

**Minutes of a Regular Meeting of the Board of Directors of the Verde Valley Fire District  
Meeting Held December 20, 2016**

A Regular meeting of the Verde Valley Fire District Board of Directors was held on December 22, 2016 at 10:00 a.m. at the Verde Valley Fire District Station #31, 2700 E. Godard Road, Cottonwood, Arizona.

Board of Directors:

Ken Bishop, Chairman  
Don Eberle, Clerk  
Linda Quam  
Robert Eddingfield  
Thomas Rhodes (absent)

Staff Present:

Nazih Hazime, Fire Chief  
Joe Moore, Deputy Chief/Fire Marshal  
Mark Dixon, Captain  
Matt Robertson, Captain  
Lisa Elliott, Administrative Manager  
Joyce Driscoll, Administrative Assistant

Others Present: None.

**CALL TO ORDER** - The meeting was called to order at 10:00 a.m. by Chairman Bishop.

**ROLL CALL** – It was noted that Board Member Rhodes was absent. A quorum was present.

**PLEDGE OF ALLEGIANCE TO THE FLAG** – Those present stood and recited the pledge of allegiance to the American flag.

**MOMENT OF SILENCE** – **A moment of silence for firefighters who have lost their lives in the line of duty.** A moment of silence was taken for 5 firefighters who lost their lives in the line of duty in the last month.

**ORDER OF THE AGENDA** – **Discussion and consideration of changing the order of the agenda.** No change was made.

**MINUTES** – **Discussion and consideration of the minutes of the meeting scheduled November 22, 2016.** Board Member Quam moved to approve the minutes of the November 22, 2016 meeting. Board Member Eddingfield seconded. The motion passed unanimously.

**CALL TO THE PUBLIC** – None.

**FINANCIAL REPORTS** – **Discussion and consideration of the financial report for the previous month (including ambulance billing).** Chief Hazime noted that the District is 42% through its fiscal

year and has expended 26.4% of its budgeted expenses. He reported that the percentage of Property Tax Income for November is about the same as it was this time last year. He noted that Ambulance Revenue is slightly under where it was at this time last year. Board Member Eddingfield clarified funds that were paid to the Verde Valley Fire Chiefs Association.

Board Clerk Eberle made a motion to approve the Financial Reports. Board Member Eddingfield seconded. The motion passed unanimously.

**CHAIRPERSON'S REPORT – A report from the Chairperson on his activities for the District over the past month.** Chairman Bishop reported that this was the first year he has had the opportunity to ride in the parade truck in the Christmas parade. He noted that it was very enjoyable. He stated that there are four Board Members attending the AFDA conference in January, therefore a quorum notice will be posted.

**BOARD MEMBER REPORTS – Reports from the members of the Board on their activities for the District over the past month.** No Report.

**CHIEF'S REPORT – A report from the Fire Chief on current events and his activities for the past month, including, but not limited to: Public relations, meetings and events attended, incident call volume, specific calls/incidents, the Community Integrated Paramedicine (CIP) program, and a Clarkdale Advisory Board update.**

Chief Hazime reported on the following:

- The audit presentation is being postponed until January due to the delay in the Public Safety Personnel Retirement System releasing the annual Actuarial Report late.
- He has had discussions with the Sedona Fire District about their Community Risk Reduction Program and if this is an area where it would be advantageous to share services.
- A call that had to do with a meth lab explosion and that staff is looking into how these chemicals affect turnouts.
- Copper Canyon Fire and Medical Authority is seeing an increase in heroin use in their area which is presenting challenges.
- The District participated in the Christmas Caring program with Butler Levitt Insurance again this year, and raised approximately \$500 in cash. This may be the last year for Christmas Caring, as the employee at Butler Leavitt who managed it is leaving employment.
- He and Deputy Chief Moore attended an event in the Phoenix area regarding tribal grants.
- The Life and Fire Safety (LAFS) group completed presenting their latest program to the students in the Verde Valley schools. Their message was geared around smoke detectors and having a family exit route and a safe meeting place.
- A new Community Integrated Paramedicine Program Report format.
- The District has 153 more emergency calls so far this year as compared to last calendar year.
- Deputy Chief Moore issued four Certificates of Occupancy and received 13 new town home permit applications.
- Deputy Chief Moore will be providing a report regarding fire prevention at future meetings.
- The members of the Clarkdale Advisory Board have not shared any concerns regarding the consolidation. This being the case, the Board may consider dissolving the Board at a future meeting.

