



MINUTES AVRA VALLEY FIRE DISTRICT

REGULAR MEETING OF THE BOARD OF DIRECTORS

Meeting Date: Wednesday May 22, 2013
Meeting Time: 10:00 AM
Location: 15790 W. Silverbell Road, Marana, AZ 85653

Recording on.

1) Call To Order

The meeting was called to order by Chairman Castaneda, Jr. at 10:16 AM.

2) Pledge of Allegiance

The Pledge of Allegiance was recited by all present.

3) Roll Call The roll was called by Secretary Palmquist. In Attendance :

Board

Chairman Castaneda, Jr.
Vice-Chairman Lassen
Clerk Bauer
Director Neilson

Staff

Chief Delfs
Asst Chief Klein
Counsel Wencker
Lorrie Palmquist

Also, one resident was in attendance and 4 firefighters were present.

4) Badge pinning for Daniel Coody

Chief Delfs introduced Daniel Coody. The Chief explained that Mr. Coody has recently been promoted to Engineer at Station 191. Prior to this promotion, Mr. Coody served as Station Leader at Station 192. The Chief further explained that Mr. Coody is a master mechanic and does a lot for the District, serving with a great attitude and has a great reputation. Chief Delfs pinned on the new badge and expressed congratulations on behalf of the District, stating that this promotion is well-earned.

Chief Delfs also recognized firefighter Troy Matthews. The Chief explained that Mr. Matthews has been in the fire service for 31 years. He further explained that Mr. Matthews is a great asset to the District, starting as a Reserve and recently being promoted to a fulltime firefighter. Mr. Matthews is retired from Tucson Fire as an engineer, where he served honorably for many years. Chief Delfs stated, "It is with great pride and honor that the District promotes Mr. Matthews to a fulltime firefighter."

On behalf of the District, Chairman Castaneda expressed congratulations and offered thanks to these gentlemen for their service.

5) Approval of the Minutes from the Regular Meeting held April 30, 2013

Vice-Chairman Lassen moved to approve and accept the minutes for the regular Board meeting held on April 30, 2013. The motion was seconded by Clerk Bauer. *The motion carried unanimously, 4/0.*

6) Call To The Public

Mr. Armendarez, resident of the District, addressed the Board. He stated that he has spoken with Chief Delfs briefly about his concern regarding how Union Pacific will affect the District, especially regarding hazmat. Mr. Armendarez explained that he was a member of the Three Points Fire District CERT Team and also served numerous hours in the American Red Cross, including disaster assistance for Florida hurricanes and hurricane Katrina. He expressed his concern regarding whether anyone is preparing a local CERT Team to serve as second-responders. He opined that there is a tremendous interest in this type of service, stating that it provides the ability to reach out and help fellow members of the community. Chairman Castaneda responded that the Board will direct the Chiefs to look into this, stating his agreement with the idea. The Chairman expressed thanks to Mr. Armendarez for bringing this matter to the attention of the Board. Chief Klein addressed the Board, stating that Captain Lassen is currently looking to put together a CERT Team similar to the one he developed at Three Points. Director Neilson inquired if there is any problem with establishing such a team. Counsel Wencker responded that it is actually encouraged as long as the team does not serve in any proprietary function.

7) Announcements, Current Events & Correspondence

Chief Delfs pointed the Board to a copy of a recent newspaper article regarding our District receiving a grant to purchase extrication tools. He stated that this information was also broadcast on two news networks. He expressed thanks to Chief Klein for writing the grant. Chairman Castaneda expressed thanks to the Chiefs for their efforts toward the grant. Director Neilson inquired if the grant is for one set of tools. Chief Delfs responded that the \$22,000 includes one package containing 4 tools.

Also in the Board packets is a copy of a "Thank You" letter for participating in a recent function at Roadrunner Elementary School.

8) Financial Report - Cash Flow Statement and Budget Performance

Chief Delfs directed the Board to the Statement in the Board packets, commenting that it provides a snapshot as of April 30, 2013. The Chief explained that May should report larger contributions in tax revenues, as the District has already seen a recent increase in

revenue. The District has received the final Wildland monies for this fiscal, but we still anticipate the contribution from the City of Tucson.

