

MINUTES

AVRA VALLEY FIRE DISTRICT

REGULAR MEETING OF THE BOARD OF DIRECTORS



Meeting Date: Wednesday, April 16, 2014

Meeting Time: 10:00 AM

Location: 15790 W. Silverbell Road, Marana, AZ 85653

Recording On.

- 1) **Call To Order** The meeting was called to order at 10:05 AM by Chairman Castaneda.
- 2) **Pledge of Allegiance** The *Pledge of Allegiance* was recited by all present.
- 3) **Roll Call** The roll was called by Secretary Palmquist. In attendance:

Board

Chairman Castaneda, Jr.
Vice-Chair Aleyna Lassen
Clerk Sara Bauer
Director Eric Neilson
Director Brian Horch

Staff

Chief Delfs
Assistant Chief Klein
Lorrie Palmquist, Finance/Admin Manager

Counsel Wencker (present by phone)

Several firefighters were in the audience.

4) Recognition of Personnel

The Avra Valley Fire District would like to recognize Ms. Lorrie Palmquist for the service she has provided over the past year. Ms. Palmquist has successfully completed her probationary period. We congratulate her on her promotion to permanent full time employee status.

Chief Delfs expressed gratitude on behalf of the District, commenting on the level of work output, professionalism and unity of the District family. Chairman Castaneda offered thanks to Captain Lassen, the outgoing Union President, and congratulations to the new President, Jeremy Beatty.

5) Approval of the Minutes from the Regular Meeting held March 19, 2014

Vice-Chairman Lassen motioned to approve the minutes from the regular Board meeting held March 19, 2014. Clerk Bauer seconded. *Motion carried unanimously, 5:0.*

6) Call To The Public NONE

7) **Announcements, Current Events & Correspondence**

- Marana State of the Town Address and Luncheon to be held Friday, April 18, 2014, at the Dove Mountain Ritz-Carlton beginning at 10:30 AM.
- Update concerning current legislation

Chief Delfs pointed the Board to the legislative information which was emailed at the beginning of the week. The Arizona legislature has agreed upon the budget and will sign it soon. SB1387 affecting Fire Districts is on the agenda in the Az House of Representatives tomorrow.

8) **Chief's Reports**

- **Chief Delfs** – training, vehicles, labor relations, personnel, stations, communications
- **Chief Klein** - operations and response times

Chief Delfs addressed the Board, commenting that there is nothing to add to the Chief's Report provided in the Board packets. Engine 217 is parked in the bay for everyone to inspect, and we are very proud of it! Building projects will be discussed later in the agenda. Assistant Chief Klein addressed the Board. The Operations Report provided in the Board packets summarizes all calls and response times. We are continuing to exceed our response time targets and CON times. A Training Report was also provided which summarizes the training activities for the past month.

9) **Review, Discussion and possible Action to approve the March 2014 Financial Reports and authorize the Chairman and Clerk to sign the Certificate of Review.**

Chief Delfs addressed the Board. He stated that the numbers presented on the monthly *Cash Flow Statement* are presented in the first three columns of the *Budget Shell*. Of note, the annualized projection currently shows a small shortfall, although we anticipate ending the fiscal year close to break-even. The numbers show that revenue is 10% less than anticipated which is largely due to the fewer number of ambulance transports. We have had to maintain expenditures to make up for this revenue shortfall, thus expenditures are lower than budgeted. The Chief recommended that the Board approve the March financial reports as presented. Director Horch motioned to approve the March 2014 Financial Reports and authorize the Chairman and Clerk to sign the *Certificate of Review*. Vice-Chairman Lassen seconded. ***Motion carried unanimously, 5:0.***

10) **Review, Discussion and possible Action regarding the FY 2014-15 Budget Shell**

Chief Delfs addressed the Board, stating that staff has been working tirelessly for several months to look forward at what is a sustainable framework. He commented that the budget should reflect priorities, so it is as much a political document as it is a financial document. The Chief stressed that because it is the Board's budget, staff will present a framework and then enact upon managing the fiscal budget according to Board direction. He emphasized that there is a *revenue flow* problem, not an expenditure problem. Although there has been a 14% increase in Pima County property valuations, the state has placed a 5% per year cap on the amount of the corresponding tax revenue which a fire district can recognize. In other words, even though property values went up 14%, the District will only see a 5% increase in tax revenue during the next fiscal year. Also, even though ambulance transports are

significantly increased statewide, our District has not seen much of a difference yet. The *Budget Shell* presented is based on direction from the Board and initial discussions with the Union. It reflects 14 firefighters per shift, with a 2.5% salary increase at January 1, 2015. Even with the current projections of revenue and straight-line expenditures, the current budget shell shows that the 14-shift is not sustainable and, in fact, results in a growing loss to the point of being substantially in the hole with no reserve.

