



# Ponderosa Fire District (PFD) Governing Board

## Regular Board Meeting Minutes Thursday, Dec 19, 2019

At location PFD Station #81  
1511 Spring Valley Road, Parks, AZ 86018

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### Handout 5.a.

1. **CALL TO ORDER/ROLL CALL** – Chairman Marina Mitchell called the regular board meeting to order at 6:12 pm.

Present –

Marina Mitchell, Board Chairman  
Carey McDonald, Vice-Chairman - *(Phone In)*  
Ryan McKay, Clerk  
Julie Mabry, Member  
Mark Christian, Member

Lee Antonides, Fire Chief  
Kristy Seifert, Office Manager

2. **PLEDGE OF ALLEGIANCE** – Lead by Chairman Mitchell.
3. **INTRODUCTION OR PRESENTATIONS** – None
4. **CALL TO THE PUBLIC** – Ms. Kate Mahady, Attorney with AWD Law in Flagstaff, AZ has asked to speak regarding item 9.d. Chairman Mitchell moved Item 9.d. of new business up on the agenda as a courtesy to Ms. Kathryn Mahady, Attorney and representative of Mrs. Frances Wardell whom is the personal representative of the Estate of Richard J. Stevenson.

**Item 9.d. - Discussion and possible action regarding attorney letter requesting discount related to invoice for Incident #19-00213.**

Discussion: Ms. Mahady stated that she is the probate lawyer and attorney for the personal representative for the Estate of Richard J. Stevenson. Ms. Mahady stated that in her position she does not ask for the details regarding why Mr. Stevenson passed away and only assumes it was in connection with the fire at his residence. She stated that Mr. Stevenson was a long time Parks resident that passed away this summer and is buried at the Camp Navajo Veterans Cemetery. Ms. Mahady was present at the meeting to represent Mrs. Frances Wardell, the personal representative and mother of the deceased. She stated that the Wardell's have the utmost respect for the Fire Service and the work that the crews do to protect and serve the community as well as the work they did to protect the property. She stated that they are asking for a reduction in fees. She stated that it is with total shock that they have not found any records of home owners insurance regarding Mr. Stevenson and his property. Ms. Mahady stated that they have cleared out all his property and have researched all they can in search of multiple insurance documents, etc.

Clerk McKay asked if Mr. Stevenson had a mortgage on the property.

Ms. Mahady stated that there was no mortgage, otherwise it would have been required to maintain homeowners insurance.

Clerk McKay asked if there was much of an estate left.

Ms. Mahady stated that the main thing in the estate is basically the land and there truly is not a lot

of assets left at all.

Chief Antonides asked Ms. Mahady if there was a specific number or amount that the family was looking for or able to afford.

Ms. Mahady stated that the family was asking to settle on \$3,500 dollars because that is what they can afford to pay now and it is not meant to be disrespectful in anyway.

Vice-Chairman McDonald asked Ms. Mahady how the family came up with that amount.

Ms. Mahady stated that it was basically based on what the family could pay or could afford to pay at this time.

Vice-Chairman McDonald stated that it has been the general policy of the Board to stay hard and fast on the fee schedule and what is billed out of respect for our tax payers of the district.

Member Christian stated that he cannot imagine the grief the family must be going through with such a sad situation. Member Christian stated that he is also aware the board is here to serve in the best interest of the community. Member Christian stated that he has no other questions to ask and is willing to accept the families offer as it stands.

Vice-Chairman McDonald was not ready to accept their offer and would like to discuss it in more depth with the board members in effort to strike a better balance between the offer and what the tax payers of the district deserve.

Ms. Mahady stated that she understands the awkward situation the board is in and understands if the board needs further discussion on the item that she has left her contact information so staff may contact her when a decision has been made. The Board Members agreed.

**Action:** Clerk McKay made motion to recess item 9.d. and discuss further at the end of the meeting. Member Mabry seconded the motion. Vote was unanimous.

**5. APPROVAL OF MINUTES -**

- a. **Review of Regular Board Meeting Minutes for Thursday, November 21, 2019.** – Stand approved as written.
- b. **Review of Special Board Meeting Minutes of Thursday, December 12, 2019.** – Stand approved as written.

**6. FINANCIAL REPORTS –**

- a. **Discussion and possible action regarding financial reports ending November 30, 2019.**  
*(Kevin Stephens, Founder)*

Discussion: Paul Fox, CPA with Stephens and company briefed the board members on the financial reports ending November 30, 2019. Mr. Fox stated that the department ended November with just under \$600k in cash. He stated that October and November are good months of income and the department builds back that buffer. He stated that the general fund is roughly \$317k, the capital fund is approximately \$77k, and the Station 82 sub capital fund is just under \$200k. Mr. Fox stated that the department still has a due to and due from balance of \$100K from early in the year.

