



MINUTES AVRA VALLEY FIRE DISTRICT

REGULAR MEETING OF THE BOARD OF DIRECTORS

Meeting Date: Tuesday, April 30, 2013
Meeting Time: 10:00 AM
Location: 15790 W. Silverbell Road, Marana, AZ 85653

1) Call To Order

The meeting was called to order at 10:04 AM by Chairman Castaneda, Jr.

2) Pledge of Allegiance

The pledge of Allegiance was recited by all present.

3) Roll Call - The roll was called by Lorrie Palmquist. In attendance:

Board

Chairman Castaneda, Jr.
Vice-Chairman Lassen (present by phone)
Clerk Bauer
Director Neilson
Director Horch

Staff

Chief Delfs
Asst Chief Klein
Counsel Wencker
Lorrie Palmquist
Tom Webb, Mechanic

4) Presentation of Personnel – Retirement of Lloyd Baker

Chief Delfs stated that a plaque will be presented to Mr. Baker at his retirement party May 18.

5) Approval of the Minutes from the Regular Meeting held March 27, 2013

Clerk Bauer motioned to approve the minutes from the regular meeting held March 27, 2013.
The motion was seconded by Vice-Chairman Lassen. *Motion carried unanimously 5/0.*

6) Call To The Public

None

7) Announcements, Current Events & Correspondence

Chief Delfs commented that Mr. Lloyd Baker will be retiring from the District as of April 30, 2013. There will be a party for him on Saturday, May 18 at 4 PM. Since it will be catered the firefighters are asking for a small donation. Everyone is welcome to attend. Chairman Castaneda expressed thanks to Mr. Baker on behalf of his service and his time with the District.

8) Financial Report - Cash Flow Statement and Budget Performance

Chief Delfs reminded the Board that this *Cash Flow Statement* is a new format with significant detail. He stated that he is receiving these reports on a weekly basis. The Chief explained that significant property tax income should be coming in May, and that ambulance revenue is coming back up to within the projected range.

Vice-Chairman Lassen asked for further comment on the ambulance revenue. Chief Delfs responded that since Golder Ranch is doing the collections, revenue is coming up significantly, with larger checks coming in more regularly. He further commented that a large amount of state land revenue is still receivable for Wildland services performed during this fiscal year.

Vice-Chairman Lassen also inquired about the amount of fuel charges. Lorrie responded that this month reports a large amount because several months were unpaid and they were caught up during this reporting period.

9) Chief's Reports

- **Chief Delfs**

Chief Delfs stated that the Pima College classes are going well and have turned out to be the envy of other fire districts. Within fourteen months the firefighters will have an Associate's Degree or higher at no cost to them other than books. Pima College is very proud of this unique partnership,

Chief Delfs introduced Fleet Manager, Tom Webb, to discuss the refurbishment of Engine 217. Director Neilson asked Mr. Webb to address the issue of refurbishing versus buying a new engine. Mr. Webb responded that currently the truck is not going into pump gear and is, therefore, out of service. He further stated that the Engine can be totally refurbished for less than half the cost of a new vehicle. Mr. Webb stated that it will take 90 to 120 days to refurbish the Engine, and that the Engine should be available for use when Station 194 opens. He commented that dealing with a local vendor will save the District money, as well as making it easier to monitor the work performed on the vehicle. Director Horch inquired about what will be involved with the refurbishment. Mr. Webb responded that it will be the same chassis, but with a new transmission, gear box, and pump. Refurbishment will also involve bodywork and painting. Director Neilson inquired about the warranty. Mr. Webb responded that there will be a 2-year warranty on the drivetrain and the District is asking for warranty coverage on the phone system. Director Neilson inquired about whether the District will pay for the refurbishment as it progresses or at the conclusion and if bond monies will be used. Mr. Webb responded that it is still being negotiated. Chief Delfs responded that the District will use some of the bond monies for this purpose.

Chief Delfs informed the Board that the District would like to purchase a 2005 gold Chevy service vehicle with a utility bed from Clyde Wanslee dealership. Originally the District had planned on utilizing \$40,000 out of the bond funds to purchase a vehicle, but this truck is in excellent shape with less than 50,000 miles and the Dealership is asking only \$15,000. Mr. Webb has inspected the vehicle, and even with a few needed repairs, it is very solid.

