



Sedona Fire District

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SFD CITIZENS' ADVISORY COMMITTEE MEETING
Station #1 – 2860 Southwest Drive – Sedona – Multipurpose Room
Monday, April 17, 2017 / 1:00 PM

~ MINUTES ~

I. Call to Order/Roll Call

Committee Present: *Board Member* – Tim Ernster; *Citizens* – Gary Johnson; Lonnie Lillie; Caryn Maxwell; Gene McCarthy; Wendy Tanzer; Dave Watters; *Staff* – Firefighter Greg Eberlein; Captain Pat Ojeda; HR Manager Betty Johnson (for ½ of meeting)

Others Present: Fire Chief Kris Kazian; Assistant Chief Jeff Piechura; Tricia Greer – Recorder to Committee; Core Construction representatives

Committee Chairman Tim Ernster called the meeting to order at 1:00 PM.

II. Pledge of Allegiance to the United States of America

Board Chairman Tim Ernster led the Pledge of Allegiance.

III. Approval of Minutes

A. Discussion/Possible Action: Minutes of April 11, 2017

Caryn Maxwell moved to approve the Minutes of April 11, 2017 and Dave Watters seconded; the motion unanimously passed.

IV. Open Dialogue/Review of Information Previously Presented/Questions

Chief Kazian reminded all to talk into the microphones. He commented he thought LEA Architects and Core Construction presented great information last week. He then asked if there were any questions about past presentations or station tours; there were no questions; Chief Kazian said the conceptual drawings would be sent to the group.

V. Presentation - Rolling Stock Need and Operational Needs

A. Apparatus needs

B. Operational Capital Needs

Chief Kazian said Assistant Chief Jeff Piechura would give a presentation regarding fleet and equipment needs; Telecommunications Manager Bob Motz will give the Telecom presentation at next week's meeting.

Note: *The entire apparatus presentation can be accessed here:* http://www.sedonafire.org/wp-content/uploads/2016/05/4-17-17-Citizen-Committe-Fleet_Equipment-Chief-Pie.pdf. The SFD Capital Improvement Plan can be accessed here: http://www.sedonafire.org/wp-content/uploads/2016/05/Capital-Impr.-Plan-2017-2026-updated-Mar_15-2017_BOND-PREMISE.pdf.

Chief Piechura said our fleet program is predicated on a Capital Improvement Plan (CIP) for the next 10 years; he then reviewed the apparatus/fleet replacement and estimated pricing schedules of the CIP with the Committee. SFD fits into the NFPA criteria for departments that would consider 15-year replacement for fire engines based on use, technology, maintenance, and how it fits into today's fire service standards. Fire vehicles of 20 or 30 years ago were generally commercial-chassis rigs with fire bodies mounted, which worked great, but today's standards and emission controls – as well as the larger size of current engines and complicated electronics – require more.

Mrs. Maxwell asked if SFD was required to update emission controls per new legislation; Chief Piechura said we cannot waive any emission requirements on new acquisitions – the Environmental Protection Agency and Justice Department both decided it would not be appropriate for fire agencies to have an opt-out.

Mr. Ernster asked if SFD does an analysis of apparatus due for replacement, for example, when engines near 15-years to assess to see if a few more years of service could be possible; Chief Piechura responded, yes, and we would push out those replacement dates.

Replacement Schedules:

Fire Engines – 15 years

Ambulances – 7 years

Water Tenders – 15 to 18 years

Mr. McCarthy asked if vehicles are sold after serving in reserve status, and if so, is that factored into the CIP; Chief Piechura responded, yes, and, yes. Chief Kazian said SFD uses a government on-line auction site, as do most governmental agencies in Arizona to sell surplus apparatus and equipment.

Mr. Watters asked about “uniforming” engine purchases to be able to switch them around the district, but noted that might not work in Oak Creek Canyon where smaller engines are more practical; Chief Piechura responded it is area-specific and specialty rigs would be purchased for certain areas; he said they are even considering specialty for Station 4, as it is second-out for the Canyon. He said the “one engine-style fit is not necessarily a fit for us”; he pointed out the downside of that is plugging in an engine when one goes down for service. Mr. McCarthy asked about consideration of “fast attack, small pumps, minimal hose”; Chief Piechura responded those are the Type 6 engines, which we have at Stations 3 and 4. Chief Kazian pointed out the fire service delivery model is evolving and we are seeking best practice; he said we will be designing rigs and response models to the confines of our response districts, such as turning radius, horsepower, and torque for inclines are important. He also pointed out fire engines have never gone down in price and are expensive.