Mr. Fox stated that if the Board looks at the one and three month comparison spreadsheet they would see the expenses are fairly typical for the month. The percentage of the budget is also



typical for this ending report and show approximately being 35% through the budget.

Mr. Fox stated that when looking at the projections of cash flow spreadsheet it will show the Boards conservative approach with the basis of the budget being FDAT income and not budgeting for any Out-of-District billing or potential wildland income. He stated that payroll and operations are usually the most significant costs.

Chief Antonides stated that he wanted to thank Stephens and Company and Brie especially for all the hard work they have done for our department.

Vice-Chairman McDonald asked if Mr. Fox could give the department and Board a brief explanation on the bookkeeping system.

Mr. Fox stated he is happy to give an explanation and will also leave his contact information with Chief so that if there were any questions the Board can send them on. Mr. Fox stated that the system they use for our department is QuickBooks which is a standard accounting software program that a lot of smaller entities use. Mr. Fox stated that the department cash is kept with the County and once per month Stephens and Company receive a report from the County and they perform their reconciliations. Mr. Fox stated that the two main parts are payables and payroll. He stated that Erin does a lot of work preparing the invoices and payables on the front end and send that over to Brie and she enters that into our QuickBooks system and then she can cut the checks or the warrants that we get through the County. Every year we receive new warrants and have to shred the old ones for security purposes. There are security measures and control points in place. Mr. Fox stated that they will send a positive pay upload to the County so the County will know that there is a list of all the checks that are going to clear so they know what is happening. He stated Chief or staff will come to the office and pick up the checks and he will have at least two Board Members sign each check that goes out. Mr. Fox stated that Kristy and Erin will prepare the payroll up front with timecards and any deductions that should happen and they will give that information to Brie and she uploads that to QuickBooks. He stated that they send that back to Chief and Kristy for final review and once payroll is blessed, then Stephens and Company process and send that over to the County. Mr. Fox stated that that was basically an over view of what they do and the processing behind everything.

The PFD Board had no other questions and was satisfied with Mr. Fox's presentation.

**Action:** Clerk McKay moved to accept and approve item 6.a. regarding financial reports ending November 30, 2019. Member Mabry seconded the motion. Vote was unanimous.

The Board went into recess at 6:54 p.m. for approximately 5 minutes.

Meeting resumed at 6:58 p.m.

**7. OLD BUSINESS - None**

**8. CHIEF'S SUMMARY AND REPORTS –**

**a. Annual number of calls to-date and incident reports (response update). (Chief Antonides)**

Discussion: Chief Antonides stated that year to date the department has had 345 requests for service, which was up 21 from last year at this time. Since the last board meeting, the crews have run 21 calls so it has been a busy month. He stated there were no significant calls to mention that were out of the ordinary. The department training this month is primarily hazmat response, detection & monitoring and GFR will start back up after the first of the year.



Chief Antonides stated that the PFAC had no meeting in December and the PAC will meet again in March. He stated that was all he had for updates regarding committees since they are basically stalled through the holidays.

Chief Antonides stated that the Fuels Crew is still working on the HVR 19-303 grant which is the 100% grant that covers 53 acres in the Parks area and the crew has completed approximately 95% of that and we expect them to finish in mid-January. Chief Antonides stated that there have been 2 subscriptions pending since the last board meeting that came to approximately \$1,885.13. He stated that the status of developments is fairly unchanged. He stated that Capstone is approximately 86% complete for the phase three. Capstone is underway for Phase IV with construction on subgrade, underground utilities and road construction has started.

Chief Antonides stated that he informed the folks in San Diego that regarding the contract for NOFS, the department is still interested and anxiously awaiting approval however the department can no longer provide service without a contract and any future calls will be billed since we have been waiting for over a year and a half. Chief Antonides stated that the department has received some money from the wildland assignments however there is still more to come. Chief Antonides stated that regarding ongoing maintenance that Staff has ordered new tires for Engine 821 and there is still a need for new tires on the Assistant Chief Truck but holding off on that until more wildland assignment money comes in since we are currently over budget on maintenance.

Chief Antonides stated that since last board meeting there was approximately \$746 dollars deposited to the general fund and \$23,187.43 deposited to the Station 82 fund. Chief Antonides stated that he discussed the contract with John Sutherland and the schedule for sending us checks.

Chief Antonides stated that he has received two proposals for the design and buildout of Station 82 addition. He stated that it is an item on the agenda for discussion and possible selection of a contractor for the Station 82 expansion.

