

MINUTES

**Central Arizona Fire and Medical Authority
Central Arizona Fire and Medical Authority Board of Directors
Regular Meeting
Monday, June 28, 2021, 5:00 pm - 6:00 pm
Central Arizona Fire and Medical Authority, Administration, 8603 E. Eastridge Drive,
Prescott Valley**

In-Person Attendance

Darlene Packard; Dave Tharp; Matt Zurcher; Nicolas Cornelius; Owen Mills;
Rick Anderson; Scott A Freitag; Susanne Dixon

Remote Attendance

Dave Dobbs

NOTICE OF MEETING

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the members of the Central Arizona Fire and Medical Authority Board of Directors and the general public that the **Central Arizona Fire and Medical Authority** will hold a meeting open to the public on **Monday, June 28, 2021 at 5:00 p.m.** The meeting will be held at **Central Arizona Fire and Medical Authority, Administration, 8603 E. Eastridge Drive, Prescott Valley, Arizona.** The Board may vote to go into Executive Session on any agenda item, pursuant to A.R.S. §38-431.03(A)(3) for discussion and consultation for legal advice with Authority's Attorney on matters as set forth in the agenda item. The following topics and any variables thereto, will be subject to Board consideration, discussion, approval, or other action. All items are set for possible action. Members may attend in person or via remote methods of communication.

1. CALL TO ORDER / ROLL CALL OF BOARD MEMBERS

Chair Zurcher called the meeting to order at 5:00 p.m. A quorum was present.

2. PLEDGE OF ALLEGIANCE

Chair Zurcher led the Pledge of Allegiance.

3. CORRESPONDENCE AND PRESENTATIONS

A. Letters from the Public and Board Recognition

Fire Marshal Chase presented awards to Darla Dawson and Dr. Loni Valejo for heroic measures at the site of a car accident.

B. County and Town Current Events Summaries

Town of Prescott Valley Council Members Don Packard and Roger Kinsinger presented the activity report from the Town of Prescott Valley. Their update included a note that building permits for residential construction has decreased due to rising building material costs and the inability to hire workers. New businesses that have recently opened include Archer Bikes, Alliance Home Center, Buckle, Discount Tire, WZ Asian Bistro, Mobility Plus, and Squealing Hogs Smoked Meats & BBQ; Popeye's will open at the end of this month, and

two new restaurants, The Grumpy Sicilian and Rosa's, are coming soon. Councilman Kinsinger also provided an update on road construction, and added that the 4th of July event is still on. Staff was invited to attend a meet and greet tonight with candidates for the Town Manager position.

4. REPORTS

Reports are informational only. Any item articulated in the reports is subject to clarification, discussion, and direction by the Board; no action will be taken.

A. Board Member Reports

Chair Zurcher reported that he was onsite with Fire Marshal Chase at the fire in Dewey last month, and stated it was great to see the coordinated response by all agencies. He also noted that he and Director Packard attended the retirement ceremony for Gloria Grose, and presented her with a certificate of appreciation on behalf of the Board.

B. Division Reports

Chief Freitag stated he and the rest of Senior Staff will attend tonight's meet and greet with the Town of Prescott Valley's Town Manager candidates, if time allows.

5. CALL TO THE PUBLIC

In accordance with A.R.S. §38-431.01(H) the Central Arizona Fire and Medical Authority Board has decided to allow public comments as time permits. Those wishing to address the Board regarding an issue within the jurisdiction of this public body may do so by completing a *Call to the Public* form and submitting it to Staff. Speakers are limited to three (3) minutes, but may submit written comments for Board records. Call to the Public shall not exceed 30 minutes per meeting. Board members shall not discuss or take legal action on matters raised during an open call to the public, but may ask Staff to review a matter or may ask that a matter be placed on a future agenda.

Mr. Barry Blyth addressed the board concerning residential fire sprinkler construction. He read a prepared statement regarding a job he has at 12530 Preserve Ranch Road.

He asked that CAFMA review alternate inspection options, to reach a mutual goal of meeting the required parameters using a safe and thorough process, with as little collateral damage to the home as possible.

Chair Zurcher asked Chief Freitag to provide him with the details of this job.

6. CONSENT AGENDA

All matters listed under consent agenda are considered to be routine by the Central Arizona Fire and Medical Authority Board and will be enacted by one motion. There will be no separate discussion on these items. Any item may be removed by a Board member and will be considered separately for motion, discussion, and action.

A. Approve Regular Session Minutes - May 24, 2021

B. Approve General Fund Financial Statements

C. Approve Fire Protection Agreements: Gates, Kool, Mott, Atwood, and Cameron (2)

- D. Accept Notice of Merger and Transfer of Responsibility for the SaaS Service Agreement from AdAstraGov to GovInvest
- E. Approve Policy Amendments: 193 Telecommuting, 401 Work Schedule, 730 Procurement and Bidding, and 910 Safety - Personnel Responsibility

Motion to approve the consent agenda.