Chief Delfs stated that Union negotiations have concluded, and they are not seeking pay raises for the upcoming fiscal year. Chief Delfs expressed his thanks to Captain Lassen for his leadership with the troops. The Chief commented that everyone is very understanding of the District's position.

Chief Delfs informed the Board that Station 194 is proceeding as scheduled. There will be a meeting tomorrow in Phoenix with the building manufacturers and Pulte. The current thinking is that Pulte will be done with the building in May and will transport it to the factory where they will make modifications per our specifications. Pulte will be pulling the permits and pouring the concrete, as well as doing the sitework. The District may need to hire an architect to draw up a site plan. The idea is that Pulte will pay to get the building set up and the District will then reimburse Pulte out of bond monies. Chairman Castaneda inquired about whether there are two buildings we could obtain from Pulte. Chief Delfs responded in the affirmative. Chairman Castaneda commented on the nice layout of the buildings. Director Neilson inquired whether or not the District will own the land. Chief Delfs responded in the affirmative.

- Assistant Chief Klein - operations

Chief Klein stated that this report is an example of what will be provided to the Board in the future. He summarized that EMS calls are the highest, then fire, snakes, etc. Chief Klein stated that in August of 2011 the District drafted *Standard of Response* criteria stating "14 minutes, 80% of the time, to the scene" as our target. The turnout time still needs work, but response time for EMS is 93% and 89% fires, so our response times are greatly improved. Captain Lassen commented that the new computers on the engines have made the difference in meeting response times. Chief Klein also stated that our people are learning their areas and their efforts are showing. Director Neilson inquired about the other 12% of service calls. Chief Klein responded that it is made up of false alarms, smoke detectors and lockouts. Director Neilson further inquired whether aircraft standby was included in that 12%. Chief Klein responded that if a patient arrives on a flight and is transported, then the District reports it as an EMS call. Chief Delfs also stated that sometimes the District is on a standby basis for aircraft with landing gear issues. Director Neilson inquired whether the District has to maintain the runway. Chief Delfs responded, "No."

10) Review, Discussion and Possible Action regarding the purchase of a service vehicle for the District in the amount of \$16,308.

Chief Delfs directed the Board to photos of the truck in their packets and respectfully requested approval for the purchase.

Clerk Bauer moved to approve the purchase of a 2005 Chevrolet service truck for the District in the amount of \$16,308. The motion was seconded by Vice-Chairman Lassen.

Director Horch asked for clarification that the money is budgeted to come out of the bond funds. Chief Delfs responded in the affirmative. Chairman Castaneda inquired whether the vehicle will be driven home or used on calls. Chief Delfs responded that the intent would be to take the vehicle home in the evenings and on weekends in case of being called to respond to a disabled vehicle. Chief Klein added that Mr. Webb is currently using his personal vehicle to respond to such calls and does come in after hours when there is a vehicle emergency.

After no further discussion, *the motion carried unanimously, 5/0.*

11) To consider and, if deemed appropriate, adopt a Resolution designating the Chairman of the Board of Directors or the District Fire Chief to declare official intent on behalf of the District with respect to reimbursement from proceeds of tax-exempt bonds pursuant to *Treasury Regulations Section 1.150-2.*

Counsel Wencker explained that this resolution will allow the District to expend funds during the bond approval waiting period. When the bonds are issued, the expenditures can be reimbursed out of bond funds as long as they are legitimate under the bond purpose. Chief Delfs stated the the District is still waiting on approval from the Department of Justice. Counsel Wencker explained that the Department of Justice has 60 days to review the bond proposal, and if there is no response within 60 days, then we proceed with the bond issue. The bond attorney has requested a telephone conference to discuss how to proceed.

Clerk Bauer moved to adopt *Resolution #2013-2* which designates the Chairman of the Board of Directors to declare official intent on behalf of the District with respect to reimbursement from proceeds of tax-exempt bonds pursuant to *Treasury Regulations* section 1.150-2. The motion was seconded by Vice-Chairman Lassen. Chairman Castaneda asked Counsel Wencker if it would be easier to designate the Chief instead of the Chairman. Counsel responded that it is the Boards' pleasure, stating the body of the resolution indicated it can be either the Board Chairman or the Chief.

