

LA PINE RURAL FIRE PROTECTION DISTRICT
Board of Directors Regular Meeting
51550 Huntington Road, La Pine, Oregon
Meeting Minutes December 14, 2017

Open Meeting Director Cox opened the meeting at 9:00 a.m. and led the flag salute.

Roll Call

Directors Present Doug Cox, Jerry Hubbard and Joel Witmer.
Directors Absent Bob Denend and Larry South.
Staff Present Chief Mike Supkis, Assistant Chief Dan Daugherty, Administrative Assistant Joyce Engberg and Office Manager Bonita Johnson.

Public Forum Director Cox changed the agenda order moving New Business Items A. and B. to the top of the agenda to accommodate outside presenters. Director Hubbard thanked the Newberry Eagle reporter present for the recent coverage of the fire district. No other public comment was made.

A. City of La Pine - Water Systems Improvement Project Presentation. Water and Wastewater Systems Improvements and Expansion Project presented by Cori Miskey, La Pine City Manager and Jake Obrist, Public Works Manager. The presentation gave an update on funding applications (grants) and other assistance to fund the project including water rates; the purpose; proposed improvements; and project benefits to the community.
Water: Will provide reliability and redundancy to the entire system; provide adequate fire flows especially in the northern portion of the La Pine, enabling development; and lower fire insurance rates due to improved water supply.
Wastewater: Will provide adequate capacity in the wastewater treatment and disposal system, allowing for future growth; Cagle and Glenwood Acres resident no longer need to maintain individual septic tank and drain field; and overall ground water protection within the community.
Timeline: Project is scheduled to start with engineering in 2018 and construction from 2019 and completion 2021.

B. FY 2016 – 2017 Audit Report – Barnett & Co. CPAs.
John Barnett presented the fiscal year 2016-17 annual audit stating he would cover the high points of the audit, fund balances and Public Employees Retirement Systems (PERS) pension liabilities, pension expense, deferred outflows, and deferred inflows of resources related to pensions as now required by law. The PERS liability increased from \$1,521,531 to \$3,694,840 per the State formula. PERS estimates are based on assumptions that are subject to volatile change from year to year based on returns on investments and employer contribution rates along with projected retirement cost which together must equal the

liability. PERS will adjust contribution rates to offset employer liabilities based on each entity each biennium.

The auditor's report and opinion was the district is financially healthy in all funds and is being well managed. The district has a sufficient general fund balance of \$1,562,538 required to fund operations until annual tax receipts are received each year. The district continues to be debt free and acknowledged the Board and Staff for being pro-active, looking ahead and balancing revenue and expenses. The district expended \$730,000 on budgeted capital reserve projects (Station 103 dorms and new wildland engine 142) in the past year and has \$291,322 reserved for future capital expenditures.

The independent auditor's report concluded that La Pine Rural Fire Protection District was in compliance with the provisions of laws, regulations, contracts, and grants, including the Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audit in Oregon Municipal Corporations.

Director Hubbard inquired what was being done (statewide) about the volatile PERS liability. Mr. Barnett noted that most public organization and agencies do not have a plan, are being managed on the edge fiscally, and are looking to the state for answers - for which there are no easy ones – and that the State legislature and governor has not addressed the issue satisfactorily to date. Fortunately the fire district has created a PERS liability reserve to help moderate the ups and downs of the biennial PERS rate changes and due to its fiscal management will be able to carry through longer than most.

Approval of Minutes Regular Board Meeting November 9, 2017. No changes or discussion.

Action: Director Hubbard moved to approve minutes of the November 9, 2017 meeting as presented. Second, by Director Witmer; the motion passed by a 3 – 0 vote.

Financials

A. The monthly Bills. Staff answered questions regarding expenditures and current revenue & expense statement.

- Director Hubbard inquired about:
 - Line 5030 Tax Revenue Prior Years. Inquired about the \$40,000 budget vs. \$31,767 year to date prior tax revenue received and if staff anticipates collecting the budgeted amount as this is the first month that taxes are received for the fiscal year. Staff stated this revenue line item in the budget was reduced this fiscal year from \$67,500 to \$40,000 to accurately reflect what reasonable expectations are on current trends and history to collect.
 - Line 6415 – Computer Maintenance. Inquired how Velox was doing? Staff reported Velox has provided excellent customer service and the district has experience minimal issues over the past eight months after Velox assumed the

role to provide IT services. Velox takes a proactive approach not only to solve the problems so they won't occur again but monitors the system and works with other vendors to trouble shoot and keep all connections running smooth.

