

**Minutes of a Regular Meeting of the Board of Directors of the Verde Valley Fire District
Meeting Held February 25, 2020**

A Regular Meeting of the Verde Valley Fire District Board of Directors was held on February 25, 2020 at 3:00p.m. at the Verde Valley Fire District Station #31, 2700 E. Godard Road, Cottonwood, Arizona.

Board of Directors:

Ken Bishop, Chairman
Donald Peck, Board Clerk
Thomas Rhodes
Coleen Gilboy
Gary Svider

Staff Present:

Joe Moore, Fire Chief
Kyla Rolfes, Fire Inspector –
Lisa Elliott, Administrative Manager
Bill Boler, Support Staff
Bill Whittington, Attorney
Joyce Driscoll, Administrative Assistant

Others Present:

Paul Murphy, Kim Moore, Schelly Lindsey, Rafael Balderrama, Brandon Echols.

CALL TO ORDER - The meeting was called to order at 3:00 p.m. by Chairman Bishop.

ROLL CALL – All members were present; 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.**
A moment of silence was observed for the 9 U.S. firefighters who lost their lives last month.

ORDER OF THE AGENDA – **Discussion and consideration of changing the order of the agenda.** Board Member Gilboy made a motion to move items 10B and 11E to next on the agenda. Board Member Rhodes seconded the motion. The motion passed unanimously.

APS SUBSTATION – **Discussion and possible action regarding a proposed APS electrical substation to be located at 1591 State Route 89A (tax parcel #406-27-053B), Clarkdale, adjacent to District property, including an agreement for joint ingress/egress.** Mr. Murphy introduced himself as the engineer for the project. He stated that the Town of Clarkdale and the Arizona Department of Transportation (ADOT) did not want two entrances off of 89A fifty feet apart; therefore, he looked at creating a shared access driveway. He showed the access point on a drawing. He stated that Arizona Public Service (APS) is going to need an agreement to share this access point. He stated that APS will bear the cost of constructing the access road, roughly a cost of \$60,000, with no cost to the District. He showed the Board on a drawing where the driveway

improvement will end and where the District will tie in. He shared information regarding grades, water flow, and the highpoint. He explained the creation of a temporary drainage basin, approximately one foot deep, which APS will pay to construct. Mr. Murphy explained that there are two different easements that they need from the District for the project, one temporary construction easement and one permanent access easement. He stated that the retention basin will be owned by the District and the District will be responsible for maintenance. He noted that ADOT is doing a widening project on 89A, so they will be placing the turning lane. He stated that APS and the District would each be responsible for 50% of the maintenance costs of the driveway and 100% of the repair costs for any damage one or the other causes.

Chief Moore noted that ADOT was requiring the District to construct a deceleration lane. He explained that the location of the driveway APS is proposing is 20 feet North of the driveway that the District had engineered; which is where ADOT wanted the entrance, away from the round-about. He added that ADOT was only allowing one entrance.

Mr. Murphy stated that he received the CAD file from the District's engineer and that is what he used to determine the entrance location. Chief Moore stated that the entrance proposed by APS is not the same and it changes everything that the District paid to have engineered and will cost the District more money to have the engineering redone.

Discussion followed regarding the topography.

Chairman Bishop stated that the District does not want issues with ADOT nor does he want the District to incur additional costs. Mr. Murphy responded that they did not have the information about what ADOT required.

Board Member Rhodes inquired about grade and the retention basin. Discussion followed regarding water drainage, grade break and retention basin location.

Board Member Rhodes stated concern about water flow and the retention basin that the District is to maintain. Discussion followed regarding water flow. Board Member Rhodes confirmed that the project is not directing any additional water on to the District's site, with the exception of the water displaced by the driveway.

Board Member Gilboy stated that the District is required to extend sewer lines to the District property, and that that line must be sized larger than what the District needs in order to serve other users up from the District's property; then those land owners, when they build and connect to sewer will reimburse the District for the larger size line the District required by the Municipal Improvement District requirements (MID). She inquired about getting reimbursed from APS for a portion of these costs. Mr. Murphy stated that he was not aware of this.

Mr. Whittington noted that the documents did not indicate the length of time for the construction easement. Mr. Murphy replied that construction is usually 6-9 months.

Mr. Murphy explained that the trade-off is that they are improving the road and that once construction begins on the fire station the easement is dissolved.

Mr. Whittington asked if there was going to be the need for fencing around the retention basin. Mr. Murphy replied that there would not be the need for fencing, that this is one reason why he kept the depth to one foot.