**ELECTION OF BOARD OFFICERS – Discussion and consideration of electing from among the Board Members a Chairman and Board Clerk.** Board Member Quam nominated Don Eberle as Board Chairman. Board Member Eddingfield nominated Chairman Bishop for Board Clerk. Board Member Eddingfield made a motion to close nominations and to elect Board Clerk Eberle as Board Chairman and Chairman Bishop for Board Clerk. Board Clerk Eberle seconded. The motion passed unanimously. Chairman Eberle requested that Board Clerk Bishop continue to chair the rest of the meeting.

**FINANCIAL REPORTS AND CIP TUTORIAL – A presentation by staff and discussion regarding reading and understanding the District’s monthly financial reports and the 5-year Capital Improvements Plan (CIP).** Administrative Manager Elliott explained the reports given to the Board every month. This included the Balance Sheet, the Condensed Profit and Loss Report, the Detailed Profit and Loss Report, the Cash Flow Projection Report, the Property Tax Income Summary Report and the Ambulance Tax Revenue Report. She explained how the numbers contained in the reports tie-in to each other. She stated that the District receives most of its tax revenue in two months of the year; therefore some months will show the District has a net loss. When reviewing the Cash Flow Projection Report, she explained accrued revenue vs. actual cash received. She noted that the Ambulance Tax Revenue Report is a cash-basis report, being that it is cash-basis, the numbers on it will not match the accrual-based reports.

Chief Hazime explained the 5-Year Capital Improvement Plan. He stated that he would like to go through the entire Plan to identify funds that may be reallocated to the construction of a new Clarkdale fire station. He noted some errors in the plan regarding the numbering of the stations.

Chairman Eberle praised staff for having such a high fund recovery rate for ambulance services. He noted that the Clarkdale Fire District Capital Improvements Fund amount is not included in the 5-Year Capital Improvement Plan. Chief Hazime stated that after the Capital Improvement Plan is revised he will bring it back to the Board for review.

**PSPRS – Update and discussion of the Public Safety Personnel Retirement System (PSPRS), including current and proposed legislation and lawsuits, proposals and studies, actuarial reports, employee and employer contribution rates and the District’s PSPRS retirement fund.** Chief Hazime stated that this is obviously going to impact the District’s budget. Administrative Manager Elliott reported that the employer contribution rate is increasing by 6.21%, based on the currently budgeted wages, this is an increase \$164,536. She explained that the primary reason for the increase is due to the changes in the benefit structure, including a new Tier 3 retirement level, and the expected fund investment performance. She explained the Tier 3 structure applied to employees hired after July 1, 2017. Administrative Elliott stated that the effect of the Hall vs. EORP has not been included in the current report; this will be included in the next annual report. She stated that PSPRS has advised employers to continue to withhold the current percentage from employees at this time. PSPRS will be refunding employee overpayments, as defined in the lawsuit, however the amounts will be deducted from each entities’ fund, as applicable. Last year, the District was 79.4% funded, this report now shows the District is 72.6% funded.

Administrative Manager Elliott reported that the idea of pooling local boards into regional boards has not been favorable at this time. She reported on what some other agencies will be paying in PSPRS

employer contributions and found that the District is in line with the regional agencies, however agencies in the Prescott area are paying much more, up to twice as much as the District is paying.

**PAY SCALE –Discussion and possible approval of a revised Annual Pay Scale for FY2016-17 due to the passage of Proposition 206 which increased minimum wage.** Chief Hazime reported on Proposition 206 which increased Minimum Wage and Earned Paid Sick Time Benefits. At this time, the change to the minimum wage, effective January 1<sup>st</sup>, affects 13 of the District's employees.

Chairman Eberle made a motion to approve the revised FY2016-2017 Annual Pay Scale. Board Member Eddingfield seconded the motion.

