

Regular Meeting of Pinetop Fire Board
Monday October 19, 2015, 4:30 pm
Pinetop Fire District Station 12
5976 Buck Springs Rd., Pinetop AZ 85935

Members Present: John Rowlinson, Bob Scheuneman, and Ed Cibbarelli

Others Present: See attached sign in sheet.

I. Call the meeting to Order: John Rowlinson called the meeting to order at 4:34 pm.

Roll Call of Board Members: Board members present, John Rowlinson, Ed Cibbarelli, and Bob Scheuneman, Doug Wright joined meeting at 4:50pm. Carla Bowen was absent.

II. Call to the Public: None

III. Consent Agenda

The items on the consent agenda are considered routine and will be adopted in one motion unless a board member, staff, or member of the public in the audience requests, before the vote on the motion, to have the item considered separately. If any item is removed from the Consent Agenda, the Board Chairman will indicate when it will be discussed in the regular agenda.

1. Approval of Minutes of Board Meeting held on September 21, 2015
2. Approval of Warrants paid in September 2015
3. Approval of financial reports
4. Approval of Chief Report
5. Approval of Board chairman Report

Bob Scheuneman requested the September from September board meeting be removed from consent agenda items.

Ed Cibbarelli moved to approve the consent agenda items as presented except for the minutes. John Rowlinson seconded the motion. Motion passed unanimously 3-0.

Bob Scheuneman requested the September minutes be reviewed by staff and presented at next month meeting for approval. Requested the section on the refunding be reviewed and reworded.

IV. Board Business

1. Discussion/Consideration/Possible action: Financing package with RBC Capital Markets for the refinancing of Station 11; Approval of Resolution 15-05

Mr. Dodd with RBC Capital presented the board with an update on the refunding of station 11. His presentation included a list of banks which responded to his request for indicative rates. He received five responses with rates from 2.91% to 3.64%. CoBiz Public Finance bid was the most advantageous for the district. Based on rate of 2.94% present value, through refinancing the district will realize a savings of \$978,512. The actual rates for refinancing could be locked in as early as Thursday morning. An additional savings is possible if lower rates are available at lock. Payments will remain at the same annual amount but will be paid quarterly versus bi-annually; thereby allowing the district to accelerate the principle and pay off the loan two years earlier than the current debt obligations with the COPs financing. There will be a five year call provision on the bonds instead of the eight year call provision previously discussed at the September board meeting.

The board asked about the cost of refinancing. Mr. Dodd advised the board that there has been

no out of pocket cost incurred to date. The cost of issuance will be approximately \$160, 000. Those costs will be rolled into the refinancing.

The Resolution presented to the board, set the parameters which the Chief will move forward with to refinance the debt. Once the rate is locked it will take approximately three weeks to close. The final interest rate will be including in the final documents which the resolution will allow the Chief to execute. The written policy and procedures for tax-advent obligations, include in the information provided to the board, outlines the policy and procedures for ongoing compliance.

Bob Scheuneman made the motion to adopt resolution 2015-05 authorizing the fire chief to execute the refinancing lease purchase agreement and associated instruments through RBC Capital Markets and CoBiz Public Finance Inc., Ed Cibbarelli seconded the motion. Motion passed 4-0.

2. Discussion/Consideration/Possible Action: Surplus property disposal policy:

Electronic disposal policy and general asset disposal policies were provided to the board for approval. Chief Morgan created a draft policy. He sent the draft policy to Jason Moore for legal review to make sure the district was meeting the statutory requirements. Mr. Moore provided his comments and revisions to the policy, cleaning it up and simplified the policy.

The policies will allow surplus items to be disposed of per policy without having a board resolution every time property is to be disposed of. The policies outline the process that will need to be followed internally, including making the board aware of our actions.

John Rowlinson questioned where the value of \$995 came from. Chief Morgan advised the board it was the recommendation of Jason Moore which is set in state statues. John Rowlinson also questioned how value would be determined. Chief Morgan stated it would be determined though IRS standards and market research.

Doug Wright moved to adopt the policies as presented for both electronic asset disposal and general asset disposal. Motion was seconded by Ed Cibbarelli. Motion passed unanimously 4-0.

3. Discussion/Consideration/Possible Action: Donation of obsolete PPE (Personal Protective Equipment) turnouts equipment to N.P.C. for their firefighter I & II Program:

Chief Morgan advised the board that the district has some turn-outs that are no longer useable. In accordance to NFPA, PPE have a shelve life of 10-years. Once personal protective equipment reaches that age it cannot be used by firefighters for structural firefighting. They can be used by NPC in their firefight training as they will not be used in structural firefighting. Chief Morgan researched the value of the PPE being proposed to be donated to N.P.C. that value was provided to the board.

Doug Wright commented that this is good thing to do for our community.

