

**MINUTES OF REGULAR MEETING OF THE
RINCON VALLEY FIRE DISTRICT GOVERNING BOARD MEETING
HELD February 19, 2019**

A public meeting of the Rincon Valley Fire District Governing Board was convened on **February 19, 2019 at 6:00 P.M.** at RVFD Station 2; 14550 E. Sands Ranch Rd. Vail, AZ 85641. Present at the meeting were the following members of the Rincon Valley Fire District Governing Board: Chairperson Michelle Harrington, Clerk Mark Tate, Member Jennifer Spears, Member Terry Newman, Member Christopher Klasen.

The following matters were discussed, considered and decided at the meeting:

1. Call to Order at 6:00 P.M by Chairperson Harrington

A. Roll Call - Chairperson Michelle Harrington	present
Clerk Mark Tate	present
Member Terry Newman	present
Member Jennifer Spears	present
Member Chris Klasen	present

- Also attending – Fire Chief Jayme Kahle, Administrative Manager Laura Bucklin. RVFD Attorney Donna Aversa was present at 6:10 pm.

2. Pledge of Allegiance – RVFD Firefighter Michelle Isely lead the pledge of allegiance.

3. Date of next meeting re-scheduled for March 20, 2019 at 6:00 P.M.

- Confirmed by five board members.

4. Call to the Public

- A Certificate of Appreciation from Crest Insurance was presented to RVFD.
- A Certificate of Appreciation from Bomberos Esqueda FD was presented to RVFD.

5. Consent Agenda

Approval of Consent Agenda – Motion by Chairperson Harrington, second by Member Spears to approve all items on the Consent Agenda. Motion passed 5 to 0.

- A. Approval of the Minutes of the January 24, 2019 Regular Board Meeting.
- B. Approval of Resolution #19-016 MAC 25 Acres, LLC Annexation.
- C. Approval of Resolution #19-017 LH Vail, LLC Annexation.

6. Reports and Correspondence

- A. Fire Chief's Report** – Reviewed by the Board. Report on file.
- RVFD received a grant from the Rincon Rotary of \$841 to upgrade our CPR manikins to the 2019 standard. The grant also allowed us to replace some infant manikins.
 - RVFD filed for our CON renewal (3 years).
 - Firefighter Recruitment – We have initiated recruitment for firefighter paramedics. We received a total of six applicants. Selection process is scheduled for February. We hope to be able to hire by March 2019.
 - Growth – We continue to see new growth in terms of residential and commercial construction. The barbershop has opened and we have received plans for a new sandwich shop.
 - An addendum was attached to the Chief's Report concerning an Open Meeting Law (OML) clarification regarding board members email exchange. RVFD Attorney, Donna Aversa was present to address the concerns and clarify the OML. Donna Aversa concluded the Chairperson email is not an OML violation.

- B. December's Financial Reports** – Review, discussion and possible action, of the district's financial status including monthly summary reports.

- Monthly Financial Report for the month of January 2019.
- Monthly Expense Report for the month of January 2019. Chief Kahle divulged that Gary West is a former co-worker and Gary is volunteering his time to Rincon to create our first Standards of Cover, Community Risk Assessment Program. Rincon has agreed to reimburse him for expenses, such as vehicle mileage.
- Monthly Bank Reconciliations and Balance Sheet for the month of January 2019.

-Motion by Chairperson Harrington, second by Clerk Tate to approve the district's financial reports for the month of January 2019. Motion passed unanimously 5 to 0.

7. Unfinished Business

- A. 2019-036 – Review, discussion and possible action regarding the November 2018 Election.**

- The county recorder's office has finally provided a list of all annexations that show as being recorded with the voter registration department. Staff is now able to reconcile the recorder's list against our annexation records. Unfortunately, many of these records are in our archive and will take months for us to complete reconciliation. However, to date, we have found 32 missing parcels that the voter registration department did not show. The time line will be lengthy since the recorder's office has asked that we only send 20 voter registration corrections at a time. We are now on track to meet our goal of having an accurate voter registration role prior

to our next election (2020). Chief Kahle will provide updates on the progress. This item will be kept on the agenda until resolved. Discussion only. No action taken.

B. 2019-019 - Review and discussion regarding the District Fee Schedule.

- At our last meeting, we primarily discussed prevention related rates. As a summary, it seems that we have four options - 1) Status Quo, \$40,000/yr.; 2) Adopt the NWFD Fee Schedule as the RVFD Fee Schedule, \$0/yr.; 3) Adopt NWFD Schedule with a 60% reduction to encourage growth, \$16,000/yr.; 4) Apply cost of RVFD Fire Marshal to time based formula and reduce by X% to encourage growth. We also presented area fees at the last meeting. Chief Kahle thinks it is prudent for us to also discuss our cost recovery fees. Our current fire and special duty response fee only covers the actual variable cost of providing that service. However, the fee does not include the fixed cost of having firefighters on duty 24/7. Unfortunately, that makes our fee artificially low. Our biggest cost in providing services to non-district residents may also need to include those standby costs. Chief Kahle would like permission to develop a more reasonable cost recovery fee.

