

Regular Meeting of Pinetop FireBoard
Monday, February 22, 2021
Pinetop Fire District Station 12
Video & Conference Available
1845 S. Pine Lake Rd, Pinetop AZ 85935

Call the meeting to Order: John Rowlinson Called Meeting to order at 5:00 pm.

Roll Call of Board Members, Present; John Rowlinson, Carla Bowen, Brad Baker, Ernie Lawes, and Dr. Wright was excused.

Present; Gabe Buldra, Attorney William Whittington

I. Call to the Public: None

II. Consent Agenda Board Business

III. *The items on the consent agenda are considered routine. They 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 in December 2020 and January 2021
2. Approval of Warrants paid in January 2021

Brad Baker had a few corrections for the February Minutes. The use of the word taxpayer is two words. It was in the minutes, both December and January, several times and needs to be corrected as one word no space between. Also, confusion about Mr. Lawes available by Telephone at January Meeting on the roll call tab
Also, can we change ST 11 and 12 to Station 11 and 12.

Carla Bowen made the motion to approve the December 2020 and January 2021 consent agenda with corrections. Seconded by Brad Baker, motion carried unanimously 4-0

IV. Personnel

1. Recognition by the VFW for Firefighter of the Year Lionel VanGurp. Special recognition for Omar Apodaca and Ben Altop for support provided to the Wreaths Across America Project.

From VFW, Mr. John Beeler and Commander Eddie Zazueta from Post 2364 presented the awards for Ben Altop and Omar Apodaca for their assistance with the Wreaths Across America Program; the two firefighters were unable to attend either the Pinetop-Lakeside Council presentation or the board meeting, Chief Morgan accepted for them.

Commander Zazueta presented Lionel VanGurp with the Paramedic of the Year award; he thanked him for his service and explained how the Servicemen and women honor the first responders each year. Thank you, Lionel Vangurp, for your exemplary service to PFD and the taxpayers of the district. Thank you and congratulations to Captain Danny McNeil for Firefighter of the year; he received his award at the Pinetop-Lakeside Town Council Meeting.

Thank you to the local VFW Post 2364 for honoring our first responder men and women, and above all, thank you for your service.

V. Possible Vote to go into Executive Session

It was decided to postpone this item until the end of the meeting, along with Item #5

VI. Board Business

1. Discussion/Consideration/Possible Action re; Open Meeting Law Presentation by Mr. Bill Whittington

Chief Morgan; typically, during non-Covid 19 years, there are classes in Arizona on open meeting law, and by state statute, our board members must attend one when they are elected before they serve, and a 6-hour class within one year. PFD Attorney Bill Whittington requested a summary for this meeting; he represents AFDA and other Districts and gives presentations on Open Meeting Law. Mr. Whittington gave the board members a handout to review essential topics - such as Agendas, posting, minutes, executive sessions, ratifications, and violations. He went over each topic individually. It was a very informative overview, and the handout will be a beneficial tool in the future. Thank you, Mr. Whittington, for your expertise and assistance; it was a great review.

2. Discussion/Consideration/Possible Action re; January 2021 Financial Reports

Gabe Buldra was available for the presentation. All documents were included in the packet. Some Financial highlights;

Navajo County revenue was under budget, trending around \$58,057.

Non-Levy Revenue was also under budget by \$94,106, again the timing of receivables,

including Grant income which was under by around \$91,448; Mr. Buldra pointed out that Chief Morgan has invoiced the Home Owner Mitigation Cost-share, so we should see the revenues start coming in very soon.

Everything else is trending under budget.

Expenses for January were under budget by approximately \$29,397, including;

Buildings and land, which was \$23469 under budget

Managerial Costs were also \$12,182 under budget

However, Grant Related Expenses were \$15,826 over budget, keeping in mind these will be offset by fuels mitigation cost invoicing.

Fiscal Year Revenues were over budget by \$508,517

Wildland invoices have been accrued, leaving wildland approximately \$1,397,206 over budget.

Fiscal Year expenses are over budget by \$508,517

Total Cash is \$3,718,111, which is \$2,554 than December 31, 2020 and is \$262,770 less than this time last year.

January Percentages are; 82% Personnel, 12% ops, 4% administration, and 2% communications, still in line with other districts our size.