Mrs. Maxwell commented that smaller engines do not necessarily mean less expense; Chief Piechura agreed and said specialty engines could cost more, even though they may be smaller. The group briefly discussed special operations and shared services with other Verde Valley agencies. Chief Piechura commented that lines 46 to 64 of the CIP is for our light fleet – pickups, fire prevention, maintenance, and wildland rigs, which are not in the bond discussion and would be funded through the operating budget.

Chief Piechura then moved to equipment in the CIP including Telecommunications which are, generally, cash items from operating expense. Self-contained breathing apparatus are on a 3-year replacement cycle at \$770,000, which is being considered for bonding. He said these are for “big items” not under-\$10,000 items replaced on a regular basis. Chief Piechura said portable radios have been lasting for about 8 to 10 years at SFD, but new technology is making it more difficult to find repair parts; he said another consideration is the way the FCC treats frequency management, which will be presented to the committee next week. Chief Piechura then moved to the Fire Vehicles’ slide presentation and different types of vehicles.

Fire Vehicles

- Fire Engine Types
 - Based on Usage Plan for a 15-Year Replacement Cycle
 - Type 1 = Large/Urban/Suburban Fire Engine for Structure Response
 - Type 2 = Suburban/Rural Fire Engine for Structure Response
 - Type 3 = Wildland Urban Interface Engine – Structure/Wildfire
 - Type 6 = Brush Truck
- Water Tender
 - Based on Usage Plan for a 15- to 18-Year Replacement Cycle

Type 1 Engines

| Location | YEAR Built | Age | Replacement 15 YEAR* |
|----------|------------|--------------------|----------------------|
| E-511 | 2013 | 4 years | 2028 |
| E-531 | 2017 | New \$585,000 | 2032 |
| E-541 | 2001 | 16 years - Rebuilt | 2019 |
| E-551 | 2009 | 7 years | 2022 |
| E-561 | 2001 | 16 years | 2020 |
| Reserve | 2005 | 12 years – Rebuilt | 2023 |

*The program implementation will occur when some of the vehicles are much older than the Planned Replacement Cycle. When Replaced, One Type 1 Engine will be kept in Reserve Status.

Type 3 Fire Engines

| Location | YEAR Built | Age | Replacement 15 YEAR* |
|----------|------------|----------|----------------------|
| E-533 | 1999 | 18 Years | 2020 |
| E-563 | 1999 | 18 Years | 2023 |

*The program implementation will occur when the vehicles are much older than the Planned Replacement Cycle.

Water Tenders

| Location | YEAR Built | Age | Replacement 15 YEAR* |
|----------|------------|----------|----------------------|
| WT-511 | 1999 | 18 Years | 2021 |
| WT-531 | 1999 | 18 Years | 2023 |
| WT-551 | 1999 | 18 Years | 2025 |

*The program implementation will occur when the vehicles are much older than the Planned Replacement Cycle. When Replaced, One Water Tender will be kept in Reserve Status.

Replacement Plan for the Next 10 Years

| Fire Engines | | | Water Tenders | | |
|--------------------|------|--------------------|-------------------|--------------|------------------|
| • Estimated costs: | | | • Estimated Costs | | |
| • E-561 | 2019 | \$615,000 | • WT-511 | 2021 | \$210,000 |
| • E-541 | 2021 | \$625,000 | • WT-531 | 2023 | \$230,000 |
| • E-551 | 2025 | \$650,000 | • WT-551 | 2025 | \$250,000 |
| • E-533 | 2020 | \$400,000 | | TOTAL | \$690,000 |
| • E-563 | 2024 | \$400,000 | | | |
| • E-536 | 2020 | \$120,000 | | | |
| • E-546 | 2023 | <u>\$120,000</u> | | | |
| TOTAL | | \$2,930,000 | | | |

