

CENTRAL YAVAPAI FIRE DISTRICT
FIRE BOARD
REGULAR SESSION

March 17, 2015

MINUTES

1. CALL TO ORDER / ROLL CALL OF BOARD MEMBERS

Chairman Rutherford called the Fire Board meeting to order on Tuesday, March 17, 2015 at 2:00 p.m. at Prescott Valley Public Library Auditorium, 7401 E. Civic Circle, Prescott Valley, Arizona.

Members Present: Board Chairman Steve Rutherford, Board Members, ViciLee Jacobs, Darlene Packard, and Tom Steele

Members Absent: Board Clerk Bob Page

Staff: Fire Chief Scott Freitag, Assistant Chief of Administration Dave Tharp, Administrative/IT Assistant Laura Mowrer

Others in Attendance: Attorney Nick Cornelius

2. PLEDGE OF ALLEGIANCE

Chairman Rutherford led the recitation of the Pledge of Allegiance

3. PRESENTATION

A. Prescott Valley Town Council Report

Prescott Valley Town Council Member Whiting provided the Fire Board with updated Prescott Valley building permit information.

B. Wage and Benefits Presentation by Labor Representative

Labor Representative Dibble asked for and was granted Board approval to move this agenda item to the April Board meeting in order to allow additional time to research expenses for next fiscal year.

4. CALL TO THE PUBLIC

Those wishing to address the Central Yavapai Fire District Board need not request permission in advance. The Fire District Board is not permitted to discuss or take action on any item raised in the Call to the Public due to restrictions of the Open

Meeting Law; however, individual Board members may be permitted to respond to criticism directed to them. Otherwise, the Board may direct the staff to review the matter or the matter be placed on a future agenda.

Prescott Valley Chamber of Commerce CEO Marnie Uhl and Executive Assistant Gloria Grose presented the Fire Board with a Certificate of Recognition for 50 years of service to the community. They expressed their appreciation of the District for assisting in a multitude of fundraisers such as the Flying High Turkey Drive and Prescott Valley Team Up to Clean Up.

Chairman Rutherford thanked District staff for great job on the 50th Anniversary on Saturday, and he thanked the community for their support.

5. CONSENT AGENDA

All matters listed under Consent Agenda are considered to be routine by the Central Yavapai Fire District Board and will be enacted by one motion. There will be no separate discussion on these items. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately for discussion and possible action.

- A. Approval February 17, 2015 Regular Session Minutes
- B. Approve General Fund Financial Statements
- C. Approve Bond Debt Service Financial Statements
- D. Approve Purchasing Agreement with the Town of Payson

Board Member Steele made a motion to the consent agenda. Board Member Jacobs seconded the motion. MOTION CARRIED

AYES: Jacobs, Packard, Rutherford, Steele
NAYS: None

6. REPORTS AND CORRESPONDENCE

- A. Letters from the Public

Chairman Rutherford stated there were nice letters from students and members of the public.

- B. Monthly Division Reports-Report from the Fire Chief and staff in regard to current activities of the Fire District and the status and progress relating thereto

Chief Freitag thanked the 50th Anniversary Committee: Zach Pederson, Jaron Kirk, Domenic Scaife, Dave Tharp, Mandy Ayars, Patty Brookins, Teresa Frawley, Scott Moore, and Ross Prange. He thanked the many individuals for

their dedication to the event including Nick Fournier, Gordon Dibble, Aaron Corbiere, Jeremiah King, Adam Wagner, Cougan Carothers, Jeff Polacek, and Dave Wittenberg. There was a good turnout from the community, and we received very positive feedback. Chief Freitag also stated that it was very nice to see members of the City of Prescott and the Town of Prescott Valley Councils in attendance. He mentioned that Board Member Packard, Chief Tharp and himself participated in a radio spot that played on Saturday, and he had an opportunity to go on *Talking Points* with the Chamber of Commerce that is shown on Prescott Valley Cable Channel 9.

Chief Freitag informed the Board that staff has been very busy attending meetings related to Prop 117. Chairman Rutherford thanked Chief Freitag for his well-written letter to Representative Campbell regarding HB2441. Chairman asked for clarification regarding this House Bill.