Chairman Castaneda expressed that he hopes to see a balanced budget. Director Neilson inquired about alternate sources of revenues. Chief Delfs responded that we currently receive revenues not only through property taxes and ambulance transports, but also from state wildland, fire services, fire recovery, and grants. We are looking at annexation and subscription services.

Chairman Castaneda motioned to direct Chief Delfs to meet with Union leadership and work with staff to bring back a sustainable budget. Director Neilson offered a friendly amendment to come together in a workstudy session to consider all possibilities. Vice-Chairman Lassen seconded the motion as amended. *Motion carried unanimously, 5:0.* The Board discussed a date, settling on May 1 at 10 AM.

11) Review, Discussion and possible Action regarding the possible purchase of one or two ambulances utilizing bond funds

Chief Delfs handed out a written bid from Braun NW, Inc. Braun was the lowest bidder and they promised delivery of 2 Dodge 4WD ambulances in July 2014. The other bidder had a very competitive bid, but could not promise delivery until 180 days after they secured the Dodge 4X4 chassis, which is really no guarantee of a final delivery date. Director Neilson inquired about the 4WD requirement. The Chief responded that it was an internal decision to require 4WD. Director Lassen inquired about the Dodge make of the ambulance. Chief Delfs responded that it was our mechanic's preference.

Vice-Chairman Lassen motioned to direct Chief Delfs to purchase 2 Dodge 4WD ambulances from Braun NW, Inc, up to the amount of \$275,000 utilizing bond funds. Clerk Bauer seconded. *Motion carried unanimously, 5:0.*

12) Review, Discussion and possible Action regarding the extension of the IGA for mutual and automatic aid with the Silverbell Army Fire Department

Chief Delfs stated that this IGA has been in place for several years, and that the District was approached by the army to review it. There are no changes to the existing agreement. Vice-Chairman Lassen motioned to extend the IGA for mutual and automatic aid with the Silverbell Army Fire Department. Clerk Bauer seconded. *Motion carried unanimously, 5:0.*

13) Review, Discussion and possible Action regarding Resolution #2014-01 to annex a property located at 12851 W Summer Poppy Street into the boundaries of the Avra Valley Fire District

Chief Delfs explained that a resident recently purchased a single property within Silverbell Trails Estates and made a request to be annexed into the District. Director Horch motioned to annex the property located at 12851 W Summer Poppy Street into the boundaries of the Avra Valley Fire District. Vice-Chairman Lassen seconded. *Motion carried unanimously, 5:0.*

14) Review, Discussion and possible Action regarding the building projects

Chief Delfs reported that he had a lengthy meeting with Pulte yesterday. He stated that we have received the necessary letter of consent from the owners of the lot behind the new Station 194 giving us permission to move dirt onto their property during the construction process. A renewed set of plans will be submitted to Pinal County tomorrow which show some changes in landscaping, signage, gates for seamless curb appeal, and an outdoor employee break area. We have requested a bid from a contractor recognized as the best in the State in assembling modular buildings. We are looking at a groundbreaking ceremony at the end of May, and will continue to work with Pulte to make this a reality. Station 192 floorplans are completed, the sitework is accomplished, and we have 30 days to pull permits on the project. Then, we will begin work on Station 193. Chairman Castaneda expressed thanks to Chief Delfs for monitoring the process so closely.

15) Reports of Board Members and Staff **None.**

16) Future Agenda Items

Future items include a Workstudy Session on May 1 to discuss the budget, a possible groundbreaking ceremony for the Red Rock Station in May, and the annual Public Hearing on the budget in June.

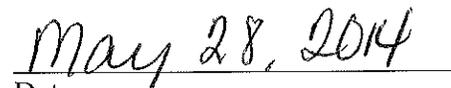
17) Date of Next Board Meeting - May 28, 2014

18) Adjournment

Clerk Bauer motioned to adjourn the meeting. Director Horch seconded. Motion carried unanimously, 5:0. Meeting adjourned at 11:17 AM.

Recording off.


Approved


Date

Board Members

Luis Castaneda, Jr. Aleyna Lassen Sara Bauer Eric Neilson Brian Horch

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