



Note: The Board approved these Minutes on 5/28/14.

Sedona Fire District

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PUBLIC BUDGET WORKSHOP AND REGULAR BOARD MEETING
Station #1 – 2860 Southwest Drive – West Sedona – Multipurpose Room
Wednesday, April 23, 2014 / 3:30 PM – Budget Workshop /
4:30 PM – Regular Meeting

~ MINUTES ~

I. CALL TO ORDER/ROLL CALL

Board Present: Ty Montgomery – Chairman; Corrie Cooperman – Clerk;
Nazih Hazime, Scott Jablow, Diane Schoen – Members

Staff Present: Kris Kazian – Fire Chief; Scott Schwisow – Division Chief; Buzz Lechowski – Division
Chief; Gary Johnson – Fire Marshal; Ed Mezulis – Battalion Chief; Sandi Schmidt –
Finance Manager; Tricia Greer – Executive Assistant as Recorder

Others Present: William R. Whittington – Attorney; 4 Citizens

II. FISCAL YEAR 2014/2015 SFD PUBLIC BUDGET WORKSHOP – 3:30 PM

A. FY 2014/2015 SFD Budget Presentation from SFD Staff; Board and Staff Discussion.

Chief Kazian presented a PowerPoint program focusing on the fiscal responsibilities of SFD (*attached*). (*Titles of each PowerPoint slide are provided in the corresponding paragraph below for easy reference.*)

SFD Historical Budget Overview: The mil rate for FY 2014/15 will be \$2.12 or \$2.13, which is down from the last budget workshop projection of \$2.16; \$2.30 to \$2.34 is projected for FY 2015/16 at the upper limits, and Chief Kazian hopes to lower that projection as we get more definitive information.

Responsible Financial Trajectory: This shows the tax levy for several years indicating the amount of capital reserves needed to balance those budgets. Almost \$5 million in capital reserves were utilized in two fiscal years; last year, no capital reserves were used. With dwindling capital reserves, it will be necessary to levy more in taxes to operate, but the budget amounts will only be increasing slightly.

FY 2014/15 Proposed Budget Revenue: This shows the proposed budget revenue. The “super rural bonus” through Medicare has been extended through October 2015, which means we will not have the \$150,000 decrease in our ambulance billing, as previously anticipated; that has been added back into revenues, which helped lower the mil rate. FDAT is projected at the same amount as last year, although that is not definitive.

FY 2014/15 Proposed Budget Expenses: Proposed expenditures for next fiscal year includes wages and benefits; then, capital expense of \$175,000; debt service of \$489,000 for new station and fire truck; \$2.5 million of operating expenses; and \$425,000 for contingency/grants.

The following are the individual sections of the budget.

100 Section (Fire Chief/Fire Board/Pension Board): If there is no election needed this year, the Board could move to reallocate the estimated \$46,000 fee to the counties.

200 Section (Operations): This is the firefighter side of the budget including their step increases and potential COLA. Training budget is a little lower this year, but increases the following year. Chief Kazian commented that staff has spent a lot of time in the FY 2014/15 budget – making cuts to get it as “thin and trim” as possible without making “core cuts”; however, the 2015/16 budget numbers are merely projections as required by law.

He also commented for all sections, that staff will breakout the overtime amounts – not change the numbers – but move them to better be able to manage and truly know how much overtime is spent in each section.

300 Section (Support Services): This includes Administration, Finance, HR, Ambulance Billing, Fleet, and Telecommunications; this budget is up because there have been technical issues previously neglected.

400 Section (Community Risk Management): This includes facilities and construction – and those areas have zeroes for the next two fiscal years, as no construction is planned.

Capital Debt Contingency: Acquisition and construction here also contain no amounts; operational vehicles are included – two vehicles are planned; facilities and equipment debt service are for the station and LifePak. Next year, we have an ambulance and a Type 3 included in the budget, but not listed on this slide.

Sedona Regional Communication Center: This has a \$1.295 million operating budget in our current fiscal year; we have trimmed it down to \$1.1 million through aggressive cuts and changes; SFD is now down to 10 personnel in dispatch plus 1 Geographical Information Specialist.

