

Regular Meeting of Pinetop Fire Board
May 20, 2024
Pinetop Fire District Station 12
Video & Conference Available
1845 S. Pine Lake Rd, Pinetop AZ 85935

Call the meeting to Order: John Rowlinson called the meeting to order at 5:07pm

Roll Call of Board Members; Present John Rowlinson - remotely, Wayne Booher, Carla Bowen, Ben Borrego, and Edie Webber were present

Administration present; Atty Bill Whittington, Gabe Buldra (JVG), Nick Dodd, Paul Bentz, Chief Jim Morgan, and Karen Robbins. Attorney Paul Gale and Asst. Chief Richard Wallace remotely.

1. Call to the Public: None

II. Consent Agenda Board Business

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 April 2024 Meeting Minutes**
- 2) Approval of April 2024 Warrants paid.**

Carla Bowen made the motion to accept the Consent Agenda as presented. Seconded by Wayne Booher. Motion passed unanimously 5-0.

III. Board Business

1. Discussion/Consideration/Possible Approval re; Presentation of the April 2024 Financial Reports

All reports are included in the board packet. Gabe Buldra (JVG) gave a quick summary of the April 2024 financial reports. Some highlights were;
Navajo County Revenue and property tax collection were slightly under budget for April. Non-Levy Revenue and Grant revenue were slightly under, due to the timing of collection. Expenses for April were slightly under budget by \$77,285 driven by wildland wages and Wildland OT.

Year to date Revenue was over budget driven by wildland deployments which were successful during the recent season.

Year to date Expenses were over as well – also coinciding with wildland deployments.

Total Cash was \$4,601,339 which is \$537,423 more than this time last year.

Percentages; Personnel 77%, Ops 14%, Admin 6%, and Communication 3%. These numbers will start changing once wildland fire gets in full swing.

Ben Borrego made the motion to accept the April 2024 financial reports as presented. Seconded by Edie Webber. Motion passed unanimously 5-0.

2. **Discussion/Consideration/Possible Approval re; Adoption of resolution 24-01 Ordering and calling for a special bond election to be held on November 5, 2024, Initiative for the district fixed capital projects.**

Call to election for our bond election. Once finalized - we can proceed with our informational pamphlet. Nick Dodd from Raymond James was present for a summary and any questions the board may have, as well as Paul Benz and remotely attorney Paul Gale. Mr. Mr. Dodd summarized- maximum amount \$11.6 million - interest rate not to exceed 6% conservatively, a pay-back of 25 years. Most of the bond money will go toward the new fire station with the 3.3 million for the Wildland Response Facility. Paul Gale told them this would be the last formal action –that officially starts the process.

Chief Morgan told the board that he has been doing presentations at the Chamber of Commerce and has plans to speak at Pinetop-Lakeside City Board meeting to present information. He hasn't had any negative feedback, only positive. We must continue to present information in a positive light.

There was discussion about the grant money and the amount we are trying to secure and how to present all the information to the public. A question arose about the other districts in AZ and if anyone else was asking for money. It seems we are the only ones at this time.

In the history of Pinetop Fire District, we have never had to ask for bond money, we have always managed on our own, but in this economic environment with all the challenges it presents we find ourselves a little short of our goals.

Paul Gale will review the motion to make sure everything is in there for the resolution.

Carla Bowen made the motion to approve resolution 24-01 authorizing the ordering and calling of a special election referring to a General Obligation Bond Ballot measure to Navajo County Election and authorizing the fire chief to prepare and finalize the facts pamphlet as presented, the bond shall not to exceed 11.6 million, the interest rate shall not exceed 6% and the term shall not exceed 25 years. Seconded by Edie Webber. Motion passed unanimously 5-0

3. **Discussion/Consideration/Possible Approval re; Adoption of Tentative 2024-2025 Proposed Budget.**

Board presentation by Gabe Buldra. All documents are included in the packet. This is a balanced budget, with June 17th being the final approval goal.

Mr. Buldra went over the key points – Revenue at \$10,257,178 and Expenses at \$10,257,178. Tax rate at 3.35% and assessed Valuation at \$170,023,122. There is a proposed 3% COLA which would not go into effect until **October 1, 2024**.

There was discussion about PSPRS and ASRS – PSPRS slightly up and ASRS slightly down. Health insurance stayed flat with an increase in Worker's Compensation at about 9% based on current market and wages.

Discussion about the future when Chief Morgan retires, to start finding ways to fund our capital reserves. What if there were no grants or an aggressive grant writer? Just something to think about in the future budgets.

Wayne Booher made the motion to approve and tentatively adopt the 2024/2025 fiscal budget, fee schedule and wage scale as presented. Seconded by Ben Borrego. Motion passed unanimously 5-0.

4. **Discussion/Consideration/Possible Approval re; Adoption of PSPRS Pension Funding Policy for the 2024-2025 Fiscal Year**

Mr. Booher recused himself from the item and the vote.