Bob Scheuneman made the motion to authorize the fire chief to dispose of obsolete fire district PPE equipment through a donation to NPC's Fire Science program seconded by

Doug Wright. Motion passed unanimously 4-0.

4. Discussion/Consideration/Possible Action: Wildland Assignments, Wildland billing and reimbursement procedures:

Chief Morgan provided the board with a copy of the Wildland Co-Operative Agreement the district has with the State of Arizona along with some general information concerning Wildland assignments.

John Rowlinson asked about the amount of time it takes the state or federal government to reimburse the district, as he knows they have been working on the amount of time it takes to get reimbursements to the fire districts. Chief Morgan advised the board that it is an ongoing issue and there has been legislation proposed to address the process. It has been proposed that the State provide reimbursement verse the Federal Government. This has been an ongoing process and some districts have had to wait up to six months to receive repayment. The district does front a significant investment in the wildland assignments and fires our personnel are sent to. We will receive repayment but it does take an extended amount of time.

Chief Morgan explained the purpose of the Co-operative Agreement the district has with the state. The agreement predominantly focuses on wildland fires, however the agreement can be extended to any natural disaster. The entire district expenses are recovered through our billing submitted to the state. The district receives its profits through the apparatus; less fuel expenses and tires.

Bob Scheuneman asked if other costs including maintenance and repairs are considered. Chief Morgan advised Bob Scheuneman that those costs are covered through the mileage reimbursement rates including PerDiem rates for hotels and meals. Those rates are determined by both GSA rate and State rates.

Bob Scheuneman asked if the district is reimbursed for the time associated with the billing process. Chief Morgan advised the board that the district is not reimbursed for those costs. The amount of time a fire billings takes vary with each fire. Chief Morgan has scheduled an after action review to review this year's fires and determine better procedures to streamline the billing procedures.

Chief Morgan commented that the district and the employees make money off of the deployments. The budgeted amount of \$90,000 for this year will be lower than the actual funds the district will receive from the fire assignments this season.

Bob Scheuneman asked about the availability of resources locally during fire season as the minutes from Northeastern Fire Chief Association mentioned the unavailability of local resources. Chief Morgan explained the procedure for determining the available resources according to our MOB (Mobilization Plan). Resource availability can reach a point where there is no resource available, which means there are none available for out of state assignments. There are still resources available locally.

Bob Scheuneman remarked that deployments also allow skill set development should we need those skills locally. Chief Morgan explained that personnel deployed have task books they work on while on assignments. The task books require skill levels be accomplished before moving on to the next level. Assignments also allow for staff to obtain certifications

required for various positions.

5. Discussion/Consideration/Possible Action: Update and discussion Hydrant Inspections

Chief Morgan provided information on hydrant inspections to be completed by the shifts. Those inspections should be completed by the end of October. Chief Morgan is hoping to obtain flow testing performed by the water districts to add to our data base.

6. Discussion/Consideration/Possible Action: Update and discussion TruckWorks

Chief Morgan provided the documents he has received from our attorney. The financial records from TW 2015, Inc. formerly known as Truck Works, Inc have been received. Chief Morgan received an email from our attorney advising him it will take approximately 6-10 hours to review those documents and well as additional time to prepare documents and bring a lawsuit against the new holding company. The approximate additional cost would be \$8500.00. Chief Morgan asked the board for direction on how much further do they want to go in order to receive a settlement from the new company.

John Rowlinson feels we need to complete the procedure to determine what our next options are. Bob Scheuneman added that the district needs to continue to the point where the board knows if the money can be recovered and through what means. Doug Wright agrees with Mr. Scheuneman comments.

Chief Morgan will forward the email he received from our attorney for their review.

7. Discussion/Consideration/Possible Action: Update and discussion on Pinetop Country Club fire exit broadcast burn

Chief Morgan commented that Bob Scheuneman requested this agenda item; he believes it was to advise the board of the forest service intentions to burn the area. Barry Green advised the board that due to the moisture we received, it has limited to the opportunity to accomplish the burning. Bob Scheuneman advised the board there has been forest service activity in this area preparing for the burn.

V. Summary of Current Events : None

VI. Future Meeting Dates and Items for Future Agendas –

Next regular board meeting scheduled for November 16, 2015 at 4:30pm

Agenda items requested in a report on refinancing of Station 11 and update on TruckWorks.

VII. Announcements: Chief Morgan, Nov 20th the district will participate in a P.O.D. (Point of Distribution) exercise, providing Flu shot to the public. The exercises will provide experience in procedure of providing mass vaccines should the need ever arise.

VIII. Adjournment- Doug Wright moved to adjourn; Ed Cibbarelli seconded the motion. Motion passed unanimously 4-0. Meeting adjourned at 6:10.

Respectfully Submitted

Charlotte Williams