Discussion followed that any corresponding increases that are needed due to the change of Step 1 of the Support Staff salary range for employees currently making more than \$10 per hour will be addressed by the Board next fiscal year.

The motion passed unanimously.

**AGREEMENT – Discussion and possible adoption of Resolution 2016-16 approving an Intergovernmental Agreement with Copper Canyon Fire and Medical Authority for a shared training software system.** Chief Hazime explained that this came about as both agencies started to discuss how to best address training of the shared reserve firefighters. He stated that this will enhance the ability for all the employees of both agencies to have consistent training. He explained that the District will be reimbursed by Copper Canyon Fire and Medical Authority for their portion. It was noted that the annual cost is based upon the number of users and an administrative fee. The cost is \$49 per administrative employee and \$109 for other employees per year. Board Member Eddingfield moved to adopt Resolution 2016-16 approving an Intergovernmental Agreement with Copper Canyon fire and Medical Authority to share a training software system. Chairman Eberle seconded. The motion passed unanimously.

**PURCHASE OF SELF CONTAINED BREATHING APPARATUS (SCBA) – Discussion and possible approval of purchasing 21 SCBA units.** Chief Hazime stated that Clarkdale Fire District applied for a grant to purchase SCBA's. This grant has been approved and the funds will be issued to Verde Valley Fire District. Deputy Chief Moore stated that the grant requires the purchase of NFPA 2013-compliant SCBA's, not NFPA 2007-compliant SCBA's that would be compatible with the SCBAs the District already has. Therefore, he talked to the vendor to find out about getting all of the existing SCBAs NFPA 2013-compliant. Deputy Chief Moore reported that the vendor will take the existing SCBAs in partial trade for NFPA 2013-compliant demo units. He reported that by doing this, the District will have all NFPA 2013-compliant SCBAs with a lifespan of 15 years. Existing SCBA bottles are compatible with the new SCBAs, so they will not need to be replaced. It was noted that because it was unknown as to whether or not the grant application would be successful, the District budgeted funds to purchase the SCBAs that were needed for former Clarkdale Fire District employees. Deputy Chief Moore explained that a portion of these budgeted funds will be used to replace the existing SCBAs with NFPA 13-compliant SCBAs.

Chief Hazime noted that the new units require less maintenance which will save the District maintenance funds.

Chairman Eberle moved to approve the purchase of 21 SCBA units at the cost of \$125,240.01. Board Member Quam seconded. The motion passed unanimously.

**AMBULANCE PURCHASE – Discussion and possible approval of the purchase of a new 2017 ambulance through the Houston Galveston Area Council (HGAC) cooperative purchasing contract.** Chief Hazime stated that HGAC is the same group that was used to purchase the last ambulance. He stated that the new ambulance is to replace a 2008 Ford ambulance which has had problems. It was noted that the 2008 Ford ambulance would be sold as surplus, however two second-out ambulances will be retained. Chief Hazime reported that the specifications for the new ambulance were based on durability and the needs of the District. He reviewed the specifications of the proposed ambulance with the Board. He explained that, as a cost-saving mechanism, staff hopes to re-chassis the ambulance up to three times in the future, as needed. It was noted that the HGAC is a government procurement service based in Texas which makes the procurement system more efficient by establishing competitively priced contracts for goods and services. Chief Hazime stated that the cost of the ambulance is \$189,879, the fee for HGAC is \$1,000, and taxes will be \$10,465, added together, the total cost is \$198,344. He explained that this is over the District's budgeted amount of \$175,000; however staff requests using the remaining funds in the SCBA account to fund the difference.

Board Member Eddingfield made a motion to approve the purchase of a new ambulance through the Houston Gaveston Area Council cooperative purchasing contract. Chairman Eberle seconded.

Chairman Eberle inquired about the increase in cost, as compared to the amount budgeted. Captain Dixon explained that the proposed ambulance is essentially the same unit as was purchased by the District previously; however the price is higher due to an increase in the cost of the chassis.

Chairman Eberle asked about the possibility of seeing other bids, possibly lower ones. Captain Dixon stated that the committee that selects the successful bidder physically goes through each vehicle. He stated that the specifications set by the District matched up to this selected bid.