Healthcare / 5-Year Projection: SFD proactively migrated to a 90/10 HSA/HRA consumer-driven healthcare program to help control escalating costs; we have substantially changed healthcare at SFD and we are projecting \$850,000 in savings; if we had stayed with our current healthcare (represented by the blue line on the chart), it would grow exponentially over five years. It requires more out of pocket expenses for employees. Wellness initiatives are being proposed to help mitigate employee costs.

SFD Budget Future: SFD budget future includes controlled growth at about 4% annually, as a “pillar” in how we manage, lead, and grow our organization; the Board is also committed to responsible budgeting. He mentioned the “forever changing” laws we must keep up with and although the mil rate continues to be something we get phone calls about, it is truly only one component, and we are still well under the levy or the budget of FY 2008/09. We must continue to address needs, such as stations, trucks, facilities, which cannot be ignored by just pushing the burden further down the road; that makes it more difficult to be successful. Chief Kazian referenced back when capital reserves were there for Station No. 6 and if we had paid cash as was planned in 2008 or so, the funds in capital reserves would not have been available to help us with the “soft landing” of our budget, and the levy would have had to be increased or services cut. He said every year, we have carryover because we cannot spend down to the penny our \$13 million budget, which goes back to the philosophy of not spending it just because you have it – we budget for it and if it turns out we do not need it, then funds are carried over; we are trying to be sustainable in our programs. We are waiting for firm healthcare renewal and general liability numbers; Workers Comp cost is locked in; wages and salaries are locked in with the exception of COLA, which is on today’s agenda for decision. Chief Kazian said staff is comfortable proposing \$13,539,524 as our ceiling with healthcare and liability insurance remaining unknown. Our goal is to ask for approval to publish the budget on May 28th, and to have the Public Hearing to approve the budget in June.

Summary: Chief Kazian asked for questions; Board Clerk Corrie Cooperman noticed that the cost for overtime – especially mandatory – had not gone down in terms of projections for the coming year’s budget and the projected 2016 budget – she talked to the Chief about it today, and commented she thought the purpose of the reserve program was to lower overtime and the reserve program has a cost connected; she wanted to make sure the program is worth the effort; Chief Kazian responded the program’s first group has been put through training and they are now working shifts; the second group are just getting released and will soon be ready to work; we will start to see some of the benefits and make sure it truly will work, but must budget those dollars; there have been opportunities lately wherein we would have had to use mandatory overtime for coverage issues if no reserve had been on the schedule. We need more time to assess the true benefits, but he believes it will have a positive impact on the budget. Chief Kazian pointed out daily staffing will not change with Station 6 opening. Board Member Nazih Hazime referenced the Fire Board Section 102 and said he does not need an iPad, so the amount could be reduced; Chief Kazian said it has already been done.

Board Chairman Ty Montgomery asked if a salary study was done, as previously discussed; Chief Kazian said staff has done a preliminary look into a salary study, which is quite labor intensive, and with all the ongoing projects, decided an extensive salary analysis is not yet possible; however, with the work done for the Meet and Confer process, SFD's high/low/median salaries were determined and we did come up with an acceptable barometer. From his perspective, Chief Kazian said SFD is not the highest or lowest paid agency, but in the middle with exceptions for some positions; he feels for this upcoming fiscal year we are competitive, and in the future, we will look into it thoroughly. He then asked the public for any questions, and there were none.

Mr. Montgomery recessed for 15 minutes until the Regular Business meeting at 4:30 PM.

B. Public Comments.

There were no requests from the public to speak.

III. REGULAR BUSINESS MEETING – 4:30 PM

A. Salute to the Flag of the United States of America and a Moment of Silence to Honor all American Men and Women in Service to Our Country, Firefighters, and Police Officers.

Mr. Montgomery led the Pledge of Allegiance and Division Chief Scott Schwisow asked all to honor the eight Firefighters and nine Police Officers killed in the line of duty across our nation since last month's meeting.