Equipment Needs 10-Year Look

| ITEM | Cost | YEAR |
|--------------------------------------|------------------|--------------------|
| • Self Contained Breathing Apparatus | \$775,000 | 2020-23 |
| • Report/Data Management | <u>\$225,000</u> | 2018 |
| | TOTAL | \$1,000,000 |

TOTAL FLEET/EQUIPMENT CAPITAL

| | |
|-----------------|--------------------|
| • Fire Engines | \$2,930,000 |
| • Water Tenders | \$ 690,000 |
| • Equipment | <u>\$1,000,000</u> |
| TOTAL | \$4,620,000 |

Chief Piechura said when engines are replaced, one goes into reserve status; Chief Kazian said that status is critical to use when other engines are out of service – either for a breakdown or maintenance; Captain Pat Ojeda said SFD is stripped of units frequently and reserves for training and other purposes are also needed.

SFD’s water tenders are agile, quick-response capable, and well-designed, but they are getting old as they are 1999 models and close to replacement; staff has spaced out the replacement over 4 years to help financially; Chief Kazian pointed out we had a 4th water tender at one point that we sold about 2 or 3 years ago considering our response matrix and housing ability. He said the water tender is a dangerous unit to drive because of the weight of the water and poor braking; many line-of-duty deaths involve water tenders. The total fleet/equipment replacement costs are estimated based on today’s prices.

Chief Kazian said if the bond moves forward and after this equipment is all purchased, beyond the 10 to 15 year mark, we would, hopefully, implement the right practices so that SFD would be in a better position to pay/go, although depending on interest rates (if low), we may want to lease purchase capital. Mrs. Maxwell asked if there is a plan on how much per year to put into capital reserves; Chief Kazian said Chief Piechura and Finance are working on that, but it is being predicated on a “no bond” premise; Finance Director Gabe Buldra could provide that information. Mrs. Tanzer pointed out that prior 10-year planning did include

funding for capital expenditures and capital reserve funds to be built up, but decisions by subsequent Boards depleted that fund entirely; taking a bond out now would, at least, guarantee capital needs would be met as that money could not be spent in any other way.

Chief Piechura went through the 10-year equipment needs, as listed. He said Fire Marshal Jon Davis is looking at how we use our Firehouse software to improve it; we want to create efficiencies in paperwork, as well as, good recovery and storage. A 5-minute break was taken.

VI. Discussion regarding options for long-term capital needs

A. Financial options – Pros and Cons

B. Needs to be considered

Chief Kazian said he wants to allow the committee to take over soon; he reviewed financial options— cash/pay as you go, bond, lease/purchase, and levy up to the \$3.25 limit. Mr. Ernster said different numbers have been discussed for a possible bond – \$15 million; less; and more than that. He said we just finished discussion about a \$4.6 million package for apparatus and equipment; he asked if the \$10.4 million remainder would be for the rebuild of Station 4 and Station 3 remodel; Chief Kazian responded the \$15 million was just for a discussion point, but it could be more or less; that is for the committee to determine; he speculated that today’s discussion was for roughly \$5 million, Core Construction estimated \$350 to \$375 per square foot for construction plus grade issues at additional costs; Chief Kazian said for a 12,000 square foot station would be around \$4 million for Station 4; Station 5 is hard to estimate because we do not have specifics, but if it were similar in size to Station 6, it would be about \$3 to \$3.5 million – but we also do not have parameters of a partnership with State Parks yet; he said we can use bond money to build on land we do not own; Chief Kazian said using those amounts, the estimated amount would be \$12.5 to \$13 million using round numbers and that does not include Station 1 renovations or Telecommunication needs (which will be presented at the next meeting). He pointed out just because we list something in the bond proposal does not mean we would have to fund it through bonding; if we have aggressive AV growth, we may do some funding through taxes.

