

TIMBER MESA FIRE AND MEDICAL DISTRICT

A study session of the Timber Mesa Fire and Medical District was convened Tuesday, May 16, 2017 at approximately 6:00 pm at the Timber Mesa Fire and Medical District Administration Building, located at 3561 East Deuce of Clubs, Show Low, AZ 85901.

BUDGET STUDY SESSION

1. **CALL TO ORDER** – Board Chair Dennis Hughes called the meeting to order at approximately 6:00 pm.
2. **ROLL CALL OF BOARD MEMBERS**-Board Chair Dennis Hughes, Lynn Browne-Wagner, Amy Kay and Ed Lindquist were present.
3. **PRESENTATION AND DISCUSSION**
 - A. Proposed budget for Fiscal Year 2017/2018.
Each board member was given a copy of the worksheet for the Proposed Budget 2017-18. There was discussion on the line items with changes, and bullet points.

Close of Study session was at 6:17 pm.

A regular session of the Timber Mesa Fire and Medical District was convened Tuesday, May 16, 2017 at approximately 6:17 pm at the Timber Mesa Fire and Medical District Administration Building, located at 3561 East Deuce of Clubs, Show Low, AZ 85901.

BOARD MEETING

1. **CALL TO ORDER** – Board Chair Dennis Hughes called the meeting to order at approximately 6:17 pm.
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL OF BOARD MEMBERS** – Board Chair Dennis Hughes, Lynn Browne-Wagner, Amy Kay and Ed Lindquist were present.
4. **APPROVAL OF MINUTES**
 - A. Regular session – April 18, 2017
Member Ed Lindquist made a motion to approve the Regular session minutes of April 18, 2017 and Clerk Amy Kay seconded the motion. The vote was unanimous and the motion carried.

- B. Executive session-April 18, 2017
Chair Dennis Hughes made a motion to approve the Executive session minutes of April 18, 2017, and Member Ed Lindquist seconded the motion. The vote was unanimous and the motion carried.

5. CALL TO THE PUBLIC

6. REPORTS AND CORRESPONDENCE

- A. Fire Board Report
Chair Dennis Hughes stated he has witnessed the crews performing fire wise and he wanted to compliment them on a good job.
- B. Fire Chief's Report
Member Lynn Browne-Wagner congratulated Chief Savage on his completion of the National Fire Academy's Executive Fire Officer Program (EFOP).
Chair Dennis Hughes asked Brian Shields, Timberland Acres Water Board Secretary, about the quarterly meeting, and Mr. Shields reported that it went well. He also clarified that the water is a domestic water improvement district and the roads are a special district.
- C. Operations and Training Report
Chair Dennis Hughes asked about the increase in unattended camp fires and unauthorized burns. Chief Clay Wood reported they are working with Fire Prevention. Law enforcement can issue citations for unauthorized burns and TMFMD can recommend citations to law enforcement. Member Ed Lindquist advised to gear up for graduations.
Chair Dennis Hughes asked what the acronym SVO was. Chief Wood explained it is the support vehicle operation, which has new standards and required hours for training.
- D. Logistics Report
There will be a report on the remodel at Station 17 on agenda item 8c.
Member Ed Lindquist asked if the concrete work at Station 15 would be sectioned off. Chief Chevalier reported that it would be, and the water box.
Chief Chevalier thanked the District and Chief Savage for allowing him and Chief Wood to attend the 2017 FDIC conference. It was a great opportunity to learn from national speakers, to communicate with equipment manufactures and to network with other fire personnel from across the world.
Chair Dennis Hughes had a question from the Support Services Monthly Report, on the engraved BK radios received from grant. Chief Chevalier reported that TMFMD was engraved on each radio.
Member Ed Lindquist asked about the water supply at Station 17 and Chief Chevalier reported it will be a filtration system.
- E. Prevention and Community Risk Reduction Report

7. ANNOUNCEMENTS

Chief Savage reported the CON hearings start May 22, 2017. He will be in attendance there for approximately 4 weeks.

8. BUSINESS

- A. Discussion and Possible: April Financial Report
Melissa Tomlinson, James Vincent Group, referred the board members to the April 2017 Financial Report in their packets. She discussed the key points of the report, which included

revenues and expenditures. Chair Dennis Hughes complimented the District on being over on revenues and under on expenses. Melissa said that was correct.

Member Lynn Browne-Wagner made a motion to approve the financial reports for the month of April 2017 as presented, and Member Amy Kay seconded the motion. The vote was unanimous and the motion carried.

B. Discussion and Possible Action: Adoption of Meet and Confer Memorandum of Understanding (MOU).

Chief Savage directed the Board to Resolution 2015-04 which was in the Board Packet. This resolution, approved by the Board in 2015, authorizes staff to work with the employee group to establish an MOU. After more than a year of working with the employee group on this issue, he is proud to support this document. The items being requested are very reasonable to take care of our members. Chief Savage reported that through this process there have been opportunities to clarify expectations, discuss organizational culture and develop a common vision for the District and our employees. He stated he appreciates the Boards trust in him and the employee group, by authorizing this process.

Chief Savage introduced Taber Heisler, Chapter Vice-President. He thanked the Board for the opportunity to establish this MOU, as it is a big step between the Board, employee group, and the District.

There was discussion and clarification on items in this document. There were some amendments in Section 3.1, Section 4.3.

Chair Dennis Hughes made a motion to approve the Meet and Confer MOU, as amended, and Member Lynn Browne-Wagner seconded the motion. The vote was unanimous and the motion carried.

