

**CORTEZ FIRE PROTECTION DISTRICT
REGULAR BOARD MEETING
April 10, 2013**

CALL TO ORDER

President Bridgewater called the meeting to order at 6:03 p.m. in the meeting room at Station #1. Roll call followed and the board members present were Lori Johnson, Orly Lucero, Kent Lindsay, Keena Ertel and Jim Bridgewater. Administrative Assistant Wendy Mimiaga, Asst. Chief Charles Balke and Chief Jeff Vandevoorde were present for the meeting.

APPROVAL OF MINUTES

The minutes from the regular meeting held March 13, 2013 were brought before the board for approval.

Lori Johnson made a motion to approve the minutes for the meeting held on March 13, 2013, with the correction of the typo on page 1, line 2, Kent Lindsay seconded. The minutes for the meeting were approved on the following vote:

Ertel	Lindsay	Lucero	Johnson	Bridgewater
Yes	yes	yes	yes	yes

BILLS AND ACCOUNTS

The board reviewed the list of bills and accounts and the financials included in the Board packet.

Orly Lucero made a motion to accept the bills and financials including the supplemental list of bills, Lori Johnson seconded. The motion passed as follows:

Ertel	Lindsay	Lucero	Johnson	Bridgewater
Yes	yes	yes	yes	yes

PUBLIC COMMENT

Mr. Larry Kelley and Mrs. Susa Kelley attended the meeting having just recently moved into the district. The Board welcomed them to the area and thanked them for attending the meeting.

CORRESPONDENCE

Included in the packet were several inclusions from the Cortez Journal and a thank you note to Chief Vandevoorde from D. Smith for attending the etiquette dinner.

REPORT FROM THE ADMINISTRATIVE ASSISTANT

A report of the current financial accounts was included in the packet. The county treasurers' office distributed a total of \$140,115.72 to the district for the month of March, 2013. \$101,056.37 for the general mill levy, and \$39,059.35 for the additional two (2) mill levy.

The business money market account at 1st Southwest Bank had a balance of \$252,647.46 as of March 29, 2013 with interest earned in March, 2013 of \$60.21. The annual percentage yield remained at 0.30%. The 24 month jumbo CD of \$252,500 at 0.90% earned \$175.97 as of March 13, 2013. Total interest paid to date is \$2,464.98. The current balance is \$254,964.98.

The balance in the State Farm account, as of March 31, 2013, was \$985,433.97 with interest earned in March, 2013 of \$550.61. Interest earned year to date is \$1,664.37. The interest rate dropped to 0.66% from 0.70%. The total in our reserve accounts is \$1,493,046.41.

An update of unemployment and the economy was included in the report. It was reported that the jobless rate dropped in March, 2013 from 7.7% to 7.6%, the lowest again since December, 2008. However, employment only grew by 88,000 jobs, much weaker than the anticipated increase of 190,000 jobs. U.S. manufacturing also grew less than forecast for March as orders and production slowed. One worry is that this is an early warning of the impact of the sequester. The Fed will continue with quantitative easing, and will continue to keep the fed funds rate at or near zero, most likely into late 2014. In addition to the unemployment rate, they will most likely watch the labor participation rate, which is currently at a 32-year low at 63.3%, the labor force utilization rate and worker productivity. We will need to see strong economic growth and stability before we see any changes in long term interest rates. Unfortunately, this will be harder with the large number of jobs being lost due to the sequestration.

We received a refund check for \$3,128 from the City of Cortez for over payment for dispatch fees. We were originally billed \$21,101. After they recalculated the fees, they were lowered to \$17,973.

Also included with Ms. Mimiaga's report was information and news stories about Senate Bill 13-025, firefighter collective bargaining. This was included so the Board of Directors understand what the bill is about and what it means so they can explain it to the public if asked. Governor Hickenlooper has said in the past that he will veto the bill if passed. Chief Vandevorde commented that just today the Governor has said he would pass the bill if the wording about the financial component for salaries was excluded, and it only pertained to the safety and work issues.

