regarding latent defects of the fire station was discussed in executive session last month, but without an attorney present, another executive session cannot be called at this time. Chief Foreman informed the Board that the construction contract has been reviewed by counsel and because of a clause that requires a very strict procedure for filing claims for breach of contract within 21 days of recognizing the defect giving rise to a claim. If this procedure is not followed precisely, there would be a waiver of the claim. At this point, it is believed that the District has no legal recourse regarding the list of defects. It was suggested that the District reason with the contractor to help resolve the issues.

10. BOARD MEMBER COMMENTS. The Board was provided opportunity to make any announcement, provide comment about the Board Task Calendar, or request items for the next agenda. Chairperson Kloeber requested that items including the capital improvement plan, cost recovery, and legislative update are put on the agenda for next month.

11. ADJOURNMENT. A MOTION was made by Director Murphy and was seconded by Director Martin to adjourn; the motion was unanimously APPROVED. The meeting adjourned at 6:13 PM.

Respectfully submitted,

Jayne Jones
Administrative Assistant III