Chief Freitag explained that in the past if the City of Prescott annexed an area, the closest unit would still respond, even if it was Central Yavapai. The Bill stipulates that if a fire district annexes an area, the district would have to prove that they can provide the same level of service to the new area as the existing area receives. For example, under this Bill, Central Yavapai could not annex property in Dewey-Humboldt due to not being able to provide the same response time as Prescott Valley because of the area being so spread out. In addition, the District cannot utilize auto or mutual aid as a city could.

Chief Freitag stated that his main concern is that individuals still receive the needed service. He suggested that if a city annexes property and they cannot provide the exact level of service that the district does, the fire district should continue to receive the revenue until the city is able to provide the appropriate service. Additionally, the city would not be able to utilize the auto aid service either. He stated that this language is not currently in the Bill. However, AFDA is also recommending this language. This Bill has moved from the House to the Senate.

Chief Freitag expounded that this Bill was initiated by a city and district in the valley. These agencies have found a resolution; however, they continue to push the Bill. He stated that we are staying very involved with this issue. Board Member Packard stated that she believes this Bill was stopped.

Chairman Rutherford recommended that Chief Freitag or Fire Marshal Chase follow-up with a letter to Gary Spiker related to the revised fire watch requirements for the Prescott Valley Event Center.

Chief Tharp stated that Standards & Poor's (S&P) is recommending the District maintain a reserve balance of 50% of the annual budget. Currently, the District is above that level which S&P is appreciative of that. He explained that if the

Capital Reserve or Contingency Funds, which are unobligated balances, go below that level, we may see a credit rating reduction. S&P wants to make sure if the District experiences a loss of revenue that we are still able to meet all of our financial obligations. S&P is also aware that the District is a governmental entity and is supported by taxpayers. We did receive an A+ credit rating. The District's current reserves are \$8.7 mil and a 5% contingency which equates to about \$960,000. Chairman Rutherford stated that the Board and staff may want to reconsider spending below the \$8.7mil.

Chief Tharp reminded the Board and public that the Board work/study session to review the budget and non-operations succession plans is scheduled for April 1, 2015 at 1:00 pm. This will be held at the Central Yavapai Fire District Regional Training Center, 9601 E. Valley Road, Prescott Valley and will be recorded for future viewing by Prescott Valley Channel 9.

Chief Tharp indicated that the District's worker's compensation provider, Copper Point, is reviewing our Experience Modification (EMOD) Rating. This is calculated based on the past five years' worth of worker's compensation claims, versus three years as it was in the past. The EMOD rating is used to calculate the workers' compensation fee that the District is charged. Staff is also researching for alternative companies to save money. Chief Freitag stated that AFDA is working with Copper Point to educate fire agencies. Chairman Rutherford mentioned that workers' compensation and health insurance premiums are two expenses that the District has no control over, and these two items alone are increasing the budget by approximately \$65,000.

Chief Freitag mentioned that HR Manager Brookins, HR Assistant Reed, and Chief Polacek recently completed the joint Captain's promotional testing process. Combining the efforts of Chino and Central into one process saved money for both Districts and neither agency was competing to obtain volunteers to evaluate the candidates. The candidates scored well, and the evaluators provided praise that the Districts are very fortunate to have these seven candidates. They would not hesitate to place them as company officers in their organizations.

Chief Freitag informed the Board that several Chino and Central members including Chief Polacek and Captain Abel assisted with the operations and teaching at the Arizona Wildfire & Incident Management Academy. This event brought about 600 students to the Prescott area. The VIP Day gave Chief Freitag the opportunity to discuss the senate bill related to egresses for areas such as Highland Pines and Ponderosa Park with politicians. Prescott Fire Chief Light is leading the initiative on this bill. Per Chief Freitag, Captain Abel with Chief Polacek assisting will be heading up the command for next year's Wildland Academy.

7. NEW BUSINESS

A. Approve Single Owner Annexation Request Parcel 401-01-098C, 11360 E. Mingus Vista Drive, Hallett Property

Chief Tharp confirmed that this property is contiguous with the District boundaries and do meet the requirements for annexation.

Board Member Steele requested staff notify the homeowner associations of the options to annex into the District.