Mrs. Maxwell reiterated that just because we ask for a certain dollar amount for a bond does not mean we would have to spend that much. Mr. McCarthy added there are unknowns, and SFD will need flexibility because things may cost more when it is time to purchase. Mr. Watters recalled there was a discussion about how it may be beneficial to use bond money to pay off Station 6 and if that is beneficial, he pondered what that would add to the bond request amount; he said he would like an itemized list of items under consideration for bonding; Chief Kazian said staff would provide that and the payoff of Station 6 is about \$1.3 to \$1.4 million. The goal is to have a recommendation to the Board at its May 17th meeting, so they would have time to decide if they want to call an election by July 10th. Chief Kazian said we would set the terms of the bond, and write it broadly for capital purchases to have opportunities, instead of earmarking too-specific items. Mr. Ernster said it might be good at the next meeting – without yet knowing the Telecom needs – to have 3 separate alternatives or options for the committee’s decision; he said it would be helpful to see how big the bond would be sized if everything identified as critical for the district were included. Chief Kazian said staff could look at buildings only; all the projects; and a hybrid including adding the Station 6 payoff and have those scenarios for the May 2nd meeting.

Mr. Ernster asked each committee member to answer the question – based on what has been learned over the meetings, does the committee support the idea of a bond election to fund critical projects; each committee member answered affirmatively; Mr. Watters commented he believes the district has proven to this committee that there are significant needs and believes it is more than appropriate to allow the community the opportunity to vote on what their priorities are. Mr. Lillie said he has been enlightened, and although he thought he knew the needs, he was wrong and agrees to bring it to the public. Mrs. Maxwell said she likes the idea of having everyone who lives here participate and help pay for the capital projects, as it is better for the entire community and district. Betty Johnson stated, as a staff member and resident, she believes we do need a bond and it is long past due. Captain Ojeda said he likes the idea of breaking out the recommendation into

options, so the community can give input on the items important to them. Mr. McCarthy said if citizens drive by a fire station and see an engine, they think they have fire service; we have learned it is much more than just having an engine sit in a fire station – it is complex. Mr. Ernster said a bond seems the fiscally responsible approach to funding such critical projects for the district.

Chief Kazian said SFD finds itself at a crossroad and has needs that have not been addressed for many reasons and now, his due diligence as a Fire Chief brought it to the Board, who then decided to engage with a citizens committee; after weeks of research, this committee made up of citizens who volunteered their time – and all citizens who stated interest got to participate – the beauty of a bond is that the citizens get to decide whether or not a bond is the right tool; the Board and Fire Chief have to have a Plan B to fund capital because the needs do not go away just because a bond election may not pass.

VII. Discussion regarding next steps

A. Recommendation to the Governing Board

B. Deadlines

Chief Kazian said Telecom needs will be presented at the next meeting and continue dialogue about the requested number for the bond. He also planned to have the recommendation to the Board before the 17th. Ms. Greer said a written recommendation signed by all the committee members is preferable to give the Board for the record. Chief Kazian said it would also be helpful to give to the citizenry showing the rationale behind the decision. Mr. Ernster said as he is a voting member of the Fire Board, it would be better to have a different committee member present the recommendation to the Board at the meeting, and nominated Mr. Watters, as Vice-Chairman, to do so, as well as have Mr. Watters write the recommendation. Because of the constraints of Open Meeting Laws, workshop time will be provided at public meetings so the Committee can review different drafts of the report and fine-tune it. Chief Kazian agreed and said the report should be more like an executive summary of the process. Firefighter Greg Eberlein stated we would be getting options on different amounts of possible bonds; he also asked the Chief to show what would happen to the mil levy rate if the community does not pass a bond; he feels it is critically important and it does not mean that we do not buy those critical pieces of capital that we need; he feels it is very important for the citizenry to understand as they will be the ones deciding to approve a bond or not.

VIII. Discussion regarding meeting schedule for May

A. Telecommunication needs (Presentation on 4/25/17).

Ms. Greer informed the Committee that SFD is celebrating its 60th anniversary and would be having a picnic for those associated with SFD through the years on Saturday, May 20th; she asked committee members to give her updated contact information for any former members they may know. Chief Kazian said the next meeting will be on April 25th at 9:00 AM, at which time the committee would discuss recommendations or talking points for the Board as well as how we talk to our stakeholders – the public and community groups. Also, Captain Dave Rodriguez will present the next steps in moving towards a possible bond election – if the Board approves same. Chief Kazian stated the committee would probably need to add in some of the alternate dates for meetings on May 2nd at 9:00 AM, May 8th at 1:00 PM, and May 11th at 9:00 AM.

IX. ADJOURNMENT

The meeting was adjourned at 3:00 PM.

Original signed by Tricia Greer

Tricia Greer, Recording Clerk to the Committee

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