Mr. Whittington asked if anyone has taken into account the radius going onto the highway; will it accommodate fire engines? Chief Moore stated that he thought it was adequate. Mr. Murphy responded that they can check on this, as well as adjust the driveway location.

Board Member Gilboy noted that it appears the substation will be dropped down some and that dirt removal will be needed and asked if this will be moved off-site as perhaps the District could use some on its site. Mr. Murphy responded that they will be hauling a lot of dirt out. It was noted that whether or not the District can use the dirt will depend on its quality. Mr. Balderrama with APS stated that if they do not have to haul dirt away and the District can use it, that is good news. Discussion followed regarding the cut on the property.

Board Member Gilboy asked that if the District is going to incur any additional engineering costs, if APS will pay for it. Mr. Murphy stated that if any adjustments need to be made, it is on them to pay for it.

Board Member Rhodes noted that the District does not know when it is going to build the new station and per the proposed contract, the District would be liable for 50% of maintenance and any damage it does to it. He stated that this is fair if the District has a station there, but the station is not built yet. He stated that he would like to see some language in the contract regarding this, that APS is responsible for 100% of the maintenance until the District starts using the driveway as well.

Discussion followed as to when the temporary easement ends. Mr. Murphy stated that the intent is that when they are done constructing, some sort of agreement will be signed to end the easement.

Chief Moore, pointing-out the concrete at the current station, noted that the industry standard for fire districts is to use concrete driveways because of the wear and tear of trucks. He stated that the District was designing its driveway to be concrete. He noted that the part of the driveway going to the District's proposed parking lot, etc. could be asphalt; however, the portion of the driveway that the fire engines would travel on needs to be concrete. Mr. Murphy stated that APS can make that portion concrete, and he asked to be provided with the concrete specifications.

Board Member Rhodes noted that the driveway could incur some damage when the District starts construction, but the District has no problem taking responsibility to fix any of that damage.

Mr. Murphy stated they are looking to start construction in June. He stated that he has submitted the 60% plans to the Town of Clarkdale and that anything that comes out due to this meeting will be added to the 90% plans.

Discussion followed regarding the timing of the next meeting to consider the agreements.

AGREEMENT – Discussion and possible selection of a successful bidder and approval of an agreement to receive ambulance billing services. Chief Moore stated that he has not

participated at all with this agenda item; therefore, he turned the floor over to the members of the Board who were on the review committee.

Board Clerk Peck stated that Administrative Manager Elliott, Board Member Gilbooy and himself reviewed four proposals and rated them in the following order:

Ambulance Medical Billing (3.95% fee)
Action Ambulance Billing (7% fee)
Verde Valley Ambulance Company (7% fee)
Sharp (4.5% fee)

Board Member Peck stated that Ambulance Medical Billing had their own collection agency and that they had a few questions about the collection agency and have not heard back. He noted that their collection agency is getting decent collection rates. He stated that the District is in the process of identifying a separate collection agency. Board Member Peck stated that Ambulance Medical billing sends out bills within 24 to 48 hours; all billing goes out within 48 hours. He stated that they reviewed the criteria in the bid packet as part of the ranking process. He added that they received a lot of good and different information from all bidders.

Board Member Gilbooy noted that Sharp did not have an Arizona client in their proposal and that everyone rated the bidders in the same order. It was noted that Ambulance Medical Billing is based in Kentucky. Board Clerk Peck stated that they all recommend to award the contract to Ambulance Medical Billing.

Mr. Whittington inquired as to where the form of contract in the request for proposal (RFP) packet came from. Chief Moore responded that Administrative Manager Elliott provided the agreement. Mr. Whittington stated that the contract is not a bad form; however, it is likely that Ambulance Medical Billing will want to use their own stock agreement, which will require some modification since they are based in Kentucky. He noted that the RFP requires the contract contained in the RFP unless the Board makes an exception.

Board Clerk Peck made a motion to select Ambulance Medical Billing as the successful bidder. Board Member Gilbooy seconded the motion. Board Member Rhodes clarified the process used to recommend a bidder.

Support Boler, stated that the District has spent 10 years in a working relationship with Verde Valley Ambulance Company (VVAC). He explained that when VVAC responds to help the District with ambulance services within the District's area, and when VVAC responds to the Town of Clarkdale (which is in the District, but VVAC provides the ambulance service), VVAC charges the patients the same as the District does. Support Boler stated that they bill these patients, only take what insurance pays, and write-off the balance since they are tax payers within the District. He explained that if VVAC opted to not do this in Clarkdale alone, it would cost ambulance patients \$40,000.