No Questions, No further discussion

Carla Bowen made a motion to approve the January 2021 Financial Reports as presented, seconded by Brad Baker, motion carried unanimously 4-0

3. Discussion/Consideration/Possible Action re; 2021/2022 Budget Workshop Review

Chief Morgan; we had our first meeting along with James Vincent Group (JVG) and employee project managers. We had some positives and some things we need to look at more closely, such as needs vs. wants. Gabe Buldra from JVG will give a summary breakdown of upcoming meetings and things to watch.

Mr. Buldra gave an overview of the budget process and active topics. The schedule will be from February to April with committee and program manager meetings. March to May will be meetings with vendors and determining actual costs for our insurance. April 19 will be the budget update, and May 17 will be our budget workshop with tentative adoption. On June 21, the public hearing and final adoption of our 2021-22 Budget.

Our Pension and Healthcare costs both come in around January or after that. Those are the two of the most important budgeted items that potentially drive our budget, with the largest being personnel costs at approximately 82-85% of the budget. We are still looking at Merit increases for those that are eligible and COLA Increases again across the board this year; COLA is normally based on SS increases which this year is approximately 1.3%. We also had a slight decrease in PSPRS from 31.95 to 3.90. Usually, we see increases with PSPRS. ASRS has an increase as of July 1, 2021, from 12.22% to 12.41%; we watch those numbers up or down. They affect our pension liability numbers.

Mr. Buldra explained that our funding was not at all what was expected. The tax-levy came in at a lower assessed valuation than expected. He told the board we look at two things,

1. The assessed Valuation
2. The tax rate.

Our AV rate was lower than it should have been. Several board members asked if there was something we could do about it, and the answer was no. Chief Morgan said he had contacted Navajo County, and unfortunately, we have no recourse. Chief Morgan added that we have worked very hard to keep our tax rate for the taxpayers at 3.17%. We will look at our needs versus desires and be responsible for the new budget.

Gabe Buldra pointed out that we do bolster our capital needs through our grant funding. We are very fortunate that Chief Morgan is a master at grant writing, and we have seen wonderful increases with our grant programs. Chief Morgan pointed out that he has several grants in the making right now, SAFR Employee grant, AFG grants, and Homeland Security community infrastructure grants, hazardous fuels -, Federal Grants passed through the state. Mr. Baker asked how we fund the thinning projects and the source of that funding. Chief Morgan told them it is through our grant program. He explained that we have been very fortunate and have been able to secure grant funding for risk mitigation. Chairman Rowlinson also added that grant funding usually is awarded to well-written grants versus sloppy ones. Carla Bowen said that we could see a decrease in some of the grants over the next few years because the money is not there.

Mr. Buldra told the board that we are on track to have it completed on schedule, even with the drastic reduction in our AV rate we are still experiencing continued growth and development of our capital fund.

4. Discussion/Consideration/Possible Action re; Renewal of an IGA with Navajo County for Election Services in accordance with the statute.

Chief Morgan, this is in accordance with the statute. Special districts must hold elections to fill board vacancies. This is the renewal process. Once it is approved and recorded, it is good for four years; included in the packet is a copy of the IGA for you to sign. The approximate cost to the district is usually \$8000. This becomes savings to the community when someone runs unopposed. We don't have to have elections, thus saving the district approximately \$8000.

Carla Bowen Made the motion to approve the Inter-Governmental Agreement with Navajo County and the Navajo County Recorder for the provision of Election Services as presented. Seconded by Brad Baker, the motion passed unanimously 4-0.

7. Discussion/Consideration/Possible Approval re:2021 Hydrant Inspection Updates

Chief Morgan, Ms. Bowen wanted to have this update on the agenda. We have verified that all of our district hydrants have been completed and are almost all entered into our district software. Chief Morgan also verified that the 12" main extension from Creel to Pineview is still in the works in Pinetop Water Company Budget to be completed in their 3-5-year capital plan, which was approved in 2019. This will be significant for AutoZone and any other business on that track. Ms. Bowen asked if it was verified. Chief Morgan explained that he spoke to their administrative secretary, and she confirmed that it is still on the budget to be completed by 2024. He added that Arizona Water, in the long term, was hoping to advance their system from Pinetop Mtn Lane to Pine Lake to WMSH to Ponderosa, which would provide redundancy in the system with Pinetop Water. Negotiations are still in the works.

This is informational only, No board action.

8. Discussion/Consideration/Possible Approval re: Updates on 2021 Wildland Fire Season

Chief Morgan; documents are included in the packet. Included is a copy of our ERC's showing below season averages due to the latest snowpack. However, we must keep in mind the drought outlook and how far we are behind on moisture and the whole state of Arizona. Chief Morgan researched the reservoir capacity in Little Colorado Plateau, and it is still behind normal.