Move: Darlene Packard Second: Rick Anderson Status: Passed

Yes: Dave Dobbs, Darlene Packard, Matt Zurcher, Owen Mills, Rick Anderson

7. PUBLIC HEARING - FISCAL YEAR 2021-2022 BUDGET

Chair Zurcher opened the Public Hearing at 5:15 p.m.

There were no public comments

Chair Zurcher closed the Public Hearing at 5:15 p.m.

8. VOTE TO GO INTO EXECUTIVE SESSION

Motion to go into executive session at 5:16 p.m.

Move: Rick Anderson Second: Darlene Packard Status: Passed

Yes: Dave Dobbs, Darlene Packard, Matt Zurcher, Owen Mills, Rick Anderson

- A. Legal Advice Pursuant to A.R.S. §38-431.03(A)(3) Regarding The Radio Guy, LLC Sublease Agreement
- B. Legal Advice Pursuant to A.R.S. §38-431.03(A)(3) Regarding Using Certificate of Participation (COP) to Fund PSPRS Unfunded Liability and Pension Contingency Fund
- C. Legal Advice Pursuant to A.R.S. §38-431.03(A)(3) Regarding the Certificate of Necessity (CON) Process
- D. Legal Advice Pursuant to A.R.S. §38-431.03(A)(3) Regarding Certificate of Participation (COP) Legal Opinion for CAFMA, and Recruitment by Arizona Fire and Medical Authority for Limited Purposes of the Same, with no Apparent Conflict of Interest

9. OLD BUSINESS

Open session reconvened at 5:32 p.m.

- A. Discussion and Possible Action Regarding The Radio Guy, LLC Sublease Agreement

Chief Freitag advised the Board that he asked Tech Services to put together an accurate timeline of what has happened to get us where we are today, as well as a recommendation on how to move forward, both contractually and logistically to get the site cleaned up. The document they developed is included in the board packet. Staff is asking for direction from the Board, and if they are amenable to the recommendation provided by our Tech Services department.

Chair Zurcher answered in the affirmative, and indicated staff and the attorney should move forward with developing the agreement.

- B. Discussion and Possible Action Regarding Using Certificate of Participation (COP) to Fund PSPRS Unfunded Liability and Pension Contingency Fund

Attorney Cornelius stated we're moving forward with drafting the necessary documents, as directed by underwriting and bond counsel. He noted that we may need to have a special meeting to execute the required documents.

- C. Discussion and Possible Action Regarding the Certificate of Necessity (CON) Process

Chief Freitag stated we're seeing a significant increase in the response times from the local provider, AMR dba Life Line Ambulance Service. These responses, or lack of responses, have required us to increase the utilization of our rescues. CAFMA only has two rescues that are not in the greatest shape, so Chief Rose has made arrangements with Mesa Fire to borrow a couple of their backup ambulances; this will give us time to make some repairs to our units. If we were to seek an emergency CON, we would have to borrow ambulances to start as the rescues we have would not pass the state inspection as an ambulance. He added that we really appreciate Mesa Fire for their help.

He further stated that AMR is facing a couple of issues, one of which is the potential of a work slow-down as a result of contract negotiations; it appears that there may be some sick-outs, and their employees may stop taking any overtime or backfilling. As with everyone else, they are having some difficulty hiring, so their employees are tired. We have been pushing the state on this issue because we're very concerned with the direction this is headed. He also noted that he spoke with the Bureau Chief last week after Chief Niemynski submitted a stack of complaints outlining the issues; their initial response was "this fits within their CON".

Chief Freitag then reported that he has spoken with Priority Ambulance about the possibility of them submitting for an emergency CON; however, we know there have not been a lot of emergency CONs issued in the state, and if the state is going to look at the situation up here and consider it acceptable, then an emergency CON is doubtful.

AMR did reach out to us and indicated they want to write a letter to the board because "we refuse to work with them". Chief Freitag mentioned that AMR was not interested in having a genuine conversation about how to improve things until Priority messaged that they were going to drop their CON, and AMR didn't come forward with any kind of contract to submit to us to review until Priority's CON was submitted. Chief Freitag does not recommend we sign the contract, as there are several concerns, including that we would be left with no options in the future as it would shut down Priority's CON. He would suggest that we entertain a contract review if Priority gets their CON and we put out an RFP requesting proposals. Chief Freitag stated he recommended they have the letter here today because he planned to address this issue today in open session. He added that he also addressed this issue at Call to the Public at the Town of Prescott Valley's meeting, where a County Supervisor was in attendance as well.

Chief Freitag stated the situation gets worse every day, and we're doing everything we can, and the state continues to refuse to acknowledge there are

problems up here or take any action.