Chief Tharp confirmed that there is a retired firefighter living in that community that is assisting with educating the homeowners. There has been some misinformation that the District responds to the Prescott Ridge area regardless if there is a contract or not. They have been provided with statutory requirements and were informed that insurance companies have also been contacted. A lot of homeowners believe because we provide fire protection adjacent to them, that we will automatically respond to them. That is not always the case. We owe it to our taxpayers to provide coverage within our District boundaries and for fire protection agreements.

Board Member Jacobs made a motion to approve Resolution 15-01 to annex 11360 E. Mingus Vista Drive, Parcel #401-01-098C into the Central Yavapai Fire District. Board Member Packard seconded the motion. MOTION CARRIED

AYES: Jacobs, Packard, Rutherford, Steele

NAYS: None

The following items were taken out of order.

9. OLD BUSINESS

A. Discussion and Possible Action Related to Training Center Drainage Issues

Attorney Cornelius stated that we expect to be filing suit to resolve this matter in the near future.

B. Discussion and Possible Action Related to the Yarnell Hill Fire Incident and Legal Claims

Attorney Cornelius explained that there was mediation and a 30 day extension was been granted. The State's Motion to Dismiss has not and will not be heard until after the expiration of the 30 days.

C. Discussion and Possible Action Related to Public Safety Personnel Retirement System (PSPRS) Membership Requirements - Legislative Action

Chief Freitag updated the Board on HB2351. The Bill passed both committees and they made it very clear that the interested parties: Central, Chino, Sedona, and PSPRS had to come to a mutual agreement. PSPRS does not have the time to prepare the language to present it to the House; therefore, it will be moved to the next Legislative session.

D. Discussion and Possible Action Related to Prescott National Forest Contract

Per Attorney Cornelius informed the Board that the US Forest Service was able to produce a more appropriate agreement that better fits the District's needs. In light of the Yarnell Hill experience, the District must verify that everything is spelled out properly. Chief Freitag stated that the District has a good working relationship with the Prescott National Forest, in addition, the agreement allows for District members to receive training that they would not otherwise. He encouraged the Board to approve this agreement.

8. VOTE TO GO INTO EXECUTIVE SESSION

- A. Legal Advice Pursuant to A.R.S. §38-431.03(A)(3) and Instruction to District Legal Counsel Pursuant to A.R.S. §38-431.03(A)(4) Re: Training Center Drainage
- B. Legal Advice Pursuant to A.R.S. §38-431.03(A)(3) and Instruction to District Legal Counsel Pursuant to A.R.S. §38-431.03(A)(4) Re: Yarnell Hill Fire Incident and Legal Claims
- C. Legal Advice Pursuant to A.R.S. §38-431.03(A)(3) Regarding Public Safety Personnel Retirement System (PSPRS) Membership Requirements - Legislative Action
- D. Legal Advice Pursuant to A.R.S. §38-431.03(A)(3) Regarding Prescott National Forest Contract

Board Member Steele made a motion to go into Executive Session. Board Member Jacobs seconded the motion. MOTION CARRIED

AYES: Jacobs, Packard, Rutherford, Steele
NAYS: None

Chairman Rutherford adjourned into Executive Session at 2:58 pm.

Board Member Steele made a motion to reconvene into Open Session. Board Member Jacobs seconded the motion. MOTION CARRIED

AYES: Jacobs, Packard, Rutherford, Steele
NAYS: None

The Board reconvened in Open Session at 3:56 pm

9. OLD BUSINESS

A. Discussion and Possible Action Related to Training Center Drainage Issues

No further action.

B. Discussion and Possible Action Related to the Yarnell Hill Fire Incident and Legal Claims

No further action.

C. Discussion and Possible Action Related to Public Safety Personnel Retirement System (PSPRS) Membership Requirements - Legislative Action

No further action.

D. Discussion and Possible Action Related to Prescott National Forest Contract

Board Member Packard made a motion to approve the Prescott National Forest contract as presented to the Board. Board Member Steele seconded the motion.
MOTION CARRIED

AYES: Jacobs, Packard, Rutherford, Steele
NAYS: None

10. ADJOURNMENT

Board Member Jacobs made a motion to adjourn. Board Member Packard seconded the motion. MOTION CARRIED

AYES: Jacobs, Packard, Rutherford, Steele
NAYS: None

Meeting adjourned at 3:57 p.m.

17-21-15

Date

Bob Page, Board Clerk