B. Consent Agenda – Discussion/Possible Action.

- 1. March 19, 2014 Budget Workshop and Regular Business Meeting Minutes.**
- 2. March 19, 2014 Executive Session Minutes.**

Mr. Montgomery entertained a motion to approve the Consent Agenda, as presented; Mrs. Cooperman so moved; Board Member Diane Schoen seconded and the motion unanimously passed.

C. Public Forum

1. Public Comments.

No one requested to speak.

2. Executive Staff Response to Public Comments.

There was no need for staff response.

D. Business

1. Badge pinning Ceremony: New SFD Engineers and Captains.

Chief Kazian stated Fire Station 6 is opening very soon, and to make that happen, we must have Captains and Engineers, which resulted in these promotions. He noted the district did not have to hire additional personnel to staff the station. Three of the five people promoted have brothers working as SFD Firefighters. Chief Kazian stated appreciation for the spouses and children of all those being promoted. He then introduced the individuals and gave a brief biography of each, as follows:

- Engineer Ryan Fischer lives in Prescott Valley with his wife, Katie, and son, Logan; he started at SFD about 11 years ago along with his identical twin brother, Matt. Since they look so much alike, we call them "Fish". Ryan has lived in Arizona his entire life; his father was an Engineer at Lake Havasu Fire Department for 30 years. His wife, Katie, pinned his badge.
- Engineer Mike Pace was also born and raised in Arizona and graduated from Mingus Union High School. Mike's father worked for State Parks; he and his brother, Joe, who also works for SFD, were Hot Shots in the Prescott National Forest. Mike and his family – wife Renee, and children – Aubrey, Logan, and Carson – live in Prescott Valley. He is one class away from his Associates degree in Paramedicine and was pinned by his son, Logan.
- Captain Mark Beneitone is full of energy, passion, and motivation to do his job. He grew up and lives in Prescott; he played college football, and coached a Division One championship volleyball team. Mark worked as a wildland firefighter and as a Hot Shot in an acting capacity; he and his wife, Montana, have

two children – Chase and Brooklyn; Mark has been at SFD for about 8 years, and holds several degrees including an almost-completed Associates in Fire Science, a Bachelors in Psychology, and is about halfway through completion of his Masters degree. His wife pinned his badge.

- Captain Casey Carr’s brother, Cooper, also works as a SFD Firefighter; both spent time as Hot Shots. Casey had a baseball scholarship. Chief Kazian said he watched Casey working on a fire in the Chapel area and was impressed with his performance. Casey will be placed at our new fire station. He was hired by SFD in 2003 and has also almost finished his Associates in Fire Science; he and his wife, Corrie, have two children – Cameron and Kennedy – and live in Prescott. His mother, Colleen, pinned his badge.
- Captain Eric Lewis has worked hard and Chief Kazian is proud of him. His passion and dedication are inspiring and infectious. Eric (nicknamed “Lewie”) is from the Phoenix area and was a cadet at Glendale Fire in 2003; he started at SFD in 2005; although he was offered a job at Phoenix Fire several years ago, he chose to stay at SFD because of what we have as an organization and that kind of dedication and commitment is what he likes to see in those that lead at SFD; Eric and his wife, Dana, are expecting their first child and Dana pinned his badge.

Each individual was also given the Oath of Office for Engineer or Captain.