After no further discussion, the *motion carried unanimously, 5/0.*

12) Review, Discussion and Possible Action regarding the FY 2013-14 Budget Draft and setting a schedule for adoption.

Chief Delfs directed the Board to the budget worksheet in their packets. The Chief provided a brief summary, stating that a 5% inflation adjustment has been added to liability insurance and the SCF insurance, as well as a few other line items. He commented that ambulance revenue is budgeted a little lower than the current budget due to the change in our collection process. Further, fire services revenue is from subscription services, and fire recovery revenue is about the same as last year. He commented that the State Land revenue projected is usable money for the District *above* what we pay for salary and benefits, etc. The property tax and FDAT revenue will drop due to lower property values, but we are seeing values turn around. Therefore, we anticipate this revenue will bump up within 3 to 5 years. Until then, we will have the Pulte income, which is \$450,000 in the current year and \$300,000 in each of the next two years. We anticipate that Business Personal Property Tax Revenue will see a significant increase due to the solar plant going on the rolls. Expenses are based on actual costs which have been annualized. About 80% of the expense budget is Employee Related Expenditures, which is in line with most governmental organizations. We have included only a 5% contingency. The total operating budget is projected at \$3,388,421 with capacity for grant revenue of \$1,500,000 and bond revenue of \$3,000,000, making total capacity 7.8 million. The Chief stated that a budget adoption schedule has been presented for comment, and at the next Board meeting a Preliminary Budget will need to be adopted. The budget needs to be posted after the May Board meeting and final adoption set for the June Board meeting.

Chair Castaneda expressed approval for the Budget format. Director Horch clarified that the City of Tucson revenue is already included in the Fire Services Revenue line item. Director Neilson clarified that the July 1 – June 30 fiscal is standard for a Fire District. Clerk Bauer inquired about where the wildland activity is included in the budget. Chief Delfs responded that the State Land revenue listed will “wash” the payroll related expenditures for the wildland activity.

Vice-Chairman Lassen motioned to adopt the preliminary budget for Fiscal Year 2013-14 as presented and to set the Fiscal Year 2013-14 Budget adoption schedule as presented. The motion was seconded by Clerk Bauer. Director Horch inquired about a salary/wage increase. Chief Delfs responded that the majority of the increase is due to the addition of Station 194 in the Fall.

After no further discussion, *the motion carried unanimously, 5/0.*

13) Review, Discussion and Possible Action regarding entering into an Intergovernmental Agreement between Avra Valley Fire District and Golder Ranch Fire District for IT services.

Chief Delfs restated the concept presented at the last Board meeting and respectfully asked for approval of the IGA with Golder Ranch Fire District which allows the District to terminate the contract with Lee

Shanook and enlist GRFD to provide services. He commented that the Golder Ranch Board already approved it.

Clerk Bauer moved to enter into an Intergovernmental Agreement between Avra Valley Fire District and Golder Ranch Fire District for IT Services. The motion was seconded by Director Horch.
Motion carried unanimously, 5/0.

14) Review, Discussion and Possible Action regarding entering into an Intergovernmental Agreement between Avra Valley Fire District and the City of Tucson for Fire Protection Services

Chief Delfs stated that this is an item the District has been working on for some time. In the past, the District had an agreement with the City of Tucson (COT) to provide fire services and they, in turn, provided the land for Station 192. The pre-existing building at that site was torn down and the COT did not want us to rebuild on that land, so we built across the street. The City of Tucson had a fire, and our District billed them for our services provided. Now the City wants an agreement. Counsel Wencker said this IGA is the result of negotiations with the city's attorney. The IGA states a flat fee of \$10,000 annually, regardless of the number of responses. The IGA does not extend to any tenants the COT might have on that property. Chairman Castaneda clarified that this agreement is binding until 2016. Counsel Wencker responded that the IGA is in place for the next 3 years and then the District can renew for an additional 2 years for a total up to 5 years. He further stated that there is an opportunity to renegotiate the amount of money. Clerk Bauer inquired about the possibility of fire on that property. Chief Delfs responded that a brush fire would cost approximately \$2,500 – 3,000 versus a structure fire which may cost \$20,000-30,000. Chief Delfs stated that the COT is the largest landholder yet does not pay property taxes so the City is committing to this subscription in light of that fact. Counsel Wencker clarified that ambulance services are different, with those charges being in addition to fire protect services.