Chief concluded his report. The Ponderosa Fire District Board Members were satisfied with the Chief's Report and had no other questions. The Chief's Report is also available to the district board and the public for review at the board meetings and thereafter.

#### 9. NEW BUSINESS -

- a. **Discussion and possible action regarding transfer of \$7,356.00 from PFD General fund account to the PFD Station 82 Sub-Capital fund account. (Manager Seifert)**

Discussion: Manager Seifert stated that we have had prior discussions regarding the need to have minutes to accompany any request to transfer money. She stated that this is that one deposit that was mistakenly deposited to the General Fund instead of the Capital fund. If approved and the transfer is complete, then every Capstone deposit should be in the Station 82 sub capital fund account.

Action: Clerk McKay moved to approve item 9.a. regarding transfer of \$7,356.00 from PFD General fund account to the PFD Station 82 Sub-Capital fund account. Member Mabry seconded the motion. Motion passed unanimously.

- b. **Discussion and possible action regarding St. 82 Capital Fund balance and selection of Contractor Bid for Station 82 expansion project. (Chief Antonides)**

Discussion: Chief Antonides asked the Board if they had any questions regarding the Contractor



Bids and interviews that were held last week.

Vice-Chairman McDonald stated that he had asked his sister-in-law to take a look at the proposals since she works for an engineering firm and was waiting for her opinion regarding the bids and requested to defer this item to next month.

Clerk McKay asked if she was going to look over both bids. Vice-Chairman stated affirmative and that she has a way of checking pricing and specs for the building and there is a software program that she has access to for calculating costs. Mr. McDonald stated that she does this kind of thing every day.

Member Mabry asked if there was a time limit on the proposals and if the board takes too long to decide on one if the Board will lose the bid.

Chief Antonides stated that the proposals are good for 90 days and we may be coming close to that time frame. There may or may not be a requirement to have to submit a new request for proposals if we run into that time limit. Chief Antonides stated that Sarah Benetar from the County Treasurer's office said there are options for financing through the County that may benefit the department. He stated that if the Board Members would like him to contact her and see if she could attend the next board meeting to elaborate on our available options for financing.

Member Mabry stated that her concern with waiting to make a decision is whether the department would be looking at higher building costs or interest rates and overall costs simply due to the rate of inflation.

Vice-Chairman McDonald stated that his concern with deciding on this right now is the risk that we have with a loan and whether the overall economy will continue to grow and support us through it. He stated that if there is a recession or the economy goes flat that the contractors could run to us for business or it might hurt us in financing.

Member Mabry stated that the department has no choice and is required to build. Mr. McDonald stated that the department is really only committed to the community room.

Chief Antonides stated that was correct however if the department does not plan ahead for projected growth and what is needed for the crew and necessary for the department, it will cost the department more in the future and we still won't have the funding for that either is my concern.

Vice-Chairman stated that the reason he would like his sister-in-law's opinion is to have a better grasp on whether these are fair bids and that we are getting value for our money.

Member Mabry stated that it is very rare to ever receive more than one or two proposals or much feedback on an RFP. Chief Antonides stated that Highlands only received two proposals as well.

Member Christian stated there have been concerns mentioned regarding the time frame of the bids and that time will run out before we make a decision as well as costs possible going up in the future. He stated that it may be prudent to approach and ask each of the contractors a short extension on that timeframe that they will honor those bids. Maybe that will provide the time for the requested research and the board to be able to make an intelligent decision.

Chief Antonides stated that if that is what the Board would like him to do that he would approach



them tomorrow.

Clerk McKay stated that we need to make sure that something has changed because we just cannot table this item again at the next meeting. He stated that we need to be on the same page and know if we are willing to finance this project.

Chief Antonides stated that he is concerned with this constantly being tables and that we would run out of time and have to start over from scratch. Assistant Chief Ofstie stated that if the economy stays semi-strong and the department receives money from Capstone every month to cover the monthly construction billing payment then it's as risk free as you can get these days.

Chief Antonides stated that we have approximately 230k in that account right now and if you divide that by 24 months which is the time frame we have collected money from Capstone, we are looking at approximately \$9,500 dollars that we have receive per month on average. He stated that the smallest deposit we have received is approximately \$7,300 which was for three lots and the largest one was for \$41,600 dollars and if the department receives a regular monthly payment from Capstone the department could possibly look at paying the monthly payment with that. Chief Antonides stated that the County could do much better for us than going about a commercial loan. Chief stated that Sarah stated she would be happy to come to the next board meeting to explain what the options are.