Chair Dennis Hughes thanked Taber Heisler for all his work in bringing this to the Board.

C. Discussion and Possible Action: Guaranteed Maximum Price from Core Construction for construction of Station 17.

Chief Chevalier thanked Core Construction for working diligently with the District to make this project work. He stated with the significant delays in this project, the design team and the engineers have been working to complete the bid process with all subcontractors and develop to the GMP. He introduced Todd from Core Construction to present the GMP and the methodology on how they arrived at the GMP.

Todd stated that the GMP represents all the things the District is set out and mandated to deliver. They have completed the bid process with all subcontractors to develop the GMP. He thanked the Board for the opportunity to work with TMFMD.

Each board member was given a copy of the ConsensusDocs, the standard agreement and general conditions between the owner and construction manager. Bill Whittington, Legal Counsel, has reviewed the document. He stated the date of substantial completion of the work is December 15, 2017, final completion will be January 2018.

Chair Dennis Hughes asked with the changes in the septic system, if that raised the cost, and Todd stated they were able to come in, with the new system, under budget.

Chair Dennis Hughes made a motion to accept the guaranteed maximum price presented by Core Construction in the amount of \$2,542,949 and direct staff to execute the addendum to the construction contract, and Lynn Browne-Wagner seconded the motion. The vote was unanimous and the motion carried.

D. Discussion and Possible Action: Lease purchase agreement with Zion's National Bank for construction of Station 17.

The Board members received a copy of the Lease/Purchase Agreement with Zion's National Bank on the loan package for Station 17. Bill Whittington, Legal Counsel, prepared the Consent and Waiver, the Certificate of Authority, the Addendum to the Lease/Purchase Agreement, and Resolution 2017-2.

Chair Dennis Hughes made a motion to approve the lease purchase agreement with Zion's National Bank dated June 1, 2017 together with Resolution 2017-2, the related Certificate of Authority, the Addendum to the lease/purchase agreement prepared by legal counsel and the Consent of Waiver prepared in conjunction therewith, and Clerk Amy Kay seconded the motion. The vote was unanimous and the motion carried.

E. Discussion and Possible Action: Fee Schedule for Fire Marshal Services

In the Board Packet were copies of a proposed fee schedule for Fire Marshall services along with a memo from Fire Marshall Brian Russell. In the Districts Strategic Plan, this is something the Board identified as a priority for the District (Strategic Objective 8.3). With the recent update to the fire code, it is appropriate that the District now adopt a fee schedule to recover costs associated with the application of that code. It is common around the State for fire districts to charge for these services and this fee schedule is consistent with what is necessary to recover our expenses in applying the Fire Code.

Member Lynn Browne-Wagner made a motion to approve the fee schedule for Fire Marshal Services, as presented, and Member Ed Lindquist seconded the motion. The vote was unanimous and the motion carried.

F. DISCUSSION AND POSSIBLE ACTION: Tentative Approval of Fiscal Year 2017/18 Budget

Chief Savage highlighted what this budget has accomplished for the District, as it adheres to the long term financial plan, maximizes other sources of revenue to limit the impact on tax payers, provides 3% merit increase to employees (if eligible), saves \$20,000 in workers compensation due to lower EMOD, saves \$103,000 in healthcare costs (100% HAS with funding), continues our firefighters medical screenings, funds the debt associated with Station 17, continues to build a financial reserve replacement plan, continues to invest in our infrastructure needs, takes into account our experience of almost three years as a new organization, fund most of the strategic plan objectives outlined for this year, outperforms all premerger assumptions and estimates.

Chair Dennis Hughes asked about the tax rate in the future. Gabe Buldra, Finance Director, stated that as the District looks at management of expenses and revenues to develop budgets off of future projections as to maintain a healthy distance from that rate cap.

Member Ed Lindquist gave praise for all the work that went into the budget preparation.

Member Lynn Browne-Wagner made a motion that the Board tentatively approve the FY 2017/18 budget as proposed in the amount of \$9,558,688 and direct staff to post the budget for public comment as required by law, and Chair Dennis Hughes seconded the motion. The vote was unanimous and the motion carried.

G. DISCUSSION AND POSSIBLE ACTION: District Commitment to Maintain Ambulance Base Rates for the Next Three Years.

The CON Attorneys have asked that the Board commit to maintain ambulance base rates for the next three years. Chief Savage stated that the District has worked diligently with Gabe Buldra, Finance Director, to ensure that cost escalation is not a reality and that we are able to operate the expanded ambulance operation under the current base rate. This is to reassure DHS and the community that this is not the District's intent.

Member Ed Lindquist asked how it looks for the next 3 years. Gabe mentioned that since conception of TMFMD the District has operated efficiently and at a lower cost for the residents. From merger to the CON expansion, it has been predicated upon maintaining costs and saving cost. Maintaining this ambulance base rate is a continuation of this.

Chair Dennis Hughes made a motion to maintain the current base rate charges for ambulance services for a three year period provided we are awarded the expanded CON, and Member Ed Lindquist seconded the motion. The vote was unanimous and the motion carried.

9. NEW AGENDA ITEMS

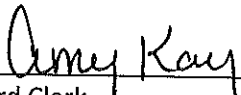
Update on Station 17

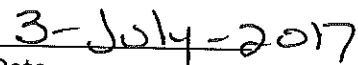
Public Hearing to adopt the FY Budget 2017/18

Next Board Meeting-Tuesday, June 27, 2017.

10. ADJOURNMENT

Thereafter, Chair Dennis Hughes declared the public session adjourned at approximately 7:05 PM.


Board Clerk


Date