

HIGHLANDS FIRE DISTRICT BOARD OF DIRECTORS
REGULAR MEETING MINUTES
April 18, 2017

The regular meeting of the Highlands Fire District Board of Directors was held on Tuesday, April 18, 2017 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 Robyn Martin were present; Director Brad Bippus was absent.

Present from administrative staff was Chief Dirch Foreman, 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 recited selected Board responsibilities.
4. WELCOME VISITORS. Chairperson Kloeber welcomed Pastor Elias Reyes and several members of his congregation.
5. CALL TO THE PUBLIC. Chairperson Kloeber allowed for comments from the public; there were no comments.
6. APPROVAL OF THE MINUTES
 - A. MARCH 21, 2017 REGULAR MEETING MINUTES. The Board reviewed the March 21, 2017 regular meeting minutes. A MOTION was made by Director Martin and was seconded by Director Murphy to accept the minutes as discussed; the motion was unanimously APPROVED.

7. FINANCE

- A. APPROVAL OF WARRANTS. The Board reviewed the warrants issued in March. After questions, MOTION was made by Director Murphy and was seconded by Clerk Hirsch to accept the warrants as presented; the motion was unanimously APPROVED.
- B. REVIEW FINANCIAL REPORTS. The Board reviewed the monthly HFD and Bear Jaw Financial Reports, including the Bank Reconciliation, Profit/Loss Budget Overviews, County's Fund Balance Summary, and Cash Flow Projection.
- C. COCONINO COUNTY INTEREST EARNED REPORT. The Board reviewed the quarterly *County Interest Earning Report*.

8. SUMMARY REPORTS & CORRESPONDENCE.

- A. LOCAL CHAPTER 1505. Captain Katrales, Trustee, reported that other members of the Local 1505 are not able to sponsor the rodeo this year; therefore, HFD Chapter will be making a donation instead of sponsoring a chute.

HFD is partnering with Hunger Free Alliance of Greater Flagstaff to provide a site for a Summer Food Program, which will offer meals for children June 5 through August 4, Monday through Friday, 11 AM to 1 PM.

- B. BATTALION CHIEF'S REPORT. Chief Foreman presented the Battalion Chiefs' Activity Report including emergency incidents that occurred in March; there were 36 calls for service. The Board asked questions about related incidents.
- C. FIRE CHIEF'S REPORT. Chief Foreman presented the Fire Chief's Report. He noted that Ms. Wilson dedicated four hours of staff time to Mormon Lake Fire District (MLFD) in March, and 31 hours since we began providing service last December. Road work on 89A is going well; there have been daytime delays and night time closures. Chief Foreman reported that the 2nd Annual Arizona Wildland-Urban Interface & Firewise Summit was held on March 29 & 30, and he gave a presentation about the Slide Fire and efforts associated with the incident management team and local agencies.
- D. FIRE BOARD CHAIRPERSON'S REPORT. Chairperson Kloeber had nothing to report.
- E. CORRESPONDENCE. The Board reviewed a letter from Coconino County Community Development regarding the Station 21 CUP hearing on April 26, 2017, and a letter thanking Chief Foreman of his presentation at the Arizona Wildland-Urban Interface & Firewise Summit.

9. TOPICS OF DISCUSSION AND POSSIBLE ACTION.

- A. DISCUSSION REGARDING RENTING THE HIRSCH CENTER FOR START-UP CHURCH SERVICES. Chief Foreman introduced Pastor Elias Reyes. Pastor Reyes explained that currently the congregation is meeting in Kachina Village homes; however, they have outgrown the limited spaces, and would like to rent the Hirsch Center for services. Chief Foreman noted that HFD has historically turned away political, religious, and for-profit entities, and the Hirsch Center is becoming a popular venue for governmental agency use. Chairperson Kloeber commented that he is most concerned about setting precedence as well as the potential scheduling conflicts; Pastor Reyes assured the Board that they would be extremely flexible and can adapt to the District's scheduling needs. In addition, Chief Foreman noted that a rental fee would have to be established. After discussion, the Board tabled the item until counsel can be consulted. Chairperson Kloeber also requested staff inquire about insurance coverage. Pastor Reyes thanked the Board for their time and consideration.