2. Discussion/Possible Action: Proclamation for National Public Safety Telecommunicators Week – April 13 – 19, 2014.

Jeff Jennings from the SFD Regional Communications Center (RCC) and Michele Stover, Technical Services Supervisor from Sedona Police Department attended in honor of National Public Safety Telecommunicators Week; Clerk Cooperman said they represent “the folks that will answer your phone when you dial 9-1-1 and also people who take care of the towers that relay your phone calls to them”. Mrs. Cooperman then read the Proclamation aloud. *She then moved to approve the Proclamation, as presented; Mr. Jablow seconded and the motion was unanimously approved.* Chief Schwisow read a prepared statement from Division Chief Buzz Lechowski who manages the RCC and is running late for this meeting, as follows: “The Regional Communication Center dispatches for 11 agencies from Munds Park north of us all the way down to Black Canyon City. In 2013, they dispatched 15,592 incidents. On average, they get 2,400 9-1-1 calls per month and about 4,500 admin calls. All totaled each month, they get 7,000 to 8,000 calls ringing into the Comm Center. They answer those calls and their goal is to answer 99.9% of calls within 15 seconds. They average 99.97% to 99.9% of all 9-1-1 calls answered in that time. The goal is to process that call and go through the questioning and through EMD and dispatch the call within 60 seconds 90% of the time. They meet that goal now. They are truly the unsung heroes. They are the first, first-responders that actually interact with our customers.” Chief Kazian commented our relationship with SPD, our team, and our product is top notch, and we are proud and honored to have the RCC personnel on our team and know how hard they work; he said it has been a long year and we just finished testing for a RCC supervisor position today. He asked Ms. Stover to please extend SFD’s thanks to their Sedona Police Department dispatch team.

3. Discussion/Possible Action: Proclamation for National Administrative Professionals Week – April 20 – 26, 2014.

Mrs. Schoen read aloud the Proclamation for National Administrative Professionals Week. *Chairman Montgomery moved to accept the Proclamation, as read; Mrs. Cooperman seconded and it passed unanimously.* Mr. Montgomery offered his thanks to our administrative professionals at SFD. Chief Schwisow manages Administration and also referred to the Admin staff as unsung heroes who serve with dedication as we trim down budget and staffing, they have always stepped up and taken on additional responsibilities; he said when it’s “crunch time” and management is running around, it is always the support staff behind them picking up the pieces and making sure they look professional and prepared to keep the operation up and running. Chief Kazian thanked all the Admin staff and recognized those attending today’s meeting; he said SFD would not be nearly as successful without their help.

4. Discussion/Possible Action: Proclamation for National EMS Week – May 18 – 24, 2014.

Chairman Montgomery, as a former paramedic and firefighter, proudly read aloud the EMS Proclamation. *He then moved to approve the Proclamation, as written, a second was provided by Mrs. Cooperman, and the motion was unanimously approved.* Chief Kazian said EMS is a very important part of our services and that Paramedicine, which only began in the 1970s, has so quickly evolved. He thanked our Firefighters for all their hard work in providing EMS care in the field. Mr. Montgomery commented the Board appreciates all the employees of SFD.

5. Discussion/Possible Action: Review and Approval of March 2014 Financial Report.

Finance Manager Sandi Schmidt stated we are on track for collections and billing; *Mr. Montgomery then moved to approve the March 2014 Financial Report, as submitted; Mr. Jablow seconded, and the motion unanimously passed.*

6. Monthly Staff Report – Fire Chief Kris Kazian.

- a. Call Summary for Month and Year to Date.**
- b. Calls by Still District Summary for Month and Year to Date.**
- c. Emergency Response Times Summary for Month and Year to Date.**
- d. Regional Communications Center Dispatch Activity for Month and Year to Date.**
- e. Special/Significant Activities and Incidents.**
- f. General Update of Recent SFD Activities, Happenings, and Events.**
- g. SFD Training Report.**
- h. Donations to SFD.**
- i. Update of Grant Activity.**
- j. Correspondence/Thank You Letters to SFD.**

Chief Kazian said significant calls in March included a tour jeep fire on Boynton Pass Road, which the firefighters stopped from spreading into brush; and also a fire in the Village of Oak Creek discussed in detail last month; the origin of this fire was in a garage, created by spontaneous combustion of a finishing product on a rag; he commended the Firefighters on the great job they did with the challenges presented by that fire. He commented SFD is two calls above for the year over last year; he said it is interesting that our interfacility transports have increased substantially, which means taking a patient to Flagstaff or Phoenix takes an ambulance out of service for a significant amount of hours. He said Station 1's call volumes listed include interfacility transports, and once Station 6 opens, we may send some out of other stations to share the load.