REPORT FROM THE ASST. CHIEF

Asst. Chief Balke went over his report that was included in the packet along with a list of the trainings, meetings and events he attended. Asst. Chief Balke reported that we had attendees at the ACLS training at SW Memorial Hospital, we are looking into getting ACLS instructors for the organization. He also attended the pipeline tabletop exercise in Lewis-Arriola where he was also an evaluator for the process, and will also be attending one in Mancos as an evaluator.

Asst. Chief Balke hosted a Haz-Mat recognition class for the Sheriffs office, and an in-house hazardous materials training.

The Citizens Fire Academy graduation was held on March 28, 2013, and preparations have already started for the next Citizens Fire Academy to take place in early September, 2013.

Interior props are being built for the training house at 928 S. Broadway so we can continuously use the facility for academy classes and JPR's, Job Performance Requirements. We are also working on training props at Station Two for extrications and car fires.

The VFA grant has been submitted for wild-land equipment. The AFG grant has not opened for submittal. They do not know when or if it will open. We will also apply for another DOLA grant for rescue equipment.

Mr. Ertel asked if there is a way to find out the number of hazardous materials trucks that travel along highway 491. Ms. Johnson explained that when she was the Emergency Manager the state hazardous material division did a survey by counting trucks in a 24 hour period and noted each placard. From that they determined less than 10% were hauling hazardous materials.

President Bridgewater inquired as to how long the house, 928 S. Broadway, will last for training use. Asst. Chief Balke replied it would depend how much money we were to put into it, but it could last ten to fifteen years. The building is sturdy except for one section of roof, which no one will go on. Several alterations have been made for training purposes.

Mr. Lindsay asked if the water and sewer tap were donated with the property. Asst. Chief Balke replied that the whole property was donated to us along with everything associated with it. President Bridgewater commented that after attending a Sanitation Board meeting, it is his understanding that if you have not paid your sewer bill in a specific time frame, you have probably lost your tap. Mr. Lindsay

inquired if they could be of some value to us, if we could re-sell them. Mr. Ertel stated it would be worth looking into, to see if they were still on record. It was also discussed that it could be a septic system. Staff was instructed to look into the water and sewer taps for the property.

Asst. Chief Balke explained that the problem with the property is that there is no parking, and the access has had a curb put across it. President Bridgewater commented that we could take a bobcat in to level it out and make it accessible, and put in some parking.

REPORT FROM THE FIRE CHIEF

Chief Vandevoorde went over the report and list of meetings he included in the packet. The Chief explained that we will be hosting another open house and food drive on Saturday, April 27, 2013, in conjunction with the health fair, as we did last year. The Good Samaritan Center is running low on food, and they were very appreciative last year when we collected multiple boxes of food to donate to them. Please stop by to make a donation.

A meeting was held with KME and a contract for the new fire truck is now in place. We will discuss more at length during 'old business'.

There were 114 calls during the month of March, 86 EMS, 21 fire and 7 vehicle accidents. The total calls for the year, 2013, is 377.

The Ag Expo booth and fire truck rides were a success. We had many volunteers come out to help. However, the attendance was lower than last year. The Chief is unsure if the district will participate next year as the cost for a booth is exuberant. Last year we handed out over 800 kids fire helmets as opposed to this year, we handed out far less.

Chief Vandevoorde brought up the upcoming election for an increase in the mill rate. He would like to have a board member to act as a liaison for the Board to serve as a point person to work with the staff in contacting board members when they are needed for public presentations. Currently Diane Fox and Carol Rhan are interested in working with the citizens committee. Mr. Ertel stated that Board involvement is very important and that he will help whenever he is able to. Staff will inform the Board of all engagements as they are known, but sometimes there is only a day or two notice.