- Line 8409 – Rescue. Inquired about the over budget expenditure and if it pertained to the water rescue project? Staff reported the expense was for additional items needed for the water rescue project (such as carabiners) that the crews found needed after the initial training and for the “train the trainer” class expenses. Staff noted each shift now has trained water/ice rescue personnel and they are conducting shift training and familiarization as the program is implemented.
- Director Witmer Inquired about:
 - Line 8105 – Vehicle Breakdowns. Inquired about the year to date expense. Staff reported there has been several unpredictable issues over the past few months with the medic units, they are getting higher mileage and now are seeing more frequent issues and sometime bigger repair issues. Staff noted two new medic units are on order. The larger apparatus maintenance has been mainly routine service with few breakdowns. The breakdown line is budgeted based on prior years expense with a backup plan to expend from contingency if needed. That very well may be the case this year.
- Director Cox Inquired about:
 - Expense paid to Bend Lock & Safe? Staff stated new cyber locks were installed at the shop, stations and administrative office to replace worn out and broken locks. Almost all doors now have self-locking commercial grade cyber locks. All cyber lock codes were reset including the existing doors.
 - Inquired about expense paid to Trac Towing. Staff reported one of the medic's, AC compressor catastrophically failed, also taking out some belts and pulleys, which caused it go out of service on the road side. There was not a patient on board.
 - Inquired about Ed Staub expense for station 103. Staff reported it is for the tank rental and propane expense for heating. Propane heat is used for the bays and new dorms.

Action: Director Witmer moved to approve monthly expenses presented from 11/10/17 – 12/14/17 in the amount of \$749,550.43. No further discussion or comments. Second, Director Hubbard; the motion passed by a 3-0 vote.

Management Report

- A. Review and discussion - Call volumes, building permits. Director Cox inquired that the district has exceed last years call numbers with still a month to go. Staff reported is has been the busiest year to date, trending better than 10% increase in calls and should be close to 2400 total (or 6-7 calls a day average) at year end. Director Witmer inquired if staff had any hard data on why increase. Chief Supkis said increase in population, weather events

(heavy snows and dry summer), and that more people are using 911 as a last or even first care resort for issues we have not normally associated with life threatening emergencies.

B. Monthly Alarm Reports and some notable incidents discussed.

- Notable incident – 12 calls within 24 hours (3 of them within 22 minutes).
- New wildland engine 142 required warranty maintenance at Sunriver shops. Wildland engines are typically used in the summer months. The fire district has changes that set them up for winter use where the four wheel drive can help with access.
- Fewer single alarm mutual aids have been required the last few months because of the number of students manning station 103 and medic 173. Students are assigned to one of the three shifts and respond to alarms with that shift. During off duty time they have the option respond on alarms when available.
- Alarm changes in 2017. Service calls increased by 55; structure fires up 6; and vehicle fires decreased. Total responses increased 243 so far which is more than 10 percent to date.
- Assessment only-no charge is a new statistic in 2017 after a Board Policy change not to charge walk ins. Year to date total of 421 assessment (includes on scene and walk- ins), last year this number was included in non-transport. Assessment charges when on-scene depend if medics provide some kind of medical intervention.
- 2017 Building permits valuation to date: Residential permits increased 7 million dollars and commercial permits decreased 3 million dollars.

Correspondence / News

A. Thank you – Heart & Home Hospice

B. Shine on La Pine – Recognition letter & award

C. Wise Buys – Structure Fire

D. Wise Buys – Structure Fire, Board Meeting, Crescent Fire Levy

E. Newberry Eagle - Highlights from La Pine Fire District

F. Sunriver Scene - Sunriver Fire Service District

G. Deschutes County Assessor – Potential Refund Credit/Tax Turnover Withholding.

Director Hubbard inquired on what was a refund credit. Staff reported due to Oregon law, when a tax payer contests their property assessments, they still pay the tax but the County holds it (does not distribute to agencies) until the case is resolved. There is currently a major county commercial taxpayer contesting the assessment on its communications infrastructure.

