



TUBAC FIRE DISTRICT

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TUBAC FIRE DISTRICT BOARD MEETING MINUTES REGULAR MEETING OF THE BOARD OF DIRECTORS March 31, 2021

1. Call to order and Pledge of Allegiance: The meeting was called to order at 1:30 p.m., by Mary Dahl. The Pledge of Allegiance was recited.
2. Roll call of Board Members: Mary Dahl, Mike Connelly, Pete Benequista, Herb Wisdom, and Bill Kirkpatrick were present at Station #2. Also, in attendance at Station #2 were Chief Horvath, Deputy Chief Rivera, Deputy Chief Guerrero, Gabe Buldra, Ben Archer Clowes, and Nancy Lindsey. Sara Simonton, Mike Cano, and Vanessa Johnston attended telephonically.
3. Report from Board Members: None
4. Reading of public comments submitted via email: None
5. Correspondence: None
6. Chair's Report : Mary Dahl recognized Bill Kirkpatrick for being a recipient of the 2021 Santa Cruz County Early Childhood Award of Excellence. Mary also commented that vaccinations are moving along and will soon be available to the general public.
7. Chief and Staff Report: Chief Horvath presented the staff report.
8. Monthly Financial Report for February 2021: Gabe Buldra presented the financial reports for the month of February 2021.
Key points for the month:
 - A. Santa Cruz County revenue for February is \$169,710 which is \$49,700 over budget.
 - B. Non-L levy revenue is \$45,603 which is under budget by \$28,072.
 - C. Ordinary expenses for the month totaled \$250,917 which is over budget by \$3,481.
 - D. Year-to-date Santa Cruz revenue is \$2,138,077 which is \$6,224 under budget.
 - E. Year-to-date Non-levy revenue is \$4,646,268 which is \$3,854,368 over budget.
 - F. Year-to-date ordinary expense is \$2,597,211 which is \$177,749 over budget
9. Consent Agenda
 - A. Approval of minutes from February 24, 2021 regular meeting
 - B. Approval of monthly financial reports

Pete Benequista made a motion to approve the consent agenda and Bill Kirkpatrick seconded the motion; all were in favor, the motion passed.

10. Discussion and possible action regarding employee benefits for FY21/22: Chief Horvath explained that staff solicited proposals from three benefit providers: Mahoney Group, Sedona Financial, and Crest Insurance. The Mahoney Group was able to negotiate great renewals with the health, vision, and dental providers the District currently utilizes, and staff is therefore requesting that the Board approve the same benefit plans as last year; PPO and HSA with Blue Cross/Blue Shield, VSP for vision, and MetLife for dental, short-term disability and life along with the \$1,200 stipend for the HSA users at the beginning of the benefit year, May 1, 2021. Mike Connelly made a motion to approve the FY22 benefits package as proposed by staff and Pete Benequista seconded the motion; all were in favor, the motion passed.
11. Discussion and possible action to approve a newly proposed Tubac Fire District "Mission Statement": Pete Benequista explained that the proposed TFD mission statement came directly from staff and feels it best describes the mission of the Tubac Fire District. Pete Benequista made a motion to approve the proposed mission statement for the Tubac Fire District, which will be "Tubac Fire District is committed to the safety of our community through the delivery of fire suppression, medical services, and public education" and Mike Connelly seconded the motion; all were in favor, the motion passed.
12. Discussion and information only regarding the Tubac Fire District FY 21/22 budget: Gabe Buldra provided an overview of the preliminary FY21/22 budget that included the projected revenues and expenses. He explained that the District continues to wait for quotes for liability and worker's compensation insurances and added that the presumptive cancer legislation looks like it will pass, so this may cause a delay in quotes from the carriers. Mike Connelly asked Gabe if we are close to a balanced budget to which Gabe replied there is currently a \$200,000 shortfall due to loss of tower revenue.
13. Discussion and possible action to move forward with Fire Station 1 renovation or replacement including direction to staff on next steps: Mary Dahl provided the background and the history as to the need for renovation or replacement of Fire Station #1. In 2020, the Board made the decision to sell the Peck Canyon tower for \$4 million. The discussions surrounding that decision included exploring the use of sale proceeds to replace Station 1. These items are not in dispute:
- The residents of the District voted in 2008 to replace Station 1.
 - Refinancing the current voter-approved Bond Debt resulted in a savings to the taxpayers of over a half million dollars.
 - The District has about \$3.8 million in tower sale proceeds in the bank.
 - The District Finance Director has advised, and the Board has generally indicated its desire to sequester \$2 million in tower proceeds to cover lost tower revenues over the next ten years.
 - Property tax valuations rose 5.2% this past year and are projected to continue to rise.
 - The Station 1 remodel committee's only viable option that may meet current needs is projected very preliminarily to cost \$2.6 million.

The Board needs to decide what to do about Station 1 and the District's long-term facility needs in Tubac. The first step, recognizing their work and out of courtesy to the Station 1 committee, is deciding if more information on the committee's findings will be of value. The Board should discuss whether or not to ask the architect and JVG to make a presentation of the committee's work, as recommended in the committee's report. Assuming no presentation is desired, the Board needs to decide whether to pursue renovation or replacement. Mike Connelly expressed his concern about putting the District in a financial crisis by considering spending \$5 to \$6 million dollars on a new station. He stated that his intention is not to insult anyone, but he feels with the step pay increases, health benefits, top of-the-line apparatus, uniforms, etc., that the staff is well taken care of and that it makes no sense to go back to being financially strapped. Bill Kirkpatrick commented that the safety issues and code deficiencies alone cannot be ignored any longer; that the Board needs to agree to giving the Chief and staff the latitude to come up with a plan that they can bring back to the Board for further discussion. Mike Connelly agreed that something does need to be done with Station #1, but not a commitment to spend \$5 million dollars within the next year or two. Mary Dahl asked Mike to not consider the \$5 million dollars at this time, but

to just agree to give staff approval to begin the arduous process in determining replacement or renovation of Station #1. Bill Kirkpatrick commented that what is needed is a process that does not include breaking ground tomorrow, but that the Board has to move forward in a responsible way. Bill Kirkpatrick made a motion to replace the existing Station 1 with a new fire station and appropriate administrative facilities and that staff be directed to return to the Board with detailed information on a timeline, decision points, process and budget and Herb Wisdom seconded the motion; Mary Dahl asked for any further questions or comments. Pete Benequista commented that he was on the Station 1 committee that was precipitated by the concept Fire Station #1 from WSM Architects, the "Taj Mahal" as he called it has more square footage than can be imagined. He agreed that something does need to be done with Station #1 but would like to see a proposal that keeps the station on the property where it currently is and not necessarily replaced in total. He feels the motion is too bold and would like the motion to read beginning the process to replace Station 1. Mike Connelly commented that the primary duty statutorily as Board members is the fiduciary responsibility to the District to be financially sound and not to approve new buildings and everything else because we think we need it. The main responsibility is financial stability and if we agree to everything there is no purpose for a Board. Mary Dahl asked for any other comments on the motion; none being heard she asked for a vote in which Herb Wisdom, Bill Kirkpatrick and Mary Dahl voted yes and Mike Connelly and Pete Benequista voted nay; the motion passed 3:2.

14. Future Agenda Items:

- A. Chief's contract
- B. Insurance quotes

15. Next Meeting: April 28, 2021 at 1:30 pm

16. Adjourn Meeting: Pete Benequista made a motion to adjourn the meeting at 2:50 p.m. and Mike Connelly seconded the motion; all were in favor, the motion passed.