Ms. Johnson stated last year she asked for, and would like to have this year, a list of talking points on what the money will be spent on and why we need it. Not just the five year plan which is more of a wish-list. We need to have solid numbers. Something that everyone can use to answer questions. Mr. Ertel added that we also need an amortization schedule for our equipment, the life of each piece of equipment. Chief Vandevoorde responded that all of that was included in the power point presented to the public and the Board last year before the election. We will have a new presentation this year. The firefighters will also be included in the presentations as well this year. The presentation will be made at the department meeting in June, 2013, to which the retired volunteers will also be invited, as they were last year. The Chief had heard that the public thought the District was asking for too much last year, and that the 2.5 mills will probably have a better chance of passing this year.

Mr. Lucero inquired about the results for training Carol Rhan did with the department members after she completed the Board training. Chief Vandevoorde responded that it was good and bad. Everyone listened to what she was saying, but there are individuals who do not want change, some who will accept change, and some who only think their way is the correct way of doing things. This was also very apparent to Ms. Rhan, as she inferred to the Chief and Asst. Chief after the meeting to go over her observations. Chief Vandevoorde explained that we also now do exit interviews when people leave and receive a lot of good information from them. We know what we are up against, and it will be a process, but we need to continue moving forward.

OLD BUSINESS

A. Bylaws – Ms. Johnson, as the committee head, asked to form a committee to work on the proposed bylaws. We need to take the old bylaws, the new proposed bylaws and the law, and compare them to

write the new bylaws to represent the District. After discussion, it was concluded that all board members will be members of the committee chaired by Ms. Johnson, and she will set a time for a committee meeting to further work on the proposed bylaws. Ms. Johnson will make sure the date is set with time for Ms. Mimiaga to notice it in the Cortez Journal, the paper of record.

B. Lease Purchase - An updated amortization schedule was handed out to each Board member. Chief Vandevoorde explained that the company, Hutchinson, Shockey, Erley & Co., is going to finance the full price up front so we will receive a larger discount, \$13,500.00. We will have a \$51,000 trade in, \$13,500 discount, \$124,000 allocated by the Board, and the \$112,500 grant for a total financed of \$491,100. Ms. Mimiaga explained that we will also be able to pay the interest on the loan for the period of inception through December 31, 2013, before the truck is delivered, which will help keep our payments lower. This is happening quickly because the leasing agent, Barbara Winkler, inquired if we would receive a larger discount if we paid the total amount up front instead of just our portion of \$124,000. The discount went up from about \$3,000 to \$13,500. This will also help to lock in the interest rate, which has already increased from 2.65% to 2.78% and could continue to increase through the year. It has been written into the contract that we can pay this first years interest at the end of the year, and also that the \$112,500 grant payment will go 100% to principle. The anticipated deliver date for the truck is ten months out. We have received a copy of the contract from HSE, and a copy has also been sent to our attorney, Mr. Kelly McCabe, for review. KME has already issued a performance bond, and they will re-write the contract for full payment up front and the new discount. Due to TABOR we can only allocate funds on a yearly basis, and the lease purchase agreement must contain a non-appropriations clause stating that if the District does not appropriate the funds to pay the lease purchase agreement on a yearly bases, the lease will be in default and the property can be confiscated.

Keenan Ertel made a motion to accept Resolution No. 1, Series 2013 to enter into a lease-purchase agreement with Hutchinson, Shockey, Erley & Co. for the purpose of acquiring through a lease purchase agreement a new fire truck, Orly Lucero seconded. The motion passed as follows:

Ertel	Lindsay	Lucero	Johnson	Bridgewater
Yes	yes	yes	yes	yes

NEW BUSINESS

There was no new business.

EXECUTIVE SESSION

There was no executive session.

ADJOURNMENT

Having no further business to come before the board, Kent Lindsay made a motion to adjourn the meeting, Orly Lucero seconded. The motion passed as follows:

Ertel	Lindsay	Lucero	Johnson	Bridgewater
Yes	yes	yes	yes	yes

The meeting adjourned at 7:04 p.m.

Jim Bridgewater – President

Attest:

Kent Lindsay – Secretary/Treasurer