

**Minutes of a Special Meeting of the Board of Directors of the Clarkdale Fire District
Meeting Held August 4, 2011**

A Special meeting of the Clarkdale Fire District Board of Directors was held on August 4, 2011 at 4:00 p.m. at the Clarkdale Fire District Station #21, 895 First South Street, Clarkdale, Arizona.

Board of Directors:

Jim Elmer, Chairman
Seth Murphy, Clerk (absent)
Ron Ballatore
Bill Snyder,
Jerry Brown (attended by telephone)

Staff:

Joe Moore, Fire Chief
Dean Koropatnicki, Captain
Kenny Turner, Engineer
Steve Trautman, Firefighter
Joyce Driscoll, Admin Assistant/Finance Manager

Others Present: Debbie Louis, Gerald Shanks.

CALL TO ORDER. The meeting was called to order at 4:00 p.m. by Chairman Elmer.

ROLL CALL. Board Clerk Murphy was absent as he previously declared a conflict of interest regarding the item on the agenda. All other Boardmembers were present, including Boardmember Brown who attended by telephone. A quorum was present.

CALL TO THE PUBLIC. None.

OLD BUSINESS

VVFD Request – Discussion and consideration of a request by Verde Valley Fire District for assistance with administrative duties due to their fire chief vacancy. Chairman Elmer stated that there was lengthy discussion at the last meeting and the Board directed staff to send a letter to Verde Valley Fire District outlining concerns and questions.

Gerald Shanks, Verde Valley Fire District Board Chairman, stated that he has permission of his Board to negotiate, however his Board has final approval.

Chairman Elmer, referencing a copy of the letter sent to Verde Valley Fire District, asked why the Verde Valley Fire District Board feels that contracting with Clarkdale Fire District is in the best interest of Verde Valley Fire District over having an interim Chief and eventually the hiring of a Chief.

Mr. Shanks replied that, as he has discussed before, he feels that consolidation reduces overhead and is beneficial in the present economy. He stated that by merging administration, Verde Valley Fire District (VVFD) would save approximately \$60,000 in taxpayer money and they would pay Clarkdale Fire District (CLFD) \$30,000 of that for the services in monthly

installments. In addition, VVFD would pay CLFD administration personnel through VVFD's payroll to supplement their normal pay for the additional work. He added that VVFD looks as this as being a trial period.

Mr. Shanks continued that Minnesota just passed a law requiring fire authorities, and 15 or 16 fire agencies are already working to do this. He stated that VVFD is requesting the consolidation of administration as a baby step towards a possible future fire authority. It would be experimental to just bring the two administrations together temporarily to see if savings can be realized. He stated that either party could cancel the contract in 90 days.

Chairman Elmer stated that so far, the advantage to the CLFD taxpayers would be funds.

Mr. Shanks stated that CLFD would be sharing two personnel, and VVFD would have six personnel that would help with CLFD operations. The VVFD operations chief would be available to CLFD, and he happens to live in Clarkdale. The VVFD training officer would plan all trainings with Clarkdale in mind and coordinate training efforts. The VVFD Fire Marshall would conduct CLFD commercial inspections, plan reviews, public information officer functions, etc. Mr. Shanks stated that CLFD finance and accounting tasks would be done by VVFD staff. He stated that in the future the accounting work would probably be more efficient if it was combined, but for this proposal all CLFD accounting would be separate. Mr. Shanks stated that the State of Arizona is considering a law that would require financials to be placed on-line. He stated that if the districts are working under a combined administration one website could be managed to accommodate this requirement. Mr. Shanks stated that if the combining of administrations does work, then we can tell the taxpayers we are doing everything we can to make government more efficient.

Chairman Elmer stated that under the combined administration scenario, there would not be an administration person at the CLFD office. He stated that he would like an admin person to be at the station. He stated that this will create a problem and he does not see this working very well. He stated that he sees that initially CLFD staff will be spending 80% of their time at VVFD. Chairman Elmer stated that he wonders if all the employees at VVFD are okay with the idea, and if not this will make the job even more challenging.