- B. UPDATE TO STATION 21 CONDITIONAL USE PERMIT (CUP) MODIFICATION. Chief Foreman noted that due to the sale of the parking lot across the street, HFD has requested a modification to the conditional use permit (CUP). Chief Foreman will attend the zoning and planning meeting on April 26. He informed the Board that one of the conditions of the CUP will not allow public meetings to occur in the Kmetko Center.
- C. PRESENTATION AND DISCUSSION OF PROPOSED FY 2018 BUDGET. Chief Foreman informed the Board that the Budget Committee met on April 12, and will meet again on April 19 to review the line item budget. Chief Foreman presented a historical account of the District's NAV; including comparison of FY 2008 vs FY 2018 budgets. The Board reviewed highlights of the proposed budget. Ms. Wilson informed the Board that \$70,833 from reserve funds will be used to cover operating expenses. In addition, the Board discussed placing \$1,285,797 into a separate account for Capital and Grant Funds. The budget will be on the agenda next month for the Board's approval to post and publish.
- D. CONSIDERATION TO APPROVE RESOLUTION TO ESTABLISH A SEPARATE ACCOUNT FOR SPECIAL REVENUE AND CAPITAL PROJECT FUNDS PER ARS §§ 48-807 (M) AND (N). A MOTION was made by Director Martin and was seconded by Clerk Hirsch to approve Resolution 2017-04-18 (9)(C) to establish a separate account for Special Revenue and Capital Project Funds and transfer \$1,285,797 from the General Fund into the account; the motion was unanimously APPROVED.
- E. UPDATE OF SALE OF THE 2004 WATER TENDER AND OPTIONS FOR CONSIDERATION. Chief Foreman informed the Board that because the title for the tender is held by Wells Fargo, we had to further investigate selling the tender. If the tender is sold, the proceeds could go towards the principal of the Station Lease Purchase Agreement, and Wells Fargo would clear the lien on the title. Otherwise, as previously discussed, the District may have the Stations appraised so that the District can attempt to get clear titles on all of the apparatus held for collateral. Considering the cost of an appraisal, the Board agreed that the tender should be sold, and the proceeds should go towards the principle of the loan; no further Board action was necessary.
- F. UPDATE AND CONSIDERATION TO APPROVE EMERGENCY SERVICE INTERGOVERNMENTAL (IGA) WITH FLAGSTAFF RANCH FIRE DISTRICT (FRFD). Chief Foreman informed the Board that FRFD accepted the Emergency Service IGA with HFD. Chief Foreman requested the Board authorize the signing of the IGA when it is received from counsel. A MOTION was made by Director Martin and was seconded by Director Murphy to approve the Emergency Service IGA with FRFD, and to authorize signing when received; the motion was unanimously APPROVED.
- G. DISCUSSION AND POSSIBLE ACTION TO PURSUE A BOND AND/OR OVERRIDE ELECTION. Chief Foreman provided the Board with information regarding bonds and tax overrides. The Board was not interested in pursuing either option.
- H. DISCUSSION AND POSSIBLE ACTION REGARDING WORKERS' COMPENSATION INSURANCE. Chief Foreman informed the Board that a new workers' compensation pool is being developed for Special Districts (SDWCP). Further information will be presented in the near future.

The Board recessed for a short break at 6:39 PM and reconvened at 6:41 PM.

- I. CONSIDERATION TO APPROVE HEALTH INSURANCE RENEWAL. Chief Foreman presented the Health Insurance renewal, and he informed the Board that there is no increase to premiums. In addition, Ms. Jones informed the Board that the District will save about \$25,000 on the insurance cost due to the fact that management plans to reduce employer contributions to the individual HSA plans. A MOTION was made by Director Murphy and was seconded by Director Martin to approve the insurance renewal with Kairos, the motion was unanimously APPROVED.
 - J. CONSIDERATION TO APPROVE DISPATCH IGS WITH CITY OF FLAGSTAFF. Chief Foreman presented a Draft IGA for Dispatch Services, and the contract is being reviewed by counsel. Chief Foreman requested the Board approve the Draft IGA with the understanding that there will be insignificant changes. A MOTION was made by Director Martin and was seconded by Clerk Hirsch to approve the Dispatch IGA with the City of Flagstaff pending the return of the contract with no substantive changes, and it will be signed at the time its return; the motion was unanimously APPROVED.
 - K. CONSIDERATION TO APPROVE BOARD'S SUPPORT FOR CHIEF FOREMAN'S SERVICE AS ARIZONA FIRE DISTRICT ASSOCIATION (AFDA) AREA 3 DIRECTOR. Chief Foreman informed the Board that his current term of office is expiring, and, if the Board agrees, he would like to run for office again. A MOTION was made by Director Murphy and was seconded by Director Martin to approve the Board's support for Chief Foreman's service as AFDA Area 3 Director, and to sign the letter of support; the motion was unanimously APPROVED.
 - L. REVIEW FIRE BOARD TASK CALENDAR; IDENTIFY POTENTIAL ITEMS FOR NEXT MONTH'S AGENDA. The Board reviewed the *Fire Board Task Calendar*.
10. BOARD MEMBER COMMENTS. Chairperson Kloeber commented that the Board appreciates the staff and their work on the budget, and we will continue to review. He especially appreciates how the budget was presented; it was very well done.
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 6:52 PM.

Respectfully submitted,

Jayne Jones
Administrative Assistant III