Mr. Buldra explained House Bill 2097 and proposed amendments to A.R.S. Title 38-863.01 requires all govt employers to adopt a pension funding policy. In accordance with this we have developed a funding policy that adheres to the defined statutory requirements. Information and documents included in the packet – prop-207 (Smart and Safe Arizona Act) biannual money, evaluating prior year budget to see if we can afford excess payments. We can pay as we go, and we can pay extra money as we have it. We have refinanced some of the pension with our CoP payment. A fully funded pension is the best way to achieve taxpayer and member equity. Our goal is to be 100% fully funded. This is just part of the annual budgeting process. This is an annual discussion every year at budget time.

Ms. Bowen made the motion to adopt the PSPRS funding policy as presented. Seconded by Mr. Borrego. The motion passed unanimously 4-0 with Mr. Booher recusing himself.

5. **Discussion/Consideration/Possible Approval re; Authorizing the Fire Chief to enter into an agreement with Perlman Architecture for the Wildland Response and Fire Station 10 design and engineering services not to exceed \$125,612.00.**

This is preliminary for design concepts only. A phased approach to have a conceptual idea drawn up and presented to start making changes and decisions. There are things that we need to carefully consider – sleeping quarters, bays, storage offices, just to name a few.

Mr. Whittington added that Perlman needed to add terms and conditions to the scope of service, it is the law. Discussion about the station designs and asking for the terms and conditions as part of the agreement.

Mr. Booher made the motion to authorize the fire chief to execute and enter into a professional service agreement including terms and conditions, as required by law, for design and engineering architectural services as presented. Seconded by Edie Webber. Motion passed unanimously 5-0.

6. **Discussion/Consideration/Possible Approval re; Update on Pinetop Water Infrastructure improvements.**

Chief Morgan: Ms. Bowen asked for an update on the Pinetop Water Project. Discussion about the water problems in the area. There is only a 6” main throughout Pinetop proper all the way to Safeway. Ms. Bowen explained that when the “Burly Bear” burned down, the water situation was extremely poor in Pinetop, it was devastating. She told them the hydrant did not work and the water supply was non-existent. She explained that she then put in two 2500-gallon tanks to protect the business.

This is an ongoing problem.

There was discussion about the AutoZone project and how they had to remedy the situation.

Discussion about the project that Pinetop Water had ordered pipe but only able to install about 500 feet at a time.

The discussion continued; Mr. Rowlinson is worried about the proposed highway project – they are redoing the highway in Pinetop and how would that project might be affected. Have they taken that into account.

Discussion about the other water companies in our district and if they were residential or business – the chief suggested board members or concerned citizens could attend water board meeting. Chief Morgan told them AZ Water is very cooperative as they are regulated by the state.

Wayne Booher wanted to know what the contingencies are if we have a big fire in the area, Chief Morgan explained to him about the Tender Shuttle Drills – he explained that ISO even asked us to run through them to verify,

Water systems comprise about 70% of our ISO rating. We just need to have more cooperation.

The board would like updates as the project progresses.

No board action – just information.

IV. Personnel

Discussion/Consideration/Possible Approval re: Board action regarding notice of Disciplinary Appeal filed by JD Ottman in personnel matter: JD Ottman Disciplinary Appeal

Chief Morgan-one of the toughest things a supervisor must do is administer discipline. Once the process runs its course the employee has the right to appeal to the fire chief's decision for discipline. Mr. Ottman has followed the procedures and protocols and is appealing his disciplinary action from Chief Morgan.

V. Possible Vote to go into Executive Session

Discussion/consideration/Possible Action re: possible vote to go into executive session pursuant to A.R.S. §38-431.03 (A) (3) for legal advice regarding JD Ottman Disciplinary Action Appeal.

Carla Bowen made the motion to enter Executive Session for A.R.S. §38-431.03 (A)(3) for legal advice. Seconded by Wayne Booher. Motion passed 4-0.

Note: Mrs. Webber had a previous engagement and had left the meeting.

Back to regular session at 6:55pm

Wayne Booher made the motion to submit Mr. J.D. Ottman's Disciplinary Appeal to the Office of Administrative Hearings. Seconded by Carla Bowen. Motion passed unanimously 4-0.

VI. Summary of Current Events.

1. Fire Chief Report

Chief Morgan advised that we have received the official ISO report. We indeed went from a protection class 4 to a protection class 3. He said in a stable economic world we would all see a bump down in our premium, business, and residential, but in this environment we would not, it would help to stabilize premiums though.

2. There is no Board Chair Report this month.

VII. Announcements.

Chief Morgan submitted 18 projects to the Regional Advisory Committee and 2 were funded for grant funding projects, Land Mobile Radio money, and the phase 4 Communication Tower money for St 12.

Petitions for re-election are available on June 8, for nominations including Carla Bowen, Benjamin Borrego, and Edith Webber. Be sure to get signatures in. We hope you are all running again.

Statutory Training in Glendale this year for AFDA/AFCA if anyone is interested, please let us know – July 16-18.

Next Board Meeting is June 17, 2024

Meeting adjourned at 7:04 pm

Respectfully Submitted

Karen Robbins

APPROVED