Nationally and locally, we still are at level 1. We sent out our fuel's module today, 2/22/21, which is unheard of in February. They were assigned to a fire on the San Carlos Reservation and plan to fight fire for at least a week, if not more.

Ernie Lawes asked a question about the snowpack and moisture in the trees and bushes. Chief Morgan told him the snowpack we had recently probably had a more immediate benefit to the 100-hour fuels (smaller diameter trees) and 1-hour fuels (grass and pine needles), which coincidentally have the more immediate availability risk for ignition. The larger trees (1,000-hour fuels) are, the more long-term drought indicators, and after that, last snow probably did not incur any significant change. Any moisture amount is beneficial, just not in the larger scheme of things- such as drought.

9. Discussion/Consideration/Possible Approval re: Updates on Covid 19

Chief Morgan, documents included in the packet; as you can see, our numbers seem to be coming down for Navajo County and Arizona. The graphs included show hospitalization is also down, numbers of ICU beds are down. Still, Arizona has a 10% margin, general elective surgeries, and disease management takes up many beds in intensive care, not just COVID-19. There seems to be a shortage of vaccines in Arizona as well, whether due to weather back east or whatever the reason there is a shortage, we were going to start our POD Exercises but cannot due to the shortage, the POD Exercise is a mass immunization plan where the district would help with vaccinations in Navajo County with Summit Healthcare and neighboring

districts. We only had three employees test positive in the district, and they all recovered. A question came up about which vaccines were better; Chief Morgan answered that at this time, we only have one to choose from in Navajo County, Moderna RNA vaccine.

Continue with Item number 5 postponed from earlier in the meeting due to Executive Session.

5. Discussion/Consideration/Possible Approval re; Land acquisition for purchase of approximately 2.5-acre commercial parcel for fire district operations not to exceed 150,000.00

Ernie Lawes made the motion to go into Executive Session at 6.00pm pursuant to A.R.S. § 38-431.03 (A) (3) for legal advice regarding the purchase of property for district operations, seconded by Brad Baker. Motion carried Unanimously 3-0

Executive session adjourned at 7:34pm, back to regular session,

Chief Morgan explained to the board that space is quickly becoming a problem. He told them that we were evicted from the County Yard, where we had a verbal agreement for years to store our trailers and equipment. He explained to the board new leadership in the public works division and with new projects coming up, they needed their whole yard back. We do not have much time and we have to remove our equipment and vehicles as soon as possible. He told the board that our Station 11 and 12 were not designed with the type of growth we have experienced. He explained that we have our training officer working off of a table in our small conference room and our light-duty firefighter also in the same space sharing with the fuels crew bosses who continually are competing for work areas and computers, and we will have our new administrative Captain soon. We also have a fuels crew of - at the moment 14 people and expanding and nowhere to put them. We also have limited area for our new apparatus and command vehicles, REM team equipment and Quads, fuels mod vehicles and fuels crew vehicles and equipment. With the ½ acre of property the district owns and the 2 ½ acres being considered for purchase, we could ease most of our growing pains. If we were able to secure a short-term lease agreement to store our equipment, we could work on solving our growth spurt and need for additional room without the pressure of having our equipment evicted from the county yard.

There was a brief discussion. Carla Bowen excused herself from the voting process.

John Rowlinson made the motion to table item #5 for land acquisition until the next meeting on March 15, 2021, authorizing the fire chief to use the professional service contract to secure bids for a real estate agent to represent the district's acquisition of the waste management property, also authorizing the Fire Chief to approach a short-term lease agreement for the storage of the district vehicles and equipment at the Waste Management property, while we are negotiating the purchase. So moved by Brad Baker, seconded by Ernie Lawes, motion carried 3-0.

VII. Summary of Current Events

1. **Fire Chief Report:** All reports are included in the packet. Our fuels crew suppression module is gone on Dub Fire in San Carlos.
2. **Board Chair Report,** there is nothing specific to report

VI. Future Meeting Dates:

March 15, 2021 at 5:00pm

VII. Announcements

Again, there are statutory classes with dates coming up, although there aren't locations yet. We should have information soon. Navajo County should have some options by March and some online video options.

Shortly, Chief Morgan and Chad Berlin will be going to Water Companies Board Meetings to discuss their importance in the ISO program and how it affects homeowners and their budgetary development.

VIII. Adjournment

Meeting adjourned at 6:42.

Respectfully Submitted

Karen Robbins

Approved