



Sedona Fire District

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PUBLIC BUDGET HEARING AND REGULAR BOARD MEETING
Station #1 – 2860 Southwest Drive – Sedona – Multipurpose Room
Wednesday, June 17, 2015 / 4:30 PM
~ MINUTES ~

I. CALL TO ORDER/ROLL CALL

Board Present: Ty Montgomery – Chairman; Nazih Hazime, Scott Jablow (Acting Clerk) and Diane Schoen – Board Members

Board Absent: Corrie Cooperman – Clerk

Staff Present: Kris Kazian – Fire Chief; Scott Schwisow – Division Chief; Gary Johnson – Fire Marshal; Sandi Schmidt – Finance Manager; Jane Witt – HR Manager; Tricia Greer – Executive Assistant/Recorder to the Fire Board

Others Present: Bill Whittington – Attorney; 1 Citizen; Ron Eland – Reporter, *Sedona Red Rock News*

Board Chairman Ty Montgomery called the Session to order at 4:30 PM.

II. FISCAL YEAR 2015/2016 SFD PUBLIC BUDGET HEARING – 4:30 PM

A. Salute to the Flag of the United States of America and 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 remembered the 10 Firefighters and 9 Police Officers who died in the line of duty in our nation since the May Board meeting.

Mr. Montgomery then opened the Public Budget Hearing.

B. Public Comments – Re: Fiscal Year 2015/2016 SFD Budget; Staff Response.

Mr. Montgomery asked if any member of the public wished to speak regarding the Fiscal Year 2015/2016 SFD budget; no member of the public requested to do so; he then closed the Public Comment section.

C. Discussion/Possible Action: Resolution #2015-02, Approval of Fiscal Year Budget 2015/2016 including the Salary Scale.

Mr. Montgomery moved to approve Resolution #2015-02, approval of the Sedona Fire District Fiscal Year 2015/2016 budget, as presented, at \$15,140,465; Board Member Diane Schoen seconded. Mr. Montgomery asked if the Board had any discussion; as there was none, *Mr. Montgomery called for the vote which passed at 4 to 0.* Board Member Nazih Hazime thanked Fire Chief Kris Kazian and staff for their involvement during the budget process and providing all the facts and numbers, as well as answering the Board's questions. Chief Kazian said staff's goal is to provide a sustainable budget for necessary, logical core services; he said this is the "bare bones, nuts and bolts"; staff worked hard to identify the things needed in the budget to operate effectively, and the contingency for unanticipated items. Chief Kazian expressed his appreciation for the acknowledgement of staff's involvement in the budget process. Mr. Montgomery commented the Board is impressed with how fiscally responsible staff has been and appreciates its excellent work on the budget preparation. He then closed the Public Budget Hearing.

III. REGULAR BUSINESS MEETING

A. Consent Agenda – Discussion/Possible Action:

- 1. May 7, 2015 Special Meeting Minutes.**
- 2. May 20, 2015 Executive Session Minutes.**
- 3. May 20, 2015 Public Budget and Regular Board Meeting Minutes.**

Mr. Montgomery moved to approve the Consent Agenda, as presented; Board Member Scott Jablow provided a second and the motion was unanimously approved at 4 to 0.

B. Public Forum:

- 1. Public Comments.**
- 2. Executive Staff Response to Public Comments.**

No member of the public requested to speak and there was no staff response.

C. Business:

- 1. Discussion/Possible Action: Review and Approval of:**
 - a. May 2015 Financial Report.**

Finance Manager Sandi Schmidt said there were no concerns with what is presented in the Financial Report. *Mrs. Schoen moved to approve the Financial Report of May 2015; Mr. Jablow seconded and the motion unanimously passed.*

- 2. Monthly Staff Report – Fire Chief Kris Kazian.**

- a. Incident Counts by Station.**
- b. Call Summary Year to Date.**
- c. Update of Special/Significant Activities and Incidents.**
 - i. Recognition of Firefighter Cooper Carr for off-duty Code Save at Whiskey Row Marathon Event.**
 - ii. Appreciation for Yavapai College Fire Certification Instructors and Certificate of Recognition for SFD as a Community Education Partner.**
- d. General Update of Recent SFD Activities, Happenings, and Events.**
 - i. SRCC Migration Update.**
- e. Community Risk Management Update.**
- f. SFD Training Report.**
- g. Donations to SFD.**
- h. Update of Grant Activity.**
- i. Regional Communications Center Dispatch Activity for Month and Year to Date.**
- j. Correspondence/Thank You Letters to SFD.**

Chief Kazian said there were two burn permit events on May 19th addressed through Community Risk Management, and reminded people to follow the burn permit rules, as it is in the interest of public safety.

