

HIGHLANDS FIRE DISTRICT BOARD OF DIRECTORS
REGULAR MEETING MINUTES
June 21, 2016

The regular meeting of the Highlands Fire District Board of Directors was held on Tuesday, June 21, 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, and Director Brad Bippus were present, and Director Robyn Martin was absent.

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

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. MAY 17, 2016 REGULAR MEETING. The Board reviewed the minutes of the May 17, 2016 Regular Meeting. A MOTION was made by Director Murphy and was seconded by Clerk Hirsch to accept the minutes as presented; the motion was unanimously APPROVED.

7. FINANCE

- A. APPROVAL OF WARRANTS. The Board reviewed the HFD warrants issued in May. A MOTION was made by Clerk Hirsch and was seconded by Director Murphy to approve the warrants as presented; the motion was unanimously APPROVED. Chairperson noted that the Wells Fargo statement was included in the packet, and he asked if everything was going well with the new Wells Fargo account; Mrs. Wilson assured the Board that all is well.
- 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 commented that we are in our last month of FY 2016; he noted that the training accounts appear to be under 25% expended. He asked to mention this observation to Chief Foreman. He also wondered if the Bear Jaw training is included in the HFD Budget. Ms. Wilson responded that Bear Jaw does much of their training in-house, and full-time Bear Jaw member's training is budgeted in the HFD Budget.

Chairperson Kloeber thanked Ms. Wilson for her staff briefing re: Bank Reconciliation and Profit/Loss Financial Report balance discrepancy.

8. SUMMARY REPORTS & CORRESPONDENCE.

- A. LOCAL CHAPTER 1505. Engineer Matt Gross, Chapter Vice President reported that the Pancake Breakfast is on July 3rd, and he welcomes the Board's participation in serving. The union is sponsoring the rodeo this weekend and will assist with parking. He also informed the Board that there will be one member resigning and two members retiring in the near future.
- B. BATTALION CHIEF'S REPORT. Chief Miller presented the Battalion Chief's Report including activity, incidents, and training in May. Call volume increased to 39 calls.
- C. FIRE CHIEF'S REPORT. Due to Chief Foreman's absence for the purpose of working at the Cedar Fire, Chairperson Kloeber reviewed the Chief's written report. Chief Miller informed the Board that Scott Walton has provided us with summary of GFR training activities for the year.
- D. FIRE BOARD CHAIRPERSON'S REPORT. Chairperson Kloeber had no additional information for a summary report.
- E. CORRESPONDENCE. The Board reviewed correspondence from Sedona Fire District, the Arizona Wildfire and Incident Management Academy, Matt Ryan, and young students from Sechrist School.

9. TOPICS OF DISCUSSION AND POSSIBLE LEGAL ACTION.

- A. PUBLIC HEARING REGARDING THE FY 2017 BUDGET PER A.R.S. § 48-805.02(A), AND CONSIDERATION TO APPROVE THE RESOLUTION TO ADOPT FY 2017 BUDGET. There were no members of the public in attendance at the Public Hearing. Chairperson Kloeber informed the Board that the balanced FY 2017 Budget being presented for approval has been adjusted since it was originally posted; Ms. Wilson explained the adjustments. Chairperson Kloeber asked for a motion to adopt the HFD FY 2017 Budget with the total revenue and expenditure lines in the amount of \$5,889,343 as well as the associated resolution. After questions, **A MOTION was made by Clerk Jan Hirsch and was seconded by Director Bill Murphy to accept the HFD FY 2016 Budget and resolution as presented.** The motion was unanimously APPROVED.

In addition, Chairperson Kloeber asked for a motion to adopt the Bear Jaw FY 2017 Budget with the total revenue and expenditure lines in the amount of \$1,320,655 as well as the associated resolution. **A MOTION was made by Director Murphy and was seconded by Clerk Hirsch to accept the Bear Jaw FY 2017 Budget and resolution as presented.** The motion was unanimously APPROVED.

