



# TIMBER MESA FIRE AND MEDICAL DISTRICT

A regular session of the Timber Mesa Fire and Medical District was convened Tuesday, November 24, 2015 at 6:00 pm in the training room at the Timber Mesa Fire and Medical District, Station #13, 2922 W. White Mountain Blvd, Lakeside, Arizona.

## Board Meeting

1. **CALL TO ORDER** – Chair Amy Kay called the meeting to order at 6:00 pm.
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL OF BOARD MEMBERS** – Chair Amy Kay, Clerk Lynn Browne-Wagner, Member Dennis Hughes and Member Ed Lindquist were present.
4. **APPROVAL OF MINUTES**
  - A. Executive Session of September 22, 2015.
  - B. Regular session of October 27, 2015
  - C. Regular session of November 5, 2015
  - D. Executive Session of November 5, 2015
  - E. Regular session of November 6, 2015
  - F. Executive session of November 6, 2015
  - G. Regular session of November 12, 2015
  - H. Executive session of November 12, 2015

Ed Lindquist made the motion to approve these minutes of the regular and executive sessions. Dennis Hughes seconded the motion and the motion passed unanimously.

5. **CALL TO THE PUBLIC**

None
6. **REPORTS AND CORRESPONDENCE**
  - A. Fire Board Report
  - B. Fire Chief's Report  
Dennis Hughes asked about a report of the Pinetop/Lakeside Economic Development, and Chief reported a Church remodel on Penrod.
  - C. Operations and Training Report  
Dennis Hughes asked about the Haz-Mat call, and it was reported it was a fuel tanker rollover on Highway 77.
  - D. Logistics, Fleet and Community Risk Reduction Report  
Randy Chevalier reported in addition to his report in the board packets that he received the latest drawing on the new ladder truck, and delivery would be the latter part of January.

The reports for each of the items listed were included in the Board packets.

7. **ANNOUNCEMENTS**

- A. Arizona Fire District Association Conference will be January 14-16, 2016 in Laughlin. Registration paperwork was in the Board packets. The board was asked to return to Human Resources at their earliest convenience.
- B. District Christmas and Awards Banquet will be on Thursday, December 17, 2015 at 6:30 pm at Cattleman's Steak House.
- C. The Deputy Chief's position has been posted with AFDA, AFCA, Western Fire Chief's, and the TMFMD website.

8. **BUSINESS**

A. **September Financial Reports**

Gabe Buldra referred the board members to their packet. He discussed the report, which included revenues and expenditures. He reported the tax revenue in October from Navajo County was over projection, as timing on the collection and distribution of tax revenue caused the variance. Non-levy revenue was over budget, as this variance was caused predominantly by Wildland income. He reported that the presentation for the audit will be scheduled for the December Board Meeting.

Dennis Hughes made a motion to approve the financial reports for the month of October, 2015 as presented, and Amy Kay seconded the motion. The vote was unanimous and the motion carried.

B. **Presentation by Jim Broome of Arrowhead Mobile Healthcare concerning ambulance services**

Mr. Broome called and said he would be late. This agenda item was placed after agenda item D.

Mr. Broome thanked the Board for letting him speak. When he was here a couple months ago he was prepared to give an outline on his public private partnership proposal, but prior to coming through the door he received a phone call from his attorney and a few of his employee stating not to waste his breath, that TMFMD had already applied for the CON and DHS was processing it and that he was just wasting his time. He cut things short and moved on.

Mr. Broome understands the TMFMD has applied and will refile. He felt he was probably wasting his time again but thought it worth another try to talk about the subject. He complimented the law firm, Gallagher and Kennedy, which TMFMD has contracted with. He wanted to clear up a few things. He mentioned before that every Fire District in Arizona has lost money, and he was challenged on that statement. He brought documentation with him and would give each a copy. He stated that the only District that claims to have broken even or made money is Sonoita, which is his neighbor, and he stated that they don't make money, however he advised to look at the ARC. Another thing he was challenged on was that he said he ran 6 ambulances. He said everyone knows he runs 3 ambulances, we know where they are based and they intermingle with TMFMD every day. He said on occasion or sometimes they run 6 ambulances, and sometimes 7. He stated maybe that was irrelevant but the point he was trying to make was that with the weather, etc. they have to be prepared to gear up and have enough trucks and enough people. In addition to running calls in their service area, they help their neighbors when they run short of people. We all back up each other. That system has worked well in the past.

On the collection issue, he wanted to correct the collection percentage. TMFMD was 41%, it's not bad but it's not good. It is right in the middle of the Northern DHS section.