Chief Niemynski reported that he filed over 100 complaints for the months of April, May and June. He noted that May and June are where we are seeing the big increase; April was on par with where they had been. The problems with staffing, or employee health and wellness, has taken a turn in the last two months.

Chief Freitag finished by saying it is not just CAFMA, this is a state-wide issue. The state has identified us as an urban-type area, but the response standards in the CON do not even reflect a suburban area, they reflect a wilderness-type response. We will come back to the board after meeting with Priority again, potentially to seek approval to drop our CON application sooner rather than later.

10. NEW BUSINESS

- A. Discussion and Possible Approval of Resolution 2021-02 and Fiscal Year 2021-2022 Final Budget and 5-Year Projection

Chief Tharp advised this budget is unchanged from the tentative budget that was approved last month. He pointed out that the projections indicate the budget goes up by about 2% next year, then up to about 8% after that. This is due to capital purchasing, and also potentially getting a CON.

Motion to approve Resolution 2021-02 and Fiscal Year 2021-2022 Final Budget and 5-Year Projection.

Move: Rick Anderson Second: Darlene Packard Status: Passed

Yes: Dave Dobbs, Darlene Packard, Matt Zurcher, Owen Mills, Rick Anderson

- B. Discussion and Possible Approval of Central Arizona Fire and Medical Authority Fiscal Certification for Fiscal Year Budget 2021-2022

Chief Tharp explained this is a statutory requirement that certifies our budgeted expenses are not above the revenues we expect to be collected.

Motion to approve Central Arizona Fire and Medical Authority Fiscal Certification for Fiscal Year Budget 2021-2022.

Move: Darlene Packard Second: Rick Anderson Status: Passed

Yes: Dave Dobbs, Darlene Packard, Matt Zurcher, Owen Mills, Rick Anderson

- C. Discussion and Possible Approval of Resolution 2021-03 Assignment of Equity for Fiscal Year 2022

Chief Tharp reported that the other two boards have accepted their equity assignment; this document will go to the auditors.

Motion to approve Resolution 2021-03 Assignment of Equity for Fiscal Year 2022.

Move: Rick Anderson Second: Darlene Packard Status: Passed

Yes: Dave Dobbs, Darlene Packard, Matt Zurcher, Owen Mills, Rick Anderson

- D. Discussion and Possible Approval of Resolution 2021-04 Public Safety Personnel Retirement System (PSPRS) Pension Funding Policy

Chief Tharp advised that we have a statutory requirement to establish a PSPRS funding policy. Staff asks the board to accept the policy as adopted previously.

Motion to approve Resolution 2021-04 Public Safety Personnel Retirement System (PSPRS) Pension Funding Policy.

Move: Darlene Packard Second: Rick Anderson Status: Passed

Yes: Dave Dobbs, Darlene Packard, Matt Zurcher, Owen Mills, Rick Anderson

- E. Discussion and Possible Approval for the First \$15,000.00 of Vacation and Sick Leave Retirement Distributions to be Designated for the Post Employment Health (PEHP) 105 'Universal' Account and any Remaining Balance to be Designated into the PEHP 106 'Premium Restrictive' Account for Fiscal Year 2021-2022

Chief Tharp explained that annually, when personnel retire, they have an option to have all or a portion of their sick leave and vacation payout go to their PEHP account. This year, we have one individual scheduled for retirement, and he has asked that the Board designate an actual dollar amount to go into this universal plan, and the remaining balance to go into the premium only plan.

Motion to approve the First \$15,000.00 of Vacation and Sick Leave Retirement Distributions to be Designated for the Post Employment Health (PEHP) 105 'Universal' Account and any Remaining Balance to be Designated into the PEHP 106 'Premium Restrictive' Account for Fiscal Year 2021-2022.

Move: Darlene Packard Second: Rick Anderson Status: Passed

Yes: Dave Dobbs, Darlene Packard, Matt Zurcher, Owen Mills, Rick Anderson

- F. Discussion and Possible Action Regarding Certificate of Participation (COP) Legal Opinion for CAFMA, and Recruitment by Arizona Fire and Medical Authority for Limited Purposes of the Same, with no Apparent Conflict of Interest

Attorney Cornelius advised the Board that the COP underwriting and bond counsel require an opinion letter be issued regarding the legality of the creation of CAFMA and the underlying fire districts. We have an actual legal opinion from the AG's office saying we created it correctly. AFMA does not have outside counsel, and has approached Attorney Cornelius to write this same letter on their behalf; he does not believe this creates a conflict of interest for him. No waiver is presented as there is no conflict at this time. This item is for informational purposes only, there is no action needed by the board needed at this time.

11. ADJOURNMENT

Motion to adjourn at 5:53 p.m.

Move: Darlene Packard Second: Matt Zurcher Status: Passed

Yes: Dave Dobbs, Darlene Packard, Matt Zurcher, Owen Mills, Rick Anderson

DRAFT