He said we continue to receive donations in memory of Paul Ziegler. We just had four Firefighters come off probation, but are still one behind because of a resignation. Board Member Scott Jablow asked if that would be filled from the Reserve list, and Chief Kazian responded that would come from the Firefighter Hiring list. Last month, crews got extensive aircraft and airport training from personnel at the Sedona Airport. Six personnel attended the Arizona Wildfire Academy, and we were able to save \$1,300 in tuition scholarships. Eleven employees attended the Southwest Fire and Leadership Conference in Glendale. Mrs. Cooperman requested to change the average response times as comparison of month to date from the preceding year, which seems more useful. Chief Kazian stated beginning this calendar year, we now take the rescue calls out of the time comparisons, although the Annual Report used last year's method.

Chief Kazian gave the Grant Update, as presented in the report; he said SFD opted out of applying for an ATV grant because it was a low priority, but our current ATV is not designed for the kind of use it gets from SFD, so we are looking for businesses that might be willing to donate. SFD submitted a grant to Arizona Forestry for \$100,000 with a match of \$25,000 for wildland mitigation, which was headed up by Captain PJ Lingley. Chief Kazian met with Captain Lingley, Fire Marshal Gary Johnson, the City Manager, and the Mayor of Sedona to talk about what we need to do to make a difference in wildland fire. The rest of the grants listed have been submitted and are in process; it appears SFD will receive \$12,000 to \$15,000, although it has not been finalized, for the five HazMat gas monitors (we requested \$30,000 to \$35,000), and this is being monitored by Captain Pat Ojeda. Chief Kazian said the Department of Health Services grants will be awarded soon.

The last section of the report is the Communications Center statistics and Chief Kazian noted the total calls are up year to date by 600 calls. He also commented there have been many days recently that our crews have responded to 20 calls. He noted the thank you letters included in the report.

Finally, he informed the Board of the quality of employees that SFD attracts includes the recent group of Reserves; he said on their first day at SFD, they got “the speech” about our customer service expectations, and three weeks later, had the opportunity to help a female resident, and how she had told her husband, who knows Chief Kazian, what a great group they were with integrity and professionalism. He said he is very proud of SFD for those kinds of things.

E. Items from Staff.

1. Presentation: SFD Fiscal Year 2013 Annual Report.

Chief Kazian commented on this year’s nice format – which is more booklet-style. It summarizes Fiscal Year 2013 at SFD with the number of calls, types of calls, budget, and other information. Mrs. Schoen complimented the use of photographs and that the Annual Report was well done; she requested having a number of hard copies of the Report at the Station 6 Dedication Ceremony on Saturday; the Report will be on line at our website.

2. Update: Station #6 and Dedication Ceremony.

Chief Kazian said so many details go into building and designing a project of this nature. He thanked Division Chief Schwisow for being his “right hand man” in the process, as well as Fire Inspector Kevin Sullivan, and also commended Telecommunications Supervisor Bob Motz and his staff for all the technical work they have done at the station. He said this Saturday, April 26th, is our dedication ceremony and we will be serving pancakes to the community from 9:00 to 11:00 AM in substitution of our annual open houses. He credited Firefighter Johnny Sedillo for stepping up as the “pancake extraordinaire” in planning the event. He stated U.S. Representative Ann Kirkpatrick will be at the pancake breakfast, as well as other elected officials. We will open the station after the ceremony for tours, and he believes there is a 98% chance the station will be ready to begin providing service to the community immediately following the ceremony; we are expecting our Certificate of Occupancy and green card from the City of Sedona; however, one issue is installing the telephone notification system for calls. Chief Kazian announced SFD would receive an \$1800 rebate for energy efficiency because of the high efficiency heating units. He reminded the Board to bring items they want included in the time capsule; Mr. Jablow thanked Jim Evans, Chairman of the Citizens Advisory Committee, for the nice letter he wrote regarding the history of Station 6. The Chief commented the station is slated to be under budget. The building was designed specifically as a fire station and will function very well. Chief Kazian informed the Board that the memorial plaque of DPS Officer Bruce Harrolle, who was killed in the line of duty in 2008 in Sedona, would be presented following our dedication ceremony and station tours.