Several years ago when Roger was Chief at Lakeside they had a little CON dispute. This cost Mr. Broome \$100,000 and a week in Phoenix. Roger was upfront with Mr. Broome and stated he was losing a lot of money, he couldn't support the ambulance and he wanted to split the hospital. Mr.

Broome didn't know how to do that, and the answer was no. All said and done Mr. Broome won. Here we are back again. He looked in his complaint file and there was not one complaint from any fire districts in 15 years. If there had been issues it would have been nice to have come to them and said here is what we want. It just can't be ego or "big dog on the mountain" syndrome. There has to be a real good reason why there hasn't been good communications to them and to the public. He would like to know what that reason is. He doesn't want to wait for the CON hearing, he would like to know and the public to know. Tell them what they are doing wrong, and what they can do better.

Mr. Broome also stated he told Roger that the number 1 rule in business if you are selling a product or providing a service and you lose money on every transaction, you're not going to make it up in volume, you're just going to lose more money. That same thing applies to the ambulance business, there's a point where it will help you a little then a point where you'll fall off the cliff. He stated that's where TMFMD would be if they expanded their business.

When Mr. Broome and his partners came up here there had been 5 failed ambulance companies in 20 years. Each one came to town with great expectations, some were funded by the hospital, some by the City or other entities. Each tried and tried even with the draw backs up here. This is a high Medicare population (an under payer) with swings during the winter/summer. There is a big variation in cash flow. He and his partners put in over a million dollars to buy trucks, purchase equipment and real estate just to get the service going. They survived 15 years, even with the big fire. They did real well during the fires, and put that in a Capital fund to buy new equipment, give pay raises, etc. Each year if there is a profit, they bought new trucks, and/or spend it on employees, etc. They have a payroll of \$1.2 million a year, and spend approximately \$400,000 locally on expenses. That money doesn't come from taxpayers, it comes from insurance companies. Only 5% comes from those paying for the services. He doesn't understand why if there are no complaints with the service, why would the District want to put a company out of business that brings \$2 million into the community and then raise taxes and do whatever it takes to run an ambulance service.

Mr. Broome stated that the lawsuit is a temporary setback for TMFMD. If TMFMD is going to regroup, go ahead and do what needs to be done, get it over with, expedite the hearing, and get the CON hearing, and the director's decision behind us. Assuming he wins, he has contracted with an expert that works with public/private partnerships to put together a proposal on how a public/private partnership would benefit both entities and the tax payers. He will pay for that from his own company expense. He will present that after the decision on the proposal has been made by the director of DHS.

Mr. Broome asked that there be no more hide and seek with public records, no more secret meetings where decisions are made. That is his personal opinion and that of his attorneys. If the District talks to the attorneys in private, bring it to the public, and don't hide behind the Open Meeting confidentiality provisions. He then stated he would answer any questions.

Chair Amy Kay asked what the presentation was. The Board was expecting a proposal from him. Mr. Broome said the settlement agreement of the lawsuit stated the Board would give him time to speak. He would like TMFMD to withdraw the application and sit down with him and negotiate a public/private partnership. After the hearing, he will return to work on a plan.

There was no discussion. Paperwork from Mr. Broome was distributed.

C. **Acceptance of proposal for architectural and engineering services for the station 17 remodel project.**

In the board packet there was a copy of a recommendation from Chief Chevalier concerning architectural and engineering services on the station 17 remodel project. His recommendations are the result of a Request for Proposals (RFP) process recently concluded. There were only two responses to the RFP process. The documents included in the packet were the overview of the proposals and Chief Chevalier's recommendation to accept the proposal from Perlman Architects of Arizona. The complete proposals were available to the board. Acceptance of the proposal will be subject to the approval of the completed agreement for services (normally an AIA form of agreement, prepared either by the architect and modified by the District, or prepared in the first instance by the District).

Amy Kay made a motion that the Board accept the proposal for architectural and engineering services provided by Perlman Architects of Arizona and direct the firm to prepare an AIA agreement for services, and Lynn Browne-Wagner seconded the motion. The vote was unanimous and the motion carried.

D. **Change of Date for the regularly scheduled meeting in December due to the Holidays.**

The regular scheduled meeting in December is currently scheduled for the 22<sup>nd</sup> which is the Tuesday before Christmas. There is not a conflict with staff on that date however Chief wanted to give the Board an opportunity to consider their Holiday schedules and change the date if necessary. There were no conflicts with the Board Members meeting on December 22<sup>nd</sup>, so there was no action to be taken.

9. **NEW AGENDA ITEMS**

Audit will be presented at the Board Meeting December.

10. **ADJOURNMENT**

Therefore, Chair Amy Kay declared the public session adjourned at approximately 6:40 p.m.

  
Lynn Browne-Wagner

1-6-16  
Date