The motion passed unanimously.

**VEHICLE PURCHASE – Discussion and possible approval of the purchase of a vehicle, equipped for emergency response, using grant funds received from the Gila River Indian Community.** Chief Hazime stated that this vehicle will be funded through the Gila River Indian Community; this was a grant applied for by Clarkdale Fire District prior to the consolidation. He stated that the vehicle will be purchased utilizing a state purchasing contract and that staff is still working to identify the vendors to be used to add the required equipment. Chief Hazime stated that the ¾ ton truck will meet the District's needs and can be used off-road. He added that it will be configured similar to the command vehicle he uses, and that the grant also includes a computer.

Chairman Eberle made a motion to approve the purchase of a new vehicle through the State Purchasing Contract using the grant funds received from the Gila River Indian Community. Board Member Quam seconded.

Deputy Chief Moore noted that the funds have already been received from the Gila River Indian Community and that the entire grant amount will be expended. Deputy Chief Moore explained the Gila River Indian Community grant process. He noted that the funds must go through a municipality or county, this grant was awarded through Yavapai County.

The motion passed unanimously.

**CONTRACT FOR ENGINEERING SERVICES – Discussion and possible approval of a contract with Shephard Wesnitzer, Inc. for engineering services for a new fire station in Clarkdale.** Chief Hazime stated that the District's attorney has reviewed this contract and has several concerns regarding the terms and conditions in the contract and that he has found items that conflict with the Request for Qualifications issued by the District, and agreed to by Shephard Wesnitzer, Inc.

Chief Hazime reported that Deputy Chief Moore and Administrative Manager Elliott have done some research regarding contracts Shephard Wesnitzer, Inc. has had with other government entities and will be discussing the issues and changes needed to the contract with Shephard Wesnitzer, Inc.

Chairman Eberle made a motion to table this agenda item. Board Member Eddingfield seconded.

Chairman Eberle stated that he would like to see staff start to work on the building plans, identifying the needs of the District and for Chief Hazime to continue to work on financing and getting a rate locked-in before the interest rates increase.

Board Member Quam agreed that the financing should be put in place soon. Board Member Eddingfield expressed concern that there is not enough information yet to lock-in financing. Chairman Eberle stated that there is six months until next fiscal year that the staff could be working toward this.

Deputy Chief Moore noted that the engineering for grading of the property is included in the Shephard Wesnitzer, Inc. contract, but is being deferred. He added that it will be difficult to get funding without finished plans.

Placing a re-occurring item on the agenda regarding the project was requested.

Chief Hazime stated that he struggles with how the District will be able to afford constructing the station; its sustainability, however he is still working on this. He added that he feels is premature to obtain the financing. Chairman Eberle stated his concern of spending \$52,000 with Shephard Wesnitzer, Inc. for a portion of the engineering, if ultimately the District will be unable to construct the station. Deputy Chief Moore stated that the engineering being done would be useable, even if the project was delayed.

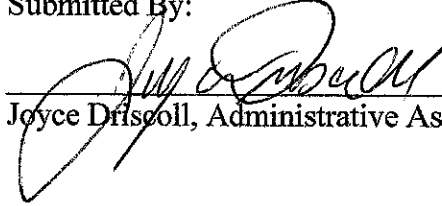
Chairman Eberle asked that staff report back to the Board on how the District will afford the construction. The motion to table passed unanimously.

**FUTURE AGENDA ITEMS – A listing of items to be placed on a future agenda.** The following items were listed:

- Dissolving of the Clarkdale Advisory Committee
- A contract with Shephard Wesnitzer, Inc.

**ADJOURNMENT.** With no further business before the Board, the meeting adjourned at 11:44 a.m.

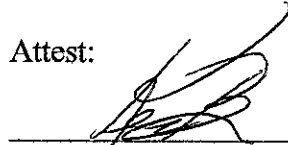
Submitted By:

  
\_\_\_\_\_  
Joyce Driscoll, Administrative Assistant

Approved:

  
\_\_\_\_\_  
Don Eberle, Chairman

Attest:

  
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Ken Bishop, Board Clerk