General discussion regarding which options should be recommended. Chief Kahle recommended Option 3 based on time and cost. Member Klasen requested Option 4 based on long term needs. Chief Kahle gave a brief explanation regarding the time it would take to configure the costs for Option 4 during budget season, and stated he could do so and present an estimated cost at a later board meeting.

General discussion regarding the Cost Recovery Fees was held to determine adjusting our current fees to include standby and personnel costs. RVFD Attorney Donna Aversa stated the district can roll all those costs into our fee schedule.

Board members directed Chief Kahle to prepare the costs for Option 3 and Option 4, and to also configure the Cost Recovery Fees for presentation at the next board meeting. Board would like to keep this item on the agenda for future review and discussion. No action taken.

8. New Business

A. 2019-023 - Review, discussion and possible action regarding the Rincon Desert Estates Annexation.

- The Rincon Desert Estates Petition Annexation died in November 2018 since we could not get the 18 signatures needed (we had 4). Chief Kahle would like the board's direction concerning the allowance of single parcel annexations for that neighborhood.

History. 12 of the 46 parcels have already annexed into the District through single parcel annexations throughout the years. The HOA

contacted us to inquire about petition annexation and staff hosted several meetings. The board agreed that a petition annexation was in the best interest of health and public safety of the residents to proceed with the annexation. However, it appears that the HOA was not in complete agreement and this became a contentious issue. The leader of the annexation petition process decided to not seek additional petitions. We know that there are some people still interested in annexing through the single parcel annexation process. Chief Kahle would like the Board's view if staff should pursue single parcel annexations. The annual loss of proposed taxpayers is approximately \$19,000/year. Chief Kahle feels that staff could annex 10 parcels over the next few years thereby generating \$5,000/year.

-Motion to approve Single Parcel Annexations in the Rincon Desert Estates Area made by Member Spears, second by Chairperson Harrington. Motion passed unanimously 5 to 0.

B. 2019-024 – Review, discussion and possible action concerning the FY 19/20 Budget.

- In January of each year, we solicit input from all personnel on budget requests. This year, Local 5100 also provided budget requests as part of the Meet and Confer Agreement. After all requests are received, all the managers meet to prioritize and make their recommendations based upon the needs of their responsibilities. Please note that our assessed valuation for next fiscal year has increased by 10.37%. If we do not raise the tax rate, that will bring in an additional \$325,364. If we wish to increase our tax rate, each penny increase provides \$13,095. Please also note that this does not include other increases such as, Merit Raises, COLA, new positions (fire marshal), increased health care costs, increased workers comp (mod rate 1.23), grants, and increased sustainable costs (est. \$420,000). \$337,998.54 requested by personnel. Managers have recommended \$28,500 increase in General Fund. Please note that some of the request also include capital items such as replacement wildland radio.

Member Spears stated as the Board Budget Liaison, she met with Chief Kahle to review all budget requests. She thanked all who submitted budget requests and acknowledged the hard work in submitting them.

Chairperson Harrington recommended Merit, COLA, and maintaining the Tax Rate.

Member Klasen requested hiring more medics for FY 19/20 Budget.

Chief Kahle will submit the first draft of the FY 19/20 Budget to the Board at the March Board Meeting.

C. 2019-025 – Review, discussion and possible action concerning the Ambulance Billing Policy.

- During our last meeting, the Board asked to have this item placed on the agenda. This was a result of the chief reporting that we have filed our 2017/18 Annual Revenue and Cost Report (ARCR) to the Arizona Department of Health Services (ADHS). The report shows that we had a total operating revenue of \$1,626,818 but an operating reduction of \$749,279. The reduction is a result of mandated government insurance program write-offs and \$139,584 subsidy provided to district residents without insurance. The ambulance program currently costs us \$1,365,819. This means that our district residents subsidized \$616,540 to our ambulance program last year. Please note that these figures may be misleading since the ARCR requires us to allocate a portion of a fixed and variable costs, that we would have regardless of ambulance program. For instance, we would still pay interest on stations, employ support staff, and incur professional expenses. If we did not have an ambulance program, we would still have the same costs. The \$750,000 earned pays for 3 FF's. RVFD could technically recoup some of the \$139,584 subsidy. Options include subscription service (\$62.10) and policy change. All options will have an impact in other areas. Arizona CON rate sheet also attached.