After no further discussion, Clerk Bauer motioned to enter into an Intergovernmental Agreement between Avra Valley Fire District and the City of Tucson for Fire Protection Services. The motion was seconded by Director Horch. *Motion carried unanimously, 5/0.*

15) Review, Discussion and Possible Action regarding MOU with the Office of the State Fire Marshal

This Memorandum of Understanding (MOU) is between the Office of the State Fire Marshal (OSFM) and the Avra Valley Fire District (AVFD) concerning the review of plans for construction, remodeling, alterations and additions (collectively referred to as "plans") of state, county and public school buildings and grounds [A.R.S. 41-2163(C)] and the inspections performed in conjunction therewith; as well as regularly scheduled inspections of state and county owned buildings and all public and private schools [A.R.S. 41-2163(A)(4)].

Chief Delfs stated this is a standard operating procedure which most fire districts have adopted. The State Fire Marshall does not have staff to perform these inspections. When our District provides inspections, we do not have the jurisdiction to enforce fire codes. This MOU gives us the ability to make sure buildings are safe for both responders and inhabitants. It further authorizes us to do inspections and enforce the fire code. Director Horch inquired about who performs these inspections currently. Chief Delfs responded that he acts in this capacity. Director Neilson clarified that the District will not receive any revenue from these inspections and inquired if the District could incur any liability. Counsel Wencker responded that the District is immune from liability if the inspections are performed in good faith and responsibly.

Clerk Bauer moved to enter into an MOU between Avra Valley Fire District and the Arizona Department of Fire, Building and Life Safety – Office of the State Fire Marshal concerning the review of plans for construction, remodeling, alterations and additions of state, county and public school buildings and grounds and the inspections performed in conjunction therewith; as well as regularly scheduled inspections of state and county owned buildings and all public and private schools. The motion was seconded by Vice-Chairman Lassen. *Motion carried unanimously, 5/0.*

16) Reports of Board Members and Staff

- Board Member Reports

Clerk Bauer commented that she hopes to have Board retreat information and suggested dates for the next Board meeting.

Chairman Castaneda commented that he has been attending many functions. The most recent function was the *State of the Town of Marana Address and Luncheon* held at the Ritz-Carlton. He stated that it was an excellent opportunity to network on behalf of the District.

- Report from District Counsel, Chris Wencker

The Goldwater Institute is representing a private plaintiff against the City of Phoenix in *Cheatham v. Diccio*. The judge in the case recently issued a ruling on a preliminary injunction, which prevents the City from allowing members of its police department's union from using "release time" for union business. Release time is time that the employee is being paid by the City, but that the employee uses for union business, rather than police business. The court found that this practice violates the Arizona Constitution's Gift Clause, which prohibits gifts of public money to private individuals, groups, or businesses. This may eventually have implications for the District's Memorandum of Understanding with the local union. Mr. Wencker will keep the Board informed of any developments that may affect the District.

17) Future Agenda Items

- Board Retreat
- Meeting to discuss proposed changes to the *Meet & Confer Agreement* between the Avra Valley Fire District and the IAFF Local 4462

18) Date of Next Board Meeting - May 22, 2013

19) Adjournment

Clerk Bauer motioned to adjourn the meeting. The motion was seconded by Chairman Castaneda. Motion carried and the meeting was declared adjourned at 11:23 AM.

APPROVED: 
DATE: 5-22-13

Board Members

Luis Castaneda, Jr. Aleya Lassen Sara Bauer Eric Neilson Brian Horch

In accordance with the Federal law and the U.S. Department of Agriculture policy, Avra Valley Fire District is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202)720-6382 (TDD).