3. Update: Sedona Regional Communications Center.

Chief Kazian reminded the Board that SFD went through the reduction in force process of removing five supervisors to two; we had six employees initially apply, but only two are going through testing today; it is a very comprehensive assessment. The new supervisor will be asked to take on the leadership role through a difficult time. He stated staff met with Cottonwood to discuss who they will be ready to take into their dispatch center under construction and who would be staying with SFD; it was decided that this year, Cottonwood is only taking Jerome, Clarkdale, and Verde Valley Ambulance along with Cottonwood Fire; although they are making good progress, their full dispatch center will most likely not be ready to take additional agencies until July of 2015 at the earliest. He said there are still a lot of unanswered questions, but our highest mission is to maintain dispatch services at the Regional Communications Center (RCC) and the remaining agencies want to stay together, but it remains to be seen where all the agencies will be in the future. SFD was able to cut \$196,000 out of RCC budget, which represents about a 15% reduction, and he feels we are as thin as possible to maintain safe and effective service. He commented he is very happy and proud of our first class dispatcher system, but we must also consider the future. Division Chief Buzz Lechowski, who manages the RCC, stated the testing today is a “reset” for at least one year; and the personnel who work there have not wavered, but continued to give stellar service throughout this challenging, uncertain time.

Chief Kazian said the Intergovernmental Agreements were approved by our Board and sent to the agencies months ago, but the fee page was left blank while it was being determined; Addendum A with the fees is now being provided to the Board. One of our goals was to keep the cost as neutral as possible for SFD, although ours increased slightly, as well as the other agencies. Mrs. Cooperman asked if the new cost per call of \$70 is the amount subscribers will be paying; Chief Kazian said they will pay the amount listed in the “Final Cost” column of Addendum A; the agencies will only pay for their agency calls, not for mutual aid. Mr. Jablow asked if we have the logistics down for mutual aid for our subscribers, as opposed to Cottonwood Dispatch; Chief Kazian said that system is in place.

4. Update: Highway 89A Closure in Oak Creek Canyon – June 2014.

Chief Kazian informed the Board there are response issues in closing down the switchbacks for the ADOT construction. Battalion Chief Jayson Coil has been attending meetings with ADOT to have logistical plans for wildfire evacuation, the roadwork, and other safety, as well as contractual, concerns; ADOT may contract with us to pay our standby rate to have a fire engine on-scene. The Canyon road closure will affect our operations, as increased traffic will be coming through the Village during a busy tourist season. On a positive note, however, it may enable better cell phone coverage in the Canyon by getting a tower company to address the need.

5. Update: Community Paramedic Program.

Battalion Chief Ed Mezulis and Division Chief Lechowski explained this program, which is a very new concept and not fully formed (*PowerPoint presentation attached*). Chief Mezulis presented some ideas on the future of healthcare. He said since SFD has the Certificate of Necessity for EMS for the greater Sedona area, that means we have the first right of providing EMS and transporting patients. In January of this year, the Director of DHS made a position statement to require the format for a community-integrated Paramedicine (CIP) or mobile-integrated healthcare in Arizona. He and Chief Lechowski have been meeting bi-monthly with the State as part of a committee to set the guidelines, based on individual communities. The new Affordable Care Act (ACA) law is designed with incentives to avoid emergency room admissions, and puts a greater emphasis on wellness and prevention programs. He said with ACA changes, SFD is expecting to see an increased utilization of our service as two-thirds of people not currently insured get better access to medical care. He has listened to budget presentations, and understands we must better use the services we have.