He reported there were 412 total incidents in May, which is a significant call volume. Mr. Montgomery asked how many interfacility transports occurred last month; Chief Kazian said we are not showing interfacility transports separately, as they are included under Rescue and EMS, although we could use a sub-code to retrieve those; he reported interfacility transports are still tracking at a steep rate. He said we are continuing from the EMS side to monitor and manage transports, but some are out of our control with staffing issues at the hospital; Mr. Montgomery stated we may have to come up with a solution if it continues to trend up. Chief Kazian said next month, the Board would receive a purchase order for new ambulance costs including patient loading safety devices to help transports. He said there are increasing numbers of transports to Phoenix between 11:00 PM and 3:00 AM, and we are working to address the safety of these late night calls, and determine if non-emergency transports are necessary at that time.

Chief Kazian announced NAH community partners selected SFD to receive five medication boxes, which saved us \$2,625 from the budget. He reported production on the wildland video continues and noted Fire Inspector Kevin Sullivan's work on this project. Mr. Hazime said he had updated the advisory board of the Community Foundation in the status of this video; Chief Kazian thanked him and said we would follow up with the advisory board once we have determined the funding of the grant. Chief Kazian said the video conferencing grant is exciting and we will be getting enhancements for upgrades to the system. He said CRM has had an increase in inspections and remain very busy; there are several significant construction/renovation projects in the community. He recently read an article on the increasing bed taxes in Sedona and our area traffic remains very busy.

Chief Kazian gave Training highlights – swiftwater training held every three years was last month with several other Verde Valley agencies; typically, in the past, these trainings were held in California, but because of the drought, the Team went to Durango. There was a multi-agency ladder operations drill at Cliff Castle Casino recently, and nighttime drills with neighboring departments. Staff received defensible documentation training to alleviate litigation, which is a nationwide problem. He noted that Casey Carr, Mark Beneitone, Todd Miranda, and Matt Fischer recently finished Associates degrees in Fire Science; one SFD Firefighter, on his own through the GI Bill, became a helicopter pilot. Donations for the month of May totaled \$521.

Chief Kazian noted SFD is committed to furthering its pool of resources and referenced the Certificate of Recognition SFD received from Yavapai College to honor our SFD adjunct instructors including Mark Rippy, Matt Fischer, Jarret Tarver, Buzz Lechowski, Todd Miranda, Ed Mezulis, Ryan Fisher, and Gary Johnson; he also acknowledged Ed Fischer (retired Firefighter and the father of SFD Firefighters Matt and Ryan Fischer) for his work at Yavapai College. These individuals give of their own time and energy and are dedicated to better the fire service. Also, Chief Kazian recognized Firefighter Cooper Carr for helping in an off-duty cardiac save of a gentleman running the Whiskey Row Marathon in Prescott.

The Sedona Regional Communication Center (SRCC) migration continues; it is complicated, so there are challenges, but they are being worked through. Chief Kazian reported Verde Valley Fire is expected to migrate out of the SRCC to Cottonwood dispatch center in early July; Camp Verde and Montezuma-Rimrock Fire Districts will migrate around August 1st; we have signed IGAs from Mayer and Black Canyon City to stay with SRCC through September 1st; Pinewood Fire will migrate June 30th; we will see a dramatic decline in SRCC's call volume as these agencies leave. He acknowledged the valuable opportunity for Cottonwood dispatch personnel to learn from our trained Communications personnel; there are four or five personnel through initial training and soon, they will be able to help SRCC personnel dispatch – with another three to five personnel coming soon.