Support Boler pointed out that VVAC owns the underlying CON for the District; therefore, tomorrow if they wanted to provide all ambulance services, for example in Cornville, all they would have to do is rent a house to operate out of. He stated that the Board needs to look at the potential consequences of changing billing providers.

Board Member Gilbo confirmed that VVAC has the CON for the Verde Valley, except Sedona and Camp Verde.

Mrs. Kim Moore, EMS Chief for VVAC, stated that VVAC and the District have developed a comradery. She stated that it probably costs them to do billing and they offer a lot of things that are include in the percentage they charge. She explained that they have daily conversations with Support Boler and the agencies do training together. She explained that they pay for the postage, envelopes and the great deal of footwork that goes into billing. She stated that a Clarkdale resident came in about his/her bill who does not have insurance. Because this person is a District resident, and they honor what the District does for its residents, they told the person that they did not owe anything for the ambulance service. She stated that because they try to do things together with the District, they were surprised, and somewhat shocked, that they received a packet to prepare a bid within 18 days. She stated that it has been a pleasure working with the District and that they try very hard to make sure they are doing the right thing; they are here to help. She stated that no one has ever approached them about lowering their cost or asking what they can do better. She stated that they have been providing this service for 11 years because the District went to them to ask if they would do the billing.

Board Chairman Bishop stated that he wishes to continue working with VVAC.

Board Member Rhodes confirmed that the reason the District went out to bid is because the facilitators of the Strategic Financial Plan and the Auditor both recommended it. He stated that it is good to do an RFP every five years, or so, for due diligence, to make sure the value is still good.

Board Member Gilbo clarified that the 4% collection fee was not the only reason they were considering Ambulance Medical Billing.

EMS Chief Kim Moore stated that what they collect is on target and noted that there are a lot of write-offs. She added that they provide billing services, they are not the District's collection agency.

Board Clerk Peck withdrew his motion. Board Member Rhodes withdrew his second.

Board Member Rhodes made a motion to table this agenda item. Board Clerk Peck seconded. The motion passed unanimously.

EMS Chief Kim Moore noted that no one has asked them to reduce their fees and they have no idea what the District may be looking to change. She stated that she values the partnership between the agencies.

MINUTES – Discussion and consideration of the minutes of a Regular Meeting and Executive Session held January 28, 2020. Board Member Gilbo made a motion to approve the minutes of the Regular Meeting held January 28, 2020. Board Member Rhodes seconded the motion. 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 Moore reviewed the written financial reports:

- The District is 58% through the fiscal year.
- Interest revenue received for January: \$2280.15 for the General Fund and \$ 2266.60 for the Capital Fund.
- Total cash at the end of January: \$2,164,817.80
- Positive cash flow of \$476,995 year to date.
- \$142,182.29 of Property Tax Revenues received in January.
- \$13,286.37 of Fire District Assistance Tax (FDAT) revenues were received in January.
- Some of the individual expenditures in January.
- Total expenditures are 12.26% under the year to date allocation.
- Total operating expenditures only are 10% less than the year to date allocation.
- Ambulance collections and call volume.
- Payments received for wildland assignments.

Board Member Gilboy made a motion to approve the Financial Report. Board Member Rhodes seconded the motion. Board Member Rhodes inquired as to what check number 7610 was for. Chief Moore responded that it was for Blue Card training. The motion passed unanimously.

CHAIRPERSON’S REPORT – A report from the Chairperson on his activities for the District for December and January. None.

BOARD MEMBER REPORTS – Reports from the members of the Board on their activities for the District for December and January. Board Member Gilboy noted that she saw firefighters picking up trash along Highway 260 and she was proud to see that.

UNION REPORT – A report from the District representative of the Sedona-Verde Valley Firefighters Association on current events and activities for the past month. Chief Moore stated that Union Representative, Ivan Anderson, was not able to attend; however, he did not have anything to report. Chief Moore reported that they are going through the meet and confer process and that the Union is interested in forming a committee to look for ways to decrease cost and increase efficiencies.

CHIEF’S REPORT – A report from the Fire Chief on current events and his activities for December and January, including, but not limited to: Public relations, meetings and events attended, incident call volume, specific incidents and training. Chief Moore, referencing his written report, noted the following:

- The new fire engines are in-service.
- Engineer testing in December, promoted Steve Smith and Jerry Sinica; now doing another engineering testing.
- Update on Lexipol policies.
- Wastewater extension permit; the need to go out to bid for construction of a sewer line.
- For 2019, the District taught 1,491 persons CPR.
- A mechanical problem with a support truck.
- District participation in the Firefighter Angel Foundation.