- B. CONSIDERATION TO APPROVE THE RESOLUTION TO CALL AN ELECTION ON NOVEMBER, 8, 2016 PER A.R.S. 16-226(A) FOR THE PURPOSE OF FILLING THREE (3) POSITION ON THE HFD FIRE BOARD. Chairperson Kloeber presented the resolution to call an election. **A MOTION was made by Director**

Murphy and was seconded by Clerk Hirsch to approve the resolution for the election of [three] Board of Directors for the Highlands Fire District. The motion was unanimously APPROVED.

C. CONSIDERATION TO ADJOURN TO EXECUTIVE SESSION TO DISCUSS THE SALE OF PARCELS 116-52-034-A & B PER A.R.S. § 38-431.03(A)(7). A MOTION was not made to adjourn to Executive Session.

D. DISCUSSION AND POSSIBLE ACTION CONCERNING THE SALE OF PARCELS 116-52-034-A & B. Chairperson Kloeber explained that the Board has previously approved to sell the property across the street from Station 21 by the authorization of him and Clerk Hirsch. A low offer was made and countered; however, there has been no further movement on the sale. Chief Foreman suggested the Board consider reducing the listed price, which should only be discussed in executive session. The Board agreed that decision regarding price negotiations should continue to be delegated to Chairperson Kloeber and Clerk Hirsch.

Clerk Hirsch stated that she believes the Board should consider adjournment to executive session to discuss alternative options. Chairperson Kloeber cautioned the Board regarding discussing issues not specifically listed on the agenda and allowed by statute. Clerk Hirsch suggested the Board discuss taking the property off the market because the parking space may be needed in case Bear Jaw occupies Station 21 in the future. Chairperson Kloeber informed the Board that Chief Foreman has assured him that the property is not needed regardless of potential occupation by Bear Jaw. Clerk Hirsch argued that there is barely adequate parking for Board meetings, and it is not imperative to sell at this time. Chairperson Kloeber stated that this issue has already been discussed and determined, and he suggested they leave the property on market and consider dropping the price. The Board declined meeting in executive session, and they agreed to continue pursuing the sale of the property with Chairperson Kloeber, Clerk Hirsch, and Chief Foreman overseeing the negotiations. There were no changes made related to selling the parcels.

E. UPDATE REGARDING THE DISTRICT'S CAPITAL IMPROVEMENT PLAN; REVIEW CONCEPT DESIGN FOR THE CONSTRUCTION OF ADMINISTRATIVE OFFICES AND ADDITIONAL BAYS AT THE FIRE STATION 23 SITE IN MOUNTAINAIRE. Chairperson Kloeber informed the Board that the District has obligated close to \$2,000 of \$5,000 of approved expenditures to Loven Contracting for a concept plan, and meeting has been scheduled with the County. The Board reviewed the preliminary drawings presented. If the entire project is not affordable, an alternative plan has been considered to move Bear Jaw to Station 21. The FY 2017 Budget reflects shifting \$1,000,000 from capital reserve to capital expenses for construction costs.

F. UPDATE AND DISCUSSION CONCERNING RECENT LEGISLATION AFFECTING FIRE DISTRICTS. Chief Miller provided information regarding new legislation of interest to the Board including voter authorized tax rate override, merger/consolidation FDAT cap adjustment, wildland "prompt pay" provisions, and modifications to PSPRS.

G. DISCUSSION AND CONSIDERATION TO APPROVE A SERVICE AGREEMENT FOR COST RECOVERY BY FIRE RECOVERY USA, LLC. Chairperson Kloeber informed the Board that this item will be tabled until the contract is reviewed by our current legal counsel, and it is revised to address Highlands Fire "District" as opposed to "Department". In addition, Chairperson Kloeber asked staff to review the District's Fee Schedule for consistency.

H. REVIEW FIRE BOARD TASK CALENDAR AND IDENTIFY POTENTIAL ITEMS FOR NEXT MONTH'S AGENDA. The Board reviewed the Fire Board Task Calendar.

10. BOARD MEMBER COMMENTS. There were no further comments from the Board.

11. ADJOURNMENT. A MOTION was made by Director Murphy and was seconded by Clerk Hirsch to adjourn; the motion was unanimously APPROVED. The meeting adjourned at 5:56 PM.

Respectfully submitted,

Jayne Jones
Administrative Assistant III