Division Chief Scott Schwisow acknowledged the outstanding work of GIS Specialist Tammy Schuerman in moving the Public Safety Answering Points (PSAPs). Additionally, he noted our SFD dispatchers have been very professional and continue to provide good customer service during this migration. Chief Kazian informed the Board the PSAP issue is wrapping up for SFD; he said the Coconino County Sheriff, Sedona Police Department (SPD), and Chief Schwisow all met and decided to keep Oak Creek Canyon in Coconino County's dispatching; all parties are open to further discussion; SPD is working to get the Sedona PSAP ready to run correctly; he said it is a mutual agreement that makes sense for them and is pretty standard in the business; it will require some SFD calls be transferred to another agency, and hopefully, that will be as quickly as possible. He then asked if there were any questions.

Mr. Jablow asked about the Station 6 fire danger sign. Chief Kazian responded the company is coming next Wednesday to finish. Mr. Jablow also asked the status of restricted parking lot signs; Chief Kazian said SFD will put a chain across with a reflective sign to restrict the thoroughfare, and it will be a simple unhook, if any of the organizations need to use it. Chief Kazian also noted an event that did not make the Report was a spill at the corner of SR 89A and Lower Red Rock Loop Road when a truck with 3,300 gallons of emulsifier tipped over; our crews did an amazing job digging dikes and dams to keep the substance out of the waterway. Also, several thank you notes were included in this month's report.

D. Items from Staff:

1. Update: SFD Community Paramedicine Pilot Program Update.

Battalion Chief Ed Mezulis updated the Board on SFD's Community Paramedicine program pilot which is now approaching six months. SFD has worked hand in hand with Verde Valley Ambulance Company, Northern Arizona Healthcare, and dozens of other agencies including hospice and home health groups for two specific diagnoses to follow; to date, we have had three patients accepted into the pilot in the Sedona area at the hospital – with follow-up, two felt comfortable enough with their care without SFD and one we have been working with and sticking to the medical issues we initially identified; her issues were mitigated quickly. He said in discussion with our Chiefs, SFD chose not to expand the scope of disease

processes; looking at our numbers and frequent users, we could have “beefed up the numbers”, but chose not to do so since the pilot was defined. He said another unexpected variable has been the rising number of calls for Technical Rescues and interfacility transports trending since January. Going forward, SFD will be comfortable adding a couple of other disease processes; the State of Arizona has many different pilot programs on-going to try new methods; this program is not yet defined. Chief Mezulis said all work has been done on shift with no overtime; we will get better data and better methods. He said the program has been mistakenly identified by companies as competition, but we do not want to take over home healthcare; we want to keep pace with what the State is doing and continue looking at our process, and if dramatic changes happen in pre-hospital EMS, SFD will not be left behind.

Chief Kazian said he asked Chief Mezulis to look at processes and frequent users and bring them into the fold, but without overextending ourselves and using already very busy on-duty personnel. We need good data to evaluate what makes sense for us, which could take two years for the program to blossom in the State. He said they would like to update this program again in six months to show data and costs, if restructured. Chief Mezulis said there are lots of opportunities, but we are being cautious and rolling out slowly to not overextend or deliver a poor product. Verde Valley Medical Center has specific agreements with Verde Valley Caregivers and Chief Mezulis is learning more about what the agreement entails. He stated across the country, many home healthcare companies are afraid of community paramedic programs; there is a way for pre-hospital to bill with a no-competition clause under argument. Once we take the time to explain the product, companies have a better understanding. Competing hospice agencies have gotten more information from SFD and even provided training to us on hospice care available in the Verde Valley. He said a coalition of agencies is working to establish ground rules and code of ethics to address home health and re-admission problems thoughtfully, without “stepping on each other’s toes”. Mr. Hazime clarified the program has not cost SFD any money; Chief Mezulis said, “no” as we schedule visits on duty. He said after speaking to Chief Kazian, his intention is to increase the scope of the program to model what other parts of the state are doing, but without costs.