- Retirement of an employee.
- Testing processes.
- Data from the Cactus Data Completeness Report for Verde Valley Fire District, which is a premiere EMS agency in the State.
- Donation of used hose to the Town of Clarkdale to delineate parking spaces.

FIRE INSPECTOR REPORT – A report from the Fire Inspector on current events and activities for December and January, including, but not limited to: Public education, fire prevention, meetings and events attended, training, permits issued/closed and inspections. Inspector Rolfes, referencing her written report, noted the following:

- Meetings attended.
- Permits issued and closed.
- Training she attended.
- She is working to develop a contractor packet of requirements.
- Holding a fire extinguisher class.
- She was a speaker for a widow's group.
- She attended the Arizona Fire and Burn Educators Association's Characterization Conference.
- The LAFS group has been invited to attend and teach at the Texas LAFS conference.
- New residential building occurring in the District.
- Information on school inspections.
- Commercial plan reviews are now documented on the Permit & Inspection Report.

OLD BUSINESS

COMBINING PARCELS – Discussion and possible approval of a request to Yavapai County to combine real estate parcels owned by the District (Tax numbers: 407-13-19A, 012H and 017E) addressed as 1120 S. Page Springs Road, 1110 S. Page Springs Road and 10998 E. Cornville Road, Cornville, AZ into one parcel. Chief Moore explained that the warranty deed from 1973 which conveyed property to Cornville Page Springs Fire District had a deed restriction. In 1998 Fire Chief Longfellow combined the parcels and the deed restriction did not go with it. Then, when the Cornville Page Springs Fire District and Verde Rural Fire District combined into the Verde Valley Fire District, the property was deeded into the name of the District, and again, the deed restriction did not carry over. Chief Moore stated that he talked to the Yavapai County Assessor's Office. They stated that deed restrictions are dropped all of the time and that, unless an entity informs them that there is a deed restriction, they will combine the parcels. They suggested that he go to the Yavapai County Recorder's Office. Chief Moore reported that the Recorder's Office stated that in order to determine if there was ever a deed restriction release recorded, a title search must be done by a title company. Chief Moore stated that he contacted Yavapai Title and they stated that a title search will cost \$600-800. He explained that if a deed restriction release is found that resolves the issue; if there is none, then the District must contact heirs of the original seller of the parcel to get a release signed. He stated that if the District does not deal with this now, and the District ever wishes to sell the property, it will be found then and have to be dealt with.

Chief Moore suggested that the right thing to do would be to do the title search, and if a release is not found, to contact the seller's family members to request they sign a release. Discussion followed as the likelihood of the heirs agreeing to a release, whether or not cleaning this up will become harder over time, etc.

Board Member Rhodes made a motion to direct Staff to not do a title search and to instead place into the file for the future, the information about the property which was discussed. Board Clerk Peck seconded. The motion passed unanimously.

NEW BUSINESS

FY2020-2021 BUDGET – Presentation and discussion of the FY2020-2021 budget process, timeline, the budget document format and preliminary budget information. Chief Moore presented a PowerPoint regarding the following:

- Funds
- Account format
- Limited Property Values anticipated for 2020
- No increase expected for the Fire District Assistance Tax (FDAT)
- Health insurance increases
- Public Safety Personnel Retirement System (PSPRS) increase
- Arizona State Retirement System (ASRS) increase
- Items to consider (employee cost of living or merit increases, etc.)
- Timeline of the budget process.
- Cancer legislation and its possible impact on workers' compensation coverage and rates.

BUDGET COMMITTEE APPOINTMENT – Discussion and possible appointment of two Board Members to the FY2020-2021 Budget Committee. Board Member Rhodes made a motion to appoint Board Member Svider, Board Clerk Peck and Board Member Gilboy to the Budget Committee. Chairman Bishop seconded. The motion passed unanimously.

AZ HIGHWAY SAFETY PLAN GRANT PROJECTS – Discussion and possible approval of Resolution #2020-02 authorizing the submittal of grant applications for projects to be considered in Arizona's FFY2021 Highway Safety Plan. Chief Moore explained that Staff is proposing to submit grant applications to the Governor's Office of Highway Safety for extrication equipment and child car seats and a resolution is necessary to apply.