Currently, we are restricted by law from taking patients to urgent care or doctor’s offices – just to emergency rooms, but in the future, this may change; we may be part of a program delivering quality healthcare to individuals in their homes on a non-emergency basis; it would increase the value and credibility of our resources to our community; there is the potential for revenue generation for providing in-home care, but it is a “sticking point” right now; one possible future method for revenue would be to use the same coding system for medical billing as hospitals – but there are many “players” that would like to get involved. Predictive analysis is there will be many opportunities for revenue generation because we are not going to be able to increase the service we provide without an ability to fund it. It could also help us better manage our call volume through better partnerships with the hospitals – to better schedule interfacility transports and preventative healthcare. Hospitals are eager to get these programs going because they will start being fined for re-admittance of certain disease processes; so, it is advantageous to strengthen our partnerships to solve some of those issues. For example, SFD could do 48 or 72-hour follow-ups of patients to make sure they understand their discharge orders. There is even discussion of the possibility of private insurance companies paying EMS providers to keep their customers out of the hospital, thus saving insurance money.

Chief Mezulis said over the last 40 years, due to smoke detectors and fire prevention education, fire fatalities have been reduced by 50%; he said maybe we could do the same thing for health issues by being more involved with prevention training in stroke, cardiac, etc., with a more systematic program to keep our citizens in their homes and out of rehab facilities, reduce the amount of “repeat patients” for EMS care, and help hospice patients. The goal is to build a program with our State and to better the quality of life for our community. He said the process and the system of healthcare provision is changing “before our eyes” and now is a good time to think about providing CIP. Chief Mezulis talked about CIP to the president of the hospital and he believes the

hospital is excited to work with us, and we are all definitely recognizing it is critical. Chief Mezulis said the final committee meetings with the State would be held in the next month and a half and they should have the mandate from the State at that time to present to the Board. Chief Kazian said this is all preliminary, but we wanted to let the Fire Board and community know this could be on its way; he believes it could increase our credibility in the community and it presents interesting opportunities; he said staff would be providing more information in the future. Mr. Montgomery commented that having a seat at the table with the hospital would prove advantageous for SFD because the hospitals will drive transitional care, and he believes our organizational credibility is better than private industry providing it.

6. Discussion/Possible Action: Revised and Restated Intergovernmental Agreement with Central Yavapai Fire District and other Arizona Fire and/or School Districts.

Chief Kazian stated this IGA is being considered by Battalion Chief Mezulis as a cost savings, but it is not yet ready for approval. SFD has been watching this group to see how it turns out, and there are some concerns in the IGA, in its current format; he said Attorney Whittington is talking to a group of agencies who are interested in participating and to share the cost of rewriting the IGA; Chief Kazian is not ready to recommend approval and asked for this item to be removed from the Agenda at this time.

7. Discussion/Possible Action: P.O. #8834 to Tessco Technologies in the amount of \$26,588.54 for Telecommunication Equipment.

Division Chief Schwisow said this is for a communication system analyzer monitor, a basic piece of equipment. It was budgeted, and under a GSA contract at the low end of the range of monitors. Chief Kazian said it is needed for FCC compliance for narrow banding. *Mrs. Schoen moved to approve P.O. #8834 to Tessco for \$26,588.54; Mr. Jablow seconded, and the motion was unanimously passed.*

8. Discussion/Possible Action: P.O. # 8837 to Public Safety Systems in the amount of \$19,032.04 for Software Support Services.

Division Chief Schwisow stated this is from the Telecommunications division and is a contract with PSSI to help launch the mobile CAD system; Chief Kazian added that it is a prorated one year maintenance contract until it is launched – for one month in this fiscal year and the rest in next year; it is budgeted. *Mrs. Cooperman moved to approve P.O. #8837 to PSSI in the amount of \$19,032.04; Mr. Jablow seconded and the motion was unanimously approved.*

9. Discussion/Possible Action: Delegation Agreement #06-053 from Arizona Department of Environmental Quality.

Attorney Whittington said he updated Chief Kazian today that the Agreement was sent back for review to ADEQ because it needed some statutory language; although the State will fix those issues, it does not want to get more signatures right now; Mr. Whittington recommended approval. *Mrs. Schoen moved to approve, as presented; Mr. Jablow seconded and the motion unanimously was approved.*

10. Discussion/Possible Action: Cooperative Greater Flagstaff Area Fire Agencies All Risk Emergency Intergovernmental Agreement.