Mr. Shanks stated that they also see CLFD administration staff spending more time on VVFD work; this is why they are offering six employees to help with CLFD duties. He stated that as far as station manning, VVFD does not have enough room for two more administrative employees, so a VVFD staff member could possibly have their office at CLFD, although it has not been identified as to who that would be, this would be up to the fire chief.

Mr. Shanks stated that his first obligation is to the taxpayers, then the district and employees and he will stand that it is beneficial for all.

Boardmember Brown inquired about the dollars in savings with VVFD's current PIO officer leaving. Mr. Shanks replied that VVFD will not realize a savings from this because they created a new fire marshal position.

Chairman Elmer stated that another concern the Board has is the Chief serving two boards. He stated that this can be a tough and he is not sure that the boards do things the same way. He added that CLFD people are pretty frugal, and have worked really hard to keep taxes down.

Chairman Elmer stated that in some ways this frugality could be seen as a disadvantage, as the tax rate between the districts are so far apart. He stated that he feels that some day it may make sense to merge, but it will not happen by CLFD raising its taxes, VVFD would have to lower theirs.

Mr. Shanks stated that he does not picture another merger ever being done with the passage of the law allowing fire authorities. Under a fire authority, the tax rates would not have to be the same.

Chairman Elmer stated that he does not see the operational issues being a problem, but the problem being more of a political nature. He stated that the CLFD administration staff is not going to have time to ask 10 people every time they want to do something. He stated that currently the staff does what they need to and then report to the Board afterwards how they did. The CLFD Board does not micromanage. Chairman Elmer stated that he does not know if that is how VVFD operates, he feels that this is the case, and that would be tough on the Chief. Mr. Shanks stated that he believes his board also does not micromanage, and they have tried hard to not interfere at that level.

Mr. Shanks stated that he stated that this is a limited opportunity as future VVFD boards may not be in favor of some sort of consolidation. He reiterated that the merging of administration staff would be on a trial basis; If Chief Moore says it is not working, then the districts return back to the way they were.

Chairman Elmer stated that it is a great concept to work together and perhaps save funds. However, he stated, he has two major issues: 1. This would cut back service to Clarkdale and 2. Not all the employees at VVFD are ready to accept this. He stated that change is never comfortable, but usually things work out okay. He stated that the main reason to make this change would be to cut back on government spending, however he really does not see a cut.

Mr. Shanks stated that it is not unusual for a fire district to have three stations. He stated that he pictures the opposite, that this will increase the service to Clarkdale by having six additional people serving CLFD. He added that he is not in favor of every employee tracking time, etc. as long as all needs of both districts are being met. Mr. Shanks continued by saying that there is no big savings for government anywhere, but when adding up all the small savings will make a difference 10 years down the road. He stated that everyone knows that the next two years will be bad. He projects 8 to 10 years before the economy improves. He referenced the economist who presented at the Arizona Fire District Conference who stated that the economy will never come back to the way it was five years ago. He states that there is no other one thing that will benefit their tax payers better than this.

Chairman Elmer stated that the board wants to help VVFD if they can, and noted that VVFD helped CLFD when it started out. He stated that there is a feeling of wanting to help, but he is not sure that CLFD is in the position to do so.

Boardmember Ballatore stated that this is a lot more than a request for help. He was ready for CLFD to do whatever it could to help, but this is getting into a whole other realm. He stated that he is not saying it is a bad idea. He stated that he is concerned about "Goliath eating David", and he is not sure the communities are ready for this. Boardmember Ballatore stated

that when he stepped up to run for the fire board to help his community, he did not have this in mind. He stated he needs more time to understand how it will affect Clarkdale Fire District.

Boardmember Snyder stated that in his opinion if there was an accident or some other crisis, then he would definitely be in favor of helping, however what VVFD is asking for is a marriage. He stated that he does not feel that is in CLFDs best interest to do this at this time, and he needs more time to think about it.