General discussion regarding outcome if ambulance policy is changed to charge residents. Chief Kahle explained one of the issues with charging residents would include causing the residents to not call for an ambulance as a result of fear of being billed. Member Klasen voiced concerns regarding the possibility of the subsidy amount increasing in the near future. Chief Kahle requested to consider keeping the policy the same for now, then reviewing the Ambulance Revenue and Cost Report every year to see if changes to the policy should be made. RVFD Attorney Donna Aversa stated that the demographics of the fire district shift and change each year. She recommended review of the Ambulance Revenue and Cost Report (ARCR) every year to make a determination depending on the demographics of the district.

-Motion to keep the Ambulance Billing Policy the same by Chairperson Harrington, second by Clerk Tate. 4 votes “Aye” by Harrington, Spears, Tate, Newman and 1 vote “Nay” by Member Klasen. Motion passed 4 to 1.

D. 2019-026 – Review, discussion and possible action to apply for the 2018 Safer Grant.

- Chief would like to apply for the 2018 SAFER Grant to hire one additional firefighter position (3 firefighters). We are currently staffed at 13 FF's with a minimum staffing of 11. Our preliminary work from the Community Risk Assessment and Standards of Cover is indicating that we need to increase our firefighter staffing over time to increase our effectiveness. Fortunately, SAFER Grant can assist us. FEMA states "the Staffing for Adequate Fire and Emergency Response Grants (SAFER) was created to

provide funding directly to fire departments and volunteer firefighter interest organizations to help them increase or maintain the number of trained, "front line" firefighters available in their communities. The goal of SAFER is to enhance the local fire departments' abilities to comply with staffing, response and operational standards established by the NFPA 1710." The application period opens on 2/15/19 and closes on 3/22/19. The 3-year grant provides 75% for years 1 and 2, and 35% for year 3. We evaluated this grant last year and decided not to pursue it. The thought was overtime would be cheaper than the grant. However, current analysis shows that the grant would cost us \$45,000 but the real cost of overtime staffing is \$79,000. The grant could potentially save us \$35,000/year while increasing our average staffing. We would need to hire a grant writer to assist us (\$2,500). Chief Kahle divulged that the grant writer selected is Jim Grasham and is a former co-worker. \$35,000 annual savings. Position would cost us \$180,000 and our net cost is \$45,000 in year 1 and 2. Year 3 net cost would be \$63,000.

-Motion by Member Spears, second by Member Newman to authorize Chief Kahle to apply for the 2018 SAFER Grant. Motion passed unanimously 5 to 0.

E. 2019-027 – Review, discussion and possible action to be a participant in the 2019 AFG Regional Grant.

- Chief Kahle would like for Rincon Valley to be a participant member of a 2019 Regional Assistance to Firefighters Grant application. The purpose of the grant is to replace all front-line PCWIN radios from the current single band 800 MHz radios to dual band radios. The two bands will be 800MHz for our typical communication and a VHF band that will let us communicate with state and federal wildland agencies. Currently, we have a dangerous situation, in which we can't communicate with wildland agencies once we have deployed on foot. All of our trucks do have an older mobile VHF radio, but that radio isn't available when away from the vehicle - which is typical when fighting wildland fire. A recent example is the Mulberry fire in which we had Rincon firefighters in the canyon and base camp that were unable to communicate with the state and federal wildland agencies. The grant will allow us to replace most (21 of 33) of our nine-year-old PCWIN radios and eliminate the need to maintain two radios per vehicle. Please note that most of the VHF wildland mobile radios are near end of life. We plan to replace 14 portable radios so each on-duty member will have a dual band radio. Additionally, the grant would provide 7 mobile radios which will enable all staffed vehicles to have a dual band radio. This grant would also have the added benefit of reducing the cost of our future capital replacement costs. The total cost of the radios is estimated to be \$189,000. Rincon's match would be \$18,900.

- Motion by Member Spears, second by Clerk Tate to authorize Chief Kahle to participate in the 2019 AFG Regional Grant. Motion passed unanimously 5 to 0.

9. Future Agenda Items (no discussion)

- Annexations
- FY 19/20 Budget Process
- Election Ballots – Voter Registration Status
- Fee Schedule - Plan Reviews, Cost Recovery
- PSPRS House Bill 2097 – Policy Statement

10. Adjournment - Motion by Member Spears, second by Chairperson Harrington to adjourn. Motion passed 5 to 0. Meeting adjourned at 7:00 p.m.

Dated this 20th day of February 2019.

Rincon Valley Fire District Governing Board

Chairperson Harrington

Clerk Tate

Member Newman

Member Spears

Member Klasen