It was noted that the extrication equipment being requested is the same equipment as being requested via a purchase order later on the agenda. The proposed purchase is for two sets and grant funding is being sought for the third set. It was noted that Staff will request that the third set of equipment be budgeted for next fiscal year out of the Capital Projects Fund and should a grant award be received, the amount of the grant will offset the cost to the District for the equipment.

Administrative Assistant Driscoll stated that the equipment grant applications were written by Engineer Steve Smith.

Board Member Rhodes made a motion to adopt Resolution #2020-02 authorizing the submittal of grant applications for projects to be considered in Arizona's FFY 2021 Highway Safety Plan. Board Clerk Peck seconded. The motion passed unanimously.

PURCHASE ORDER – Discussion and possible approval of the purchase of extrication equipment in the amount of \$59,113.65. Chief Moore explained that the purchase order is for two sets of extrication equipment. He stated that because the purchase order is over \$25,000, Board approval is required. He stated that an additional \$1,700 will need to be spent for mounting brackets, making the total cost \$60,800. The budgeted amount for this capital purchase is \$63,000.

Chief Moore stated that Staff researched both Hurst and Holmatro equipment and decided on Hurst because it was 50% of the cost, it fits better into the compartments of the engines, and the Hurst tools out-performed the Holmatro tools when they trained with both. Additionally it was noted that other Verde Valley agencies either have, or will be purchasing, the Hurst tools, making the agencies interoperable. Staff also found that the electric tools allow quicker service; they require no set-up time, they are immediately ready for use.

Board Member Rhodes made a motion to approve the purchase order for two sets of extrication equipment in the amount of \$59,113.64. Board Clerk Peck seconded the motion.

Board Member Rhodes asked if there were additional quotes obtained, although he understands that the quote provided is through a group purchasing organization. Chief Moore responded that, yes, additional quotes were received and the one provided through NPP.Gov was the least expensive. He stated that he has been stressing to Staff the importance of doing this. Board Member Svider asked if the current Holmatro equipment would be phased out. Chief Moore responded that they would.

The motion passed unanimously.

FINANCIAL SOFTWARE – Discussion and possible approval of the award of a contract for a new financial software system.

Chief Moore stated that Administrative Manager Elliott contacted several companies and received responses from three. He stated that Staff feels Caselle and Tyler Technologies (Incode) were the best options. Chief Moore stated that the District's auditors have experience with both software companies and feel they are both good systems. He explained that the options are whether to host the software on premise on a District server, or to access via the internet. He stated that the District has two old servers, neither of which are included in the District's IT contract. The IT provider stated that the finance software could marginally work on a District server; however, the servers are at end of life and that doing so may speed-up their lifespan. Chief Moore reported that Administrative Manager Elliott is familiar with Incode and they were the less expensive option of the two. He added that should the Board choose the on-premise option, the District's two current servers would be replaced with one larger server and there would be a monthly cost to add it to the IT contract.

Administrative Manager Elliott attended a portion of this agenda item via telephone. Discussion followed regarding the budget for the purchase and computer upgrades vs. the costs, possibly

dropping a few modules from the software up-front and budgeting to add them later, and the possibility of starting the new fiscal year with the new software.

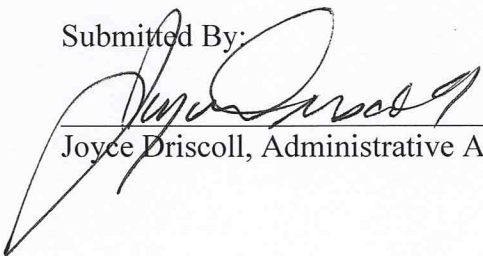
Board Member Gilboy made a motion directing Staff to proceed with working on a contract to purchase the base version of Incode, on-premise option, and upgrading of the server with the final cost to be defined in the proposed contract. Board Member Rhodes seconded the motion. It was noted that new software was recommended by the consultant used to develop the Strategic Financial Plan and the accountant who performed the District's audit.

The motion passed unanimously.

FUTURE AGENDA ITEMS – A listing of items to be placed on a future agenda. No items were listed.

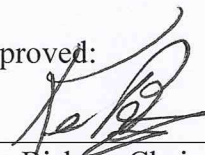
ADJOURNMENT. With no further business before the Board, the meeting adjourned at 6:27p.m.

Submitted By:



Joyce Driscoll, Administrative Assistant

Approved:



Ken Bishop, Chairman

Attest:



Don Peck, Board Clerk