Clerk Bauer expressed thanks for the new one-page format which is easy to understand, commenting that this internal report puts everything in perspective. Director Neilson stated his agreement.

Chairman Castaneda inquired about the recent meeting regarding the corporate insurance and whether or not the premium will increase for the upcoming budget. Chief Delfs responded that the corporate insurance will show a slight increase. Chief Klein added that the increase mainly pertains to the new vehicles.

9) Chief's Reports

- **Chief Delfs** – training, vehicles, labor relations, personnel, stations, communications

Chief Delfs stated that the District is up to date on all training requirements for all entities. He commented that this fact was stressed with both SCF (workmans compensation) and VFIS (corporate liability insurance) during recent meetings regarding premiums for the next fiscal.

The Chief stated that the Pima College Associates Degree Program is going very well, and we have been assured that the program will continue.

Chief Delfs stated that negotiations have been completed with the Union. Most of the changes will be addressed through the updates to the Employee Manual.

Chiefs Delfs commented that our accident rate was very low for both personnel and vehicles, with only two accidents, and only one of those involving injury.

The Chief explained that the Station 194 building from Pulte will be off their site in three weeks. The structural engineers have stated that it is not possible to make the center of the modular into an apparatus bay. So, they are planning to add an additional room. Also, the District could choose to move the modular in question to Station 192 with just minor modifications, leaving more money in the budget for a ground-up structure in Red Rock. The Chief stated that the District is still looking at different options, and there will be more information available at the next Board meeting.

- **Assistant Chief Klein** – operations, response times

Chief Klein stated that he had nothing to add to Chief Delfs report.

Direct Neilson inquired about Pulte home sales in the area. Chief Delfs responded that Pulte announced that last quarter was their best quarter. Furthermore, Pinal

County announced that more permits are being applied for than in the last several years. Clerk Bauer expressed agreement with this, stating that 25 houses across the street from her residence have gone up and have all been sold.

Chief Delfs stated that the significant drop in the ISO rating has made a huge difference in the housing market for the Red Rock area, even though the new rate does not go into effect until July 1.

10) Review, Discussion and Possible Action regarding the *Meet & Confer Agreement* between the Avra Valley Fire District and the IAFF Local 4462

Chief Delfs stated that the District is requesting that the MOU be extended through June 30, 2015. The only specific change is moving from 8 to 11 staff per day, with the intention of reaching 14 staff per day when Station 194 opens. Chief Delfs respectfully requested that the Board accept the changes and extend the MOU.

Chairman Castaneda asked Captain Lassen if he would like to add anything to the discussion. Captain Lassen stated that he was nervous about starting negotiations. However, this year the gentlemen are so team-oriented that it turned out to be a very great experience. Captain Lassen stated that the troops are grateful to be here. Chairman Castaneda expressed thanks for Captain Lassen's efforts with the firefighters. Chief Delfs commented that prior to the process, the firefighters were looking for possible pay raises, etc., but because of recent total transparency regarding the District's financial position, the entire union unanimously decided *not* to ask for raises. It was heartwarming knowing that the guys see the big picture. The Chief added that this does not let us off the hook, stating that the District has to make sure to take care of our own. Therefore, at mid-year, if budget allows, we will come back to the Board to readdress this important issue.

Chairman Castaneda stated that the whole process has been a very positive thing for the District, commenting on the positive communication. The Chairman expressed thanks to the firefighters for their teamwork, and thanks to the Chiefs as well.

After no further discussion the Chairman called for the pleasure of the Board. Clerk Bauer moved to approve the proposed changes to the MOU between Avra Valley Fire District and the IAFF Local 4462.