Boardmember Brown stated that he concurs that this is much more than a request for help. He has made his concerns known and he applauds Mr. Shanks for pursuing this, however he is concerned he does not have a big comfort level in sending Chief Moore and Administrative Assistant Driscoll to VVFD if it does not lead somewhere. He added that he is not writing off the idea of investigating fire authorities and making a decision if it makes sense, but in the interim, he feels that this is not in the best interest of Clarkdale. He was also concerned about the personnel at VVFD being agreeable. He stated that for this to have merit and the best chance at succeeding they need to be agreeable. He stated that he is aware that VVFD is also looking at other options. He suggested that VVFD hire an interim chief while the districts investigate fire authorities. Boardmember Brown stated that if the boards are going to give real consideration to forming a fire authority, they need to take time to see how it can be worked out.

Mr. Shanks stated that the districts will never know if it will work unless they try it. He added that all they are looking for is a 90 day trial. He stated that once they proceed with a hiring for a chief then the door closes on this opportunity for a long time. He is not sure that the VVFD board would want to get an interim chief, if CLFD is not in favor, he feels they will probably want to move toward a long-term hire.

Chairman Elmer stated that he likes the idea of an interim chief for VVFD, because the interim chief could take care of some of the problems and then work with CLFD toward a fire authority. He stated that he does not feel good at this point, but feels that the idea could move forward with an interim chief.

Boardmember Brown stated that, at the risk of irritating someone, he has a real concern about a couple of things, however his observations may be totally unfounded. He stated that unless VVFD takes time to deal with these issues, it will be a problem. He stated that he has a real problem sending Chief Moore and Administrative Assistant Driscoll to VVFD to effect a change when there are two persons still employed there let it happen under their watch. He stated that his priority is to serve the community, not building a department. He has to overcome in his mind the idea of building a department. Boardmember Brown stated that these are not things that cannot simply be resolved on the fly.

Chief Moore stated that it is very important to him to know the VVFD staff feels about this proposal. Mr. Shanks stated that not everyone is going to be happy. Chief Moore stated that most of what he has heard was relatively positive. Mr. Shanks stated that initially, due to the timing on their part, it was a big shock to their staff. He has met with groups of employees and his understanding is that they felt it was workable. He stated that they do not have any intention to poll the employees. Chairman Elmer stated that it is difficult to get honest answers from employees in these types of situations.

Chief Moore stated that he would poll employees if this proposal goes forward, because he needs to have an idea what he is up against.

Mr. Shanks stated that if Chief Moore came in for 90 days, he would have full understanding of the staff and if it has the potential to work. He stated that he feels that should it not work, there is the ability to break back apart.

Boardmember Snyder stated that an alternative has been thrown out, that if VVFD would hire an interim chief who is familiar with both agencies the CLFD board would have some time to get comfortable with the fire authority structure. He stated that he is not ready to have Chief Moore or Administrative Assistant Driscoll go spend 80% of their time at VVFD. He reiterated that if it were an emergency then he would be willing help.

Mr. Shanks inquired as to what the benefit would be for VVFD to hire an interim chief.

Boardmember Ballatore responded that it would take the pressure off CLFD.

Chief Moore pointed out that an interim chief, would give CLFD time to review how fire authorities work and to wrap their hands around the concept. It would give the board time to study this and know it is the right thing for the taxpayers.

Boardmember Snyder stated that today he does not have a comfort level, but six months from now, after some research and consideration, he might also feel it is a good idea.

Boardmember Brown stated that it is his understanding that there are some issues that an interim chief could take care of so that Chief Moore does not have to deal with them. He stated that he does not want to kill opportunity to move forward, but it should be done in a way that does not put the districts in the position to get a divorce if it does not work. He stated that by having an interim chief, that Chief Moore can assist, it would move forward better.

Chairman Elmer stated that an interim chief who is not afraid to take charge and make things happen could probably take care of some of these issues before Chief Moore gets involved.

Boardmember Snyder stated, that after listening to the concerns of the board, he feels that it is not in Clarkdale's best interest to merge administrations at this time. Boardmember Snyder made a motion to deny Verde Valley Fire District's request for Clarkdale Fire District to provide administration services. Boardmember Ballatore seconded. The motion passed unanimously.

Mr. Shanks and members of the board stated that they hope that this is not the last time that this is discussed.

ADJOURNMENT. With no further business before the Board, the meeting adjourned at 5:23 p.m.

Jim Elmer, Chairman

Date

Seth Murphy, Clerk

Date