H. SDAO Annual Conference, Seaside Feb 9-11

Old Business

- A. **Update SCBA & Air Compressor Project.** The SCBAs have been ordered and have been received; FEMA has been billed for the grant portion, payment was received, and the

vendor paid. The air compressor has been ordered but will not be received until February as currently projected.

- B. **Update Area Wide FEMA Radio Grant Project.** Chief Supkis and Chief Daugherty met with 9-1-1 to discuss the FEMA grant radio project and radio selection that works best for La Pine Fire District. The district portion of the regional FEMA grant was \$170,000 with the required 10% (\$17,000) local match. Radios were selected as to be practical, maximize the grant opportunity, and allow the fire district to operate both on the current legacy system and the new P25 world. The legacy system is extremely important, as it works best in our remote portion of the county, can be used in simplex (direct radio to radio mode) and all our wildland partners (federal, state, walker range) as well as, all fire districts other than Deschutes County, still operate on the legacy system. In the future the district will need to purchase additional portable radios if and when we fully commit to the P25 system full time.

New Business

- A. **City of La Pine.** Moved up on agenda.

- B. **FY 2016-2017 Audit Report – Barnett & Co. CPAs.** Moved up on agenda.

- C. **Board Policy 600.01 Update – Rescue Services.** Policy to establish the levels of service for rescue to be provided by the La Pine Rural Fire Protection District and to differentiate the ability to appropriately provide those rescue services between the Fire District and the greater Ambulance Service Area outside of the fire district. Director Witmer offered two edits to the Policy during the pre-reading that are incorporated. The update is to the original “shore based” water and ice rescue. Now with training, equipment, and PPE trained firefighters have the ability to enter the water or on ice, when properly equipped and “shore supported”. Also the term swift water is now used as the district has rivers that have moving currents that meet that the operational definition by national standards.

Action: Director Hubbard moved to approve revised Board Policy 600.01 Rescue Levels of Service date December 14, 2017. Second, Director Witmer; the motion passed by a 3-0 vote.

- D. **Resolution #17-03 – Oregon Savings Growth Plan.** At the July board meeting the board gave their consensus approval for the district to offer district employees the option to participate in the PERS/Oregon Saving Growth Plan (OSGP). This is an employee contribution savings plan at no cost to the district other than minor payroll administration. This plan does not replace the currently offered deferred payroll saving plan under the

La Pine Firefighter's IAFF/Nationwide plan but will be another option for them as well as all non union staff. Staff has met with OSGP and completed the plan enrollment documents. The next step to move forward is for the Board to adopt resolution adopting and participating in the Oregon Savings Growth Plan as a special district for its employees. Director Witmer read Resolution #17-03 in its entirety. No further discussion and action was taken.

Action: Director Witmer moved to adopt Resolution # 17-03, Oregon Savings Growth Plan, as read. Second, Director Hubbard; the motion passed by a 3-0 vote.

E. Miscellaneous.

- SDAO Annual Liability Insurance Review. Chief Supkis reviewed changes to the policy for 2018. Apparatus is identified based on age to determine the valuation of functional vs. replacement. Emergency vehicle older than 2003 and other vehicles older than 2011 are not insurable at new replacement value they are replace at functional value which is fair market replacement of like age and type vehicle. The classifications and values for each district vehicle have been adjusted accordingly. The building property values were increased for appropriate coverage based on square footage and to get us closer to a \$200/sq. ft. replacement cost that we recently experienced with our station 103 dorm project and is at the lower end on national fire station construction cost trends. In addition it was made clear that the station 101 shop was included. What is not covered for loss is the Volunteer property and marine coverage for small tools, hose, and equipment. The district assumes those risks as that coverage is costly and has reasonable budget ability to underwrite. Jeff Griffin, CEO WHA Insurance, will attend the January board meeting for insurance updates and questions.

Special Meeting and Workshops - None

Good of the Order

- La Pine Christmas Basket Distribution Saturday December 23.
- Volunteer Spaghetti Feed on December 16 at the La Pine Senior Center- \$8.00 donation.

Next Meeting – Regular Board Meeting – Station 101 – Thursday, January 11, 2018 at 9 a.m.

Adjourn Board Meeting – Director Cox adjourned the board meeting at 10:58 a.m.

Respectfully Submitted,
Bonita Johnson
Office Manager

Date Presented to Board and Approval _____

Board Secretary _____

Board President _____