2. Discussion/Possible Action: Intergovernmental Agreement for EMS Billing Services between Mayer Fire District and Sedona Fire District.

Chief Kazian said this would be SFD’s third attempt to provide EMS billing services to other agencies; this one is an IGA to Mayer Fire District; the first two proposals were to Black Canyon City and Montezuma-Rimrock/Camp Verde using the same IGA modified for each agency. Attorney Bill Whittington made a couple of recommended changes. Chief Kazian believes alternate revenues are a great concept, but there are not too many opportunities out there; we want to make sure our proposal makes sense and works well for SFD operations – it needs to improve our efficiency and have a benefit to SFD. He said this proposal includes hiring a part-time employee to help our current staff and pay for that entire cost, as well as net SFD about \$15,000 to \$20,000 annually in alternate revenue.

Mr. Montgomery noted the large increase in call volume with the majority in EMS, which corresponds to the increase in billing workload. Chief Kazian stated another “con” is we just approved a budget without this position because Mayer did not propose it until recently, so we would have to allocate funds from contingency to fund the position; however, we will see additional revenue on the other side of the balance sheet. Mr. Jablow commented with increasing workloads, there could be more of a need for the part-timer in the future; Chief Kazian said Mayer does about 850 EMS calls a year. Mr. Montgomery commented our billing section is one of the few that pays for itself. Mr. Jablow said he is concerned it would cut into SFD’s profits; Chief Kazian said this is a projection with variables, but there will be a net positive for SFD – although it could be more or less than \$15,000 to \$20,000. Chief Kazian said the part-time person will be limited, by law, to 28 hours or less without SFD providing insurance. He said the Board could approve the IGA today with legal counsel’s recommendation; the IGA would then go to the Mayer Fire Board for its review and approval; he said there is also a Consent that needs approval for Mr. Whittington to work for both agencies; we asked Mayer to let us know by July 15th if they are interested in going forward because there are things that must be done on our end.

Chief Kazian said the Mayer Fire Chief is very interested to see the IGA. Mr. Whittington commented if the Board approves the IGA, he recommends they do so with modifications by legal counsel and approve the Consent and Waiver in the form previously provided by counsel. Mr. Montgomery said he is fully in favor of this to improve revenues, and also because our SFD personnel do such an excellent job in this area and our collection rate is above average. Chief Kazian commented other neighboring agencies had signed on with different companies and does not know those terms, but he believes efficiency is the most important, and this supports the concept of fair and equitable shared services. *Mr. Montgomery moved to approve the IGA with Mayer Fire District for EMS billing service, as submitted by legal counsel, and the Consent and Waiver; a second was provided by Mr. Jablow and the motion unanimously passed.* Chief Kazian said Mayer would let us know its decision.

3. Discussion/Possible Action: Board Policy #2015-01, Governing Board Vacancy.

Chief Kazian stated this Board Policy sets a standard procedure for a selection process to fill any future Governing Board vacancy; currently, SFD follows State Law, but the procedure is not very specific. Executive Assistant Tricia Greer added that if the Board approves the Policy, it will also be changing Rule 19 of its Rules of Procedure to reference Board Policy #2015-01. *Mr. Jablow moved to approve Board Policy #2015-01, as presented, for filling Board vacancies; Mr. Hazime seconded, and the motion unanimously passed.*

4. Discussion/Possible Action: Purchase Order #9793 in the amount of \$30,546.38 to PSSI for Software Support for Mobile CAD.

Division Chief Schwisow said PSSI is the vendor for our computer-aided dispatch system, which we will not need after dispatch migration, and we have an annual support program with them along with records management system and mobile data terminals; during the budget process, it was determined PSSI has a one-year stipulation; Telecommunications Supervisor Bob Motz continued to negotiate with PSSI for about two months up to the level of President in order to reduce the agreement to a six-month commitment saving \$28,722 off the year contract for SFD; even though we are moving dispatch to Cottonwood, we still need to back-up records and store them, so it was a win for us. This purchase order is a budgeted expense; Mr. Montgomery asked if it was budgeted at \$60,000 and Chief Kazian said, “yes”. Chief Kazian said this was a lot of work for Mr. Motz and he did not give up; it is another example of SFD staff’s commitment to not just “roll over and cut the check”, but to make sure expenses make sense. *Mr. Jablow moved to approve PO #9793 to PSSI in the amount of \$30,546.38; Mrs. Schoen seconded and the motion was unanimously approved.* Mr. Montgomery thanked staff and Mr. Motz on behalf of the Board and the taxpayers for making this happen.