Vice-Chairman Lassen seconded. *Motion carried unanimously, 4/0.*

11) Review, Discussion and Possible Action regarding changes to the *Employee's Manual* and internal policies

Chief Delfs explained that this was the first time the committee met to review possible changes. Assistant Chief Klein pointed to an overview of the changes in the Board packets. The overview states that there were a lot of grammar issues which needed to be changed, but that those changes did not affect the content. Chief Klein asked the Board if

they want to proceed with a line by line summary of changes. Chairman Castaneda inquired if there is anything significant which requires Board direction. Chief Klein responded that there are many functions the District is already performing, but are not yet reflected in the manual. For example, Chief Klein recommended that the policy regarding corrective actions be removed because several years ago the District replaced that standard operating procedure with a different one. The Chief commented that a grievance policy needs to be written for non-suppression employees which can be brought to the Board for approval at a later date. Director Neilson inquired about the "Pac Test" item. Chief Klein responded that the policy which requires showing successful completion of running three miles in 45 minutes wearing a 45-pound vest is required for Wildland certification in addition to regular physical training. He further commented that the bulletin board policy was changed to state posting requirements for each station. Furthermore, probation period evaluations for administrative personnel is now required at three months, six months, and then annually. Also, to reflect current practice, the pay period ending dates have been changed to Mondays instead of Wednesdays, pay increases have been adjusted from 5% to 2.5%, and retirement was brought in line with legislative rules. The Board adopted the Arizona state retirement policy in February which now needs to be modified as presented. Chairman Castaneda expressed thanks to the Chiefs for working on the *Employee's Manual*. Clerk Bauer moved to approve the proposed changes to the *Employee's Policy Manual*. Vice-Chairman Lassen seconded. *Motion carried unanimously, 4/0.*

12) Review, Discussion and Possible Action regarding the Pinal County Combined Resolution Affecting County Treasurer Transactions for Fiscal Year 2013-2014

Chief Delfs stated that the Pinal County monies are deposited into the Pima County Treasurer's Account, and this resolution must be filed annually with Pinal County to provide continuing authority for this function. The Chairman clarified that this resolution is per their requirements. Vice-Chairman Lassen moved to approve the *Combined Resolution Affecting County Treasurer Transactions for Fiscal Year 2013-2013*. The motion was seconded by Clerk Bauer. *Motion carried unanimously, 4/0.*

13) Review, Discussion and Tentative Adoption of the FY 2013-14 Budget, including setting the FY 2013-14 tax levy and bond levy rates, and directing staff to publish the budget and set the date for Public Hearing and final adoption of the FY 2013-14 Budget.

Chief Delfs pointed to the Board to the Proposed Budget worksheet in their packets. He commented that revenue has been predicted conservatively to the best of our ability. He explained that the \$450,000 listed as "Station 194 Subsidy" reflects the District's current agreement with Pulte to build the station in Red Rock. The budget presupposes Station 194 opening November 1 and this assumption is also reflected in employee related expenditures. The Proposed Budget sets the tax levy at \$3.25 which is not changed from

the current fiscal. Also, grants and bonds are stated separately at the bottom of the page. Chief Delfs reiterated that the property tax/FDAT revenue is decreasing for the upcoming fiscal year. He explained, however, that for the past several years the budget has been tight, but the District has finished in the black. The corporate insurance has been increased to reflect the actual premium, but could be reduced slightly if the playground equipment were removed at the Halberg Center. The Chief commented that Workman's Compensation will be increasing by 22% across the board for every Fire District in the state, but that our representative at SCF is working hard to help us out. Director Neilson inquired about why the amount will be increasing. The Chief responded that SCF based the increase on the number of injuries reported. He further reported that for our District, we only had a couple of claims reopened which increased our rate. Further, Lorrie identified about \$15,000 which should be credited to the District as a rebate from the current fiscal year. Moving on, Chief Delfs proposed that the tax levy remain at \$3.25, commenting that because most property values and secondary assessed values are dropping, the residents will probably still see a decrease in their property taxes. Regarding the bond levy, our current rate is \$.17. However, something we have not done in past is to establish a delinquency factor in the levy rate. So, in order to alleviate the problem, we contacted Pima County and they suggested adding a 5 to 8% delinquency factor. The worksheet in the packets reflects a bond levy rate including an 8% delinquency factor. The Chief asked for the pleasure of the Board regarding this issue. Chairman Castaneda inquired of Counsel Wencker if the Board has to decide the bond levy rate today. Counsel stated that the Board does not have to decide the rate until the final budget adoption. Chairman Castaneda asked for the Chief's recommendation. Chief Delfs stated that the budget will be posted as soon as possible after today's meeting, with June 26 as the target date for final adoption. Therefore, the Board should consider the estimated bond rate for public information. Vice-Chairman Lassen clarified that the delinquency factor acts as an insurance policy on the bonds, restating that the County suggested at least 5%, but 8% is still conservative. She further commented that if the bond fund comes up short, the District would have to offset any shortfall with operating funds, so this delinquency factor will help make up for any deficiencies. Counsel Wencker added that a 5-8% delinquency factor is prudent based on historical collection rates.