Division Chief Buzz Lechowski said all Coconino County benefitted from the new Flagstaff Fire Chief's review of agreements; although SFD has had an IGA with Flagstaff for some time, this includes better training facility and officers and is an improvement to the older agreement in how to safely share resources. Attorney Bill Whittington commented the contract was substantially improved by Flagstaff, and noticed a few things for clean up to comply with Statute, which are making their way to the Flagstaff City Council; it is almost ready for approval, but no action is needed tonight. Chief Kazian said this underlies the importance of working with our neighbors, especially through the wildland season; he expects this will come back to the Board next month.

11. Discussion/Possible Action: Fiscal Year 2015 Cost of Living Adjustment (COLA) for SFD Employees.

Chief Kazian said the budget is close to being finalized and staff needs to know what number, if any, to use. Our Memorandums of Understanding with the employee groups speaks about using the Western States CPI-U as the mechanism for COLA, and that is actually at 1.6%, with Social Security's 2014 increase at 1.5%. This reflects the increasing costs of living to purchase food, gas, and other necessities. Agencies are returning to giving COLAs to retain employees; he said the cost of not maintaining a competitive environment creates turnover, which is more expensive than giving COLAs. He said the budget presented to the Board includes the amount for a 1.4% COLA, and that is management/labor's recommendation, but it is the Board's decision to make; if approved this would be a 1.4% increase to each employee's salary amount. Additionally, Chief Kazian said the current paramedic incentive pay is \$2.03, and through negotiations, we came to an agreement with labor to slightly increase that amount based on the large volume of our business being medically based.

Mrs. Schoen stated the amount of increase to all salaries by 1.4% is miniscule and we all go to the store, we all buy gas, and we all see the increases every day; she agrees with management's recommendation. Mr. Montgomery said he figures it is about \$75,000 in the \$13 million budget. Mr. Jablow stated he believes we should do what little we can to retain the great firefighters we have; Mr. Montgomery commented the turnover cost of replacing several firefighters is much greater than \$75,000. Mrs. Cooperman said, last month, she asked to have comps in terms of salary with similar agencies, and the Chief gave her information showing we are not below average, and she feels comfortable with the 1.4% COLA. Chief Kazian said as the head of this organization, he believes we have a competitive benefit package for our membership, and if the Board approves a 1.4% COLA, that sends a message that we want to maintain our highly capable personnel and our very good service comes at a cost. Mrs. Schoen said it creates a feeling of loyalty, and makes other people want to work here; she said the Board, as well as the community, values the excellent service SFD provides. Chief Kazian said all employees would get this message loud and clear, and there is no expectation that this is a "have to", but rather that the Board recognizes inflation and the need to maintain good employees. Mrs. Cooperman said along with this, though, we must keep an eye to how much the budget is being raised. Mr. Montgomery pointed out with a roughly 4% increase to the budget, we have built a fire station, purchased necessary equipment, and given a COLA. *Mrs. Schoen then moved to approve a Cost of Living Adjustment for all SFD employees in the amount of 1.4% effective July 1, 2014; Mr. Jablow seconded and the motion was unanimously approved.*

F. Item from Board Chairman Ty Montgomery.

1. Monthly Update: Fees for Legal Services Provided to SFD.

Mr. Montgomery commented that although March had a high amount of legal fees, we are still substantially under budget and on track.

IV. FIRE MARSHAL'S SAFETY MESSAGE

Fire Marshal Johnson asked the audience to pay attention to safety; regarding the recent Village of Oak Creek fire, although linseed oil is inherently safe, the applicators used to apply it are combustible; he asked everyone to put those types of refinishing oil applicators in a full can of water after use, as water breaks down the material and reduces hazard. The recent fire on Red Rock Loop Road was started in a barbecue grill, which although it was properly installed, the owner did not pay attention to the debris built up inside; he asked all to take a good look inside the grill before lighting a fire.

V. ADJOURNMENT

The meeting adjourned at 7:00 PM.

Original signed by Corrie Cooperman

Corrie Cooperman, Clerk of the Board

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