5. Discussion/Possible Action: Payoff amount of \$86,508.68 to Zion’s Bank for the balance of the 2013 Pierce engine.

Chief Kazian stated last budget year, SFD purchased a demonstrator engine, currently at Station 1, through a three year lease purchase, but last year, knowing what we would be budgeting this year in capital, we wanted to pay this off in this fiscal year; it is budgeted funds and savings for early payoff is only \$432, but it will help us; if approved, the check is ready for Board signature and to send to Zion’s Bank. *Mr. Jablow then moved to approve payoff in the amount of \$86,508.68 to Zion’s Bank for the balance of the 2013 Pierce engine; Mr. Hazime seconded and the motion unanimously passed.*

6. Discussion/Possible Action: Workers Compensation Insurance Coverage.

Chief Kazian said, as has been previously discussed, a change of Workers Compensation insurance provider caused a significant dollar amount to be allocated from contingency to pay the premium; Workers Comp insurance was previously provided by a sole source company through the State, formerly called SCF and now, CopperPoint, which was the agent and provider; the State Department of Insurance determined that was not appropriate and gave the brokerage side of business to four vendors in the State of Arizona; SFD was given to a company called Minard Ames, with which we have recently met; SFD worked with the same customer service representative when she was with CopperPoint, who is now with Minard Ames; during our renewal, at one point, it was said SFD may be going from \$300,000 to

\$400,000 or even \$500,000 premium; our customer service rep successfully navigated with the underwriters to explain SFD's perceived risk was incorrect and revolved around one specific, uncommon Workers Comp claim; this, essentially, saved SFD \$100,000 to \$200,000 in premiums.

In the meantime, another vendor approached SFD trying to start a business, but without yet having its brokerage license, and without customers; we worked with them diligently to get a valid quote, but it came in late and the vendor could not provide enough data. Staff recommendation is to renew with Minard Ames through CopperPoint; SFD will be working with another one of their customer service reps that seemed very knowledgeable to advocate for SFD. The premium is an estimation based on payroll and requires a yearly payroll audit. This item does not require a motion from the Board since we would be staying with the same vendor and it is budgeted.

Mr. Montgomery said Workers Comp is a huge exposure and agrees it is not the time to go with an unknown agency. Chief Kazian said we have struggled a bit with customer service issues, of which we have made the new company aware; he said every employee is coded in a book of classifications by the likelihood of their position being injured; in the past, they only had two codes for SFD – either a Firefighter or Administrative employee, and we have positions that should be coded differently as they are not High Risk like Firefighters or Low Risk like Administration; many districts are stating this does not seem right, so there is a national coalition of insurance pushing to evaluate and change the codes appropriately.

E. Items from Board Chairman Ty Montgomery:

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

Mr. Montgomery updated the Board that legal fees for May were \$1,241 which is about \$26,000 under budget for the fiscal year; Chief Kazian noted there was a legal bill for another attorney working for the district of \$3,885; Mr. Montgomery then corrected his previous statement that we are about \$22,000 under budget in legal fees; Chief Kazian said this means SFD has cut its legal bills in half from the year 2012, and several other reductions in the ensuing years; we should be about \$40,000 in legal fees for this fiscal year with a budget of \$60,000; he commented with the many technical and legal issues ongoing currently, Mr. Whittington and our staff have worked hard to reduce costs.

IV. FIRE MARSHAL'S SAFETY MESSAGE

Fire Marshal Gary Johnson reminded everyone to protect our skin in the sun and stay hydrated this summer with the high heat warnings.

V. ADJOURNMENT

The meeting adjourned at 5:45.

Original signed by Corrie Cooperman

Corrie Cooperman, Clerk of the Board

:tg