The Board expressed their desire to hold an evening meeting on June 26 for the final budget adoption. Counsel Wencker stated that the Board needs to discuss which various publications to post the proposed Fiscal Year 2013-14 budget. Chief Delfs stated that there is a cost associated with each posting. Vice-Chairman Lassen commented that the budget is available in the District office and will be posted on the website. She further reminded the Board that the cost associated with posting the budget last year was significant. Director Neilson inquired about the posting guidelines. Counsel Wencker responded that a newspaper of general circulation is the standard. Director Neilson opined that extraneous postings would be a waste of money. Clerk Bauer stated that June 26 is the day before the upcoming AFDA conference. Chairman Castaneda stated that AFDA opening ceremonies often include voting sessions which AFDA members need to attend. Counsel Wencker clarified that the AFDA conference begins at 4 PM on June 27, so an evening meeting on June 26 will be satisfactory.

After no further discussion, Vice-Chairman Lassen moved to approve the Proposed Fiscal Year 2013-14 Budget, including setting proposed FY 2013-14 tax levy and bond levy rates, and direct staff to publish the budget and set the date for Public Hearing and final adoption of the proposed budget. Clerk Bauer seconded. *Motion carried unanimously, 4/0.*

14) Reports of Board Members and Staff

- Chairman Castaneda, Jr.
- Vice-Chairman Lassen
- Clerk Bauer - Board Retreat
- Director Neilson
- Director Horch
- District Counsel, Chris Wencker

Chairman Castaneda announced that he attended a breakfast in Apache Junction with the Pinal County House and other State members. Al Melvin, who sits on many committees for the State, was the guest speaker. Further, although he was unable to attend the retirement party for Mr. Lloyd Baker on May 18, he publicly expressed thanks to Mr. Baker for his years of service to the District.

There were no other reports from Board members.

15) The Board may vote to enter executive session, pursuant to ARS 38-431.03(A)(3), for discussion or consultation for legal advice with the District's attorney regarding the status of a discrimination claim filed by Charleane Boyles.

Chairman Castaneda motioned to move into Executive Session. Vice-Chairman Lassen seconded. Motion carried unanimously, 4/0. The regular meeting adjourned into Executive Session at 11:29 AM.

Recording off.

The Regular Meeting reconvened at 12:16 PM.

Recording on.

16) Discussion and Possible Action regarding the discrimination claim filed by Charleane Boyles.

Chairman Castaneda reminded all present that the contents of the Executive Session are to remain confidential. The Chairman asked Counsel Wencker if any formal motion is necessary. Counsel suggested to table any action at this time. Vice-Chairman Lassen moved to table action regarding this matter. Director Neilson seconded. Clerk Bauer had to leave the regular meeting, but because a quorum was still present, *the motion carried, 3/0.*

17) Future Agenda Items: Board Retreat.

18) Date of Next Board Meeting - June 26, 2013 at 6 PM

19) Adjournment

Vice-Chairman Lassen motioned to adjourn the regular meeting. Director Neilson seconded. Motion Motion carried unanimously, 3/0. Meeting adjourned at 12:20 PM.

Recording off.

APPROVED BY: Sara Bauer

DATE: 6-26-13

Board Members

Luis Castaneda, Jr. Aleyna 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).