Member Mabry would like to hear what Sarah has to say and I would like to invite her to the next board meeting. Clerk McKay stated that if we manage it the right way that we could do it and I agree to have Sarah come to the next meeting.

Vice-Chairman stated that it is important input but I am opposed to borrowing for something that is not critical to the department.

Chairman Mitchell reminded the board members that we promised those people we would build them a community room. Chief Antonides stated he would get ahold of Sarah and ask if she would be able to attend the next board meeting and he also reminded the board members that the next regular board meeting is January 23 due to the AFDA conference.

**Action:** Clerk McKay moved to table item 9.b. regarding selection of Contractor Bid for Station 82 expansion project to the next regular board meeting. Member Christian seconded the motion. Motion passed unanimously.

**c. Discussion and possible action regarding renewal of contract for clinical services with Department of Health for Calendar Year 2020. (Manager Seifert)**

**Discussion:** Manager Seifert stated that this is an annual renewal of the contract that the department has with them for our volunteers, reserves or staff that we send to them for their immunizations, physicals, etc. that are required.

Chief Antonides stated that the costs are considerably less at the County Health department than other locations.

There was no other discussion.

**Action:** Clerk McKay moved to approve item 9.c. regarding renewal of contract for clinical services with the Department of Health for Calendar Year 2020. Member Mabry seconded the motion. Motion passed unanimously.

- e. **Discussion and possible action regarding moving Regular May Board meeting up one week to have minimum required public review days of proposed FY budget.** (*Manager Seifert*)

Discussion: Chief Antonides stated that the reason we are asking for this is to give us the minimum required 30 days between the community review of the budget and the board's approval of the budget. Manager Seifert stated that they are asking the board if they will move the meeting date from May 21<sup>st</sup> up to Thursday, May 14<sup>th</sup>.

Action: Clerk McKay moved to approve item 9.e. regarding moving Regular May Board meeting up one week to Thursday, May 14<sup>th</sup>, 2020 at 6 pm. to have minimum required public review days of proposed FY budget. Member Mabry seconded the motion. Motion passed unanimously.

- f. **Discussion and possible election of new Fire Board Officers – Chairman, Vice-Chairman and Clerk pursuant to A.R.S. §48-803.** (*Manager Seifert*)

- a. **Designation of Fire Board Clerk to Chairman Position of the PSPRS Local Pension Board.**

Discussion: Chief Antonides stated that in January of every year the board has to vote on their member positions for the new calendar year. Chief asked if there were any nominations. There were none.

Action: Vice-Chairman McDonald moved to approve item 9.f. and maintain the current positions with the Board Members for the new 2020 Fire Board Officers;

Chairman = Marina Mitchell

Vice-Chairman = Carey McDonald

Board Clerk = Ryan McKay

Clerk McKay seconded the motion. Motion passed unanimously.

- d. **Discussion and possible action regarding attorney letter requesting discount related to invoice for Incident #19-00213.** (*Chief Antonides*)

Discussion: The Board continued discussion on this matter Item 9.d. at 7:35 pm. Member Mabry asked if the property sold would we be able to obtain the rest of the payment on the bill.

Chief Antonides stated that we would have to ask the County Attorney if that was possible or legal.

Member Mabry stated that if it were up to her she would probably accept their offer given everything they have had to go through but with having to look out for our tax payers, I agree with the counter offer at \$5k.

Vice-Chairman McDonald stated that their offer was at least a starting point and I would prefer to counter offer.

Clerk McKay stated that he is concerned whether the department would get paid at all.

Chairman Mitchell stated that with respect to the family she does not want to go back and forth about this.

Chief Antonides asked what direction the board would like him to go.

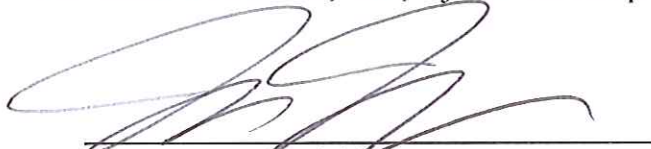


Vice-Chairman stated that chief would be authorized to go with 50%. Member Mabry and Clerk McKay agreed.

**Action:** Vice-Chairman moved to approve item 9.d. regarding attorney letter requesting discount related to invoice for Incident #19-00213 and authorize Chief Antonides to settle at \$5k. Member Mabry seconded the motion. Motion passed unanimously.

10. **EXECUTIVE SESSION** – None.

11. **ADJOURNMENT** – There being no further business to discuss and by motion of Vice-Chairman McDonald, seconded by Clerk McKay, the regular session of the Ponderosa Fire District Board of Directors held on Dec 19, 2019, adjourned at 7:42 p.m.

  
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Ryan McKay, Board Clerk