



TUBAC FIRE DISTRICT

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TUBAC FIRE DISTRICT BOARD MEETING MINUTES REGULAR MEETING OF THE BOARD OF DIRECTORS October 30, 2019

1. Call to order and Pledge of Allegiance: The meeting was called to order at 9:00 a.m. by Mary Dahl. The Pledge of Allegiance was recited.
2. Roll call of Board Members: Board Members present were Bill Kirkpatrick, Herb Wisdom, Mike Connelly, Candy Clancy, and Mary Dahl. Also present were Chief Horvath, Deputy Chief Rivera, Captain Guerrero, Nancy Lindsey, John Conger, Captain Lujan, Darrell Miller, Henry Valdez, Charlie Alvarez, Ricky Rodriguez, Tim Zamora, Reyver Fontes, Marc Caschera, Maria Sanchez, Chris Farmer, Kathleen Vandervoet, Thomas Waniewski, Melissa Tomlinson, Ben Archer Clowes, William Sanchez, William Sanchez Jr., Robin Alkire, Diana Alkire, Melanie Bodine, Allison Bodine, Anthony Valez, Kim Culver, Lori Caschera, Jessica Alvarez, Adrienne Gilstrapp, Adela Valdez, Laura Espinoza, Jesse Espinoza, Barbara Jones, Diana Sanchez, George Z. Taylor, Brooke Anguleo, William Rowe, Rich Bohman, Dennis Eshleman, Reyes Fontes, and Joel Fontes.
3. Report from Board Members: None
4. Presentation: Recognition and swearing in of new and newly promoted employees: Chief Horvath introduced and conducted the swearing in of new hires FF/ EMT Reyver Fontes, FF/EMT Marc Caschera, FF/EMT Maria Sanchez, and FF/CEP Chris Farmer and pinned newly promoted Deputy Chief Benjamin Guerrero.
5. Call to the Public: District resident George Taylor presented the Board with a timeline he prepared that outlined his disappointment with the Fire District in trying to obtain an open burning fire permit. Board Chairman Dahl acknowledged Mr. Taylor's frustration and deferred his concerns to Chief Horvath to be rectified.
6. Correspondence: Thank you notes received.
7. Chair's Report: Mary Dahl commented that the Day of the Dead event as well as other events in Tubac appeared in her opinion to have been very successful. She further explained that 2020 will be a census year and encouraged the community to be counted.
8. Chief and Staff Report: Chief Horvath presented the monthly activity report to the Board. Chief Horvath informed the Board that the District sent a brush truck to help with the fires in California; that the Station 1 modular unit is still in the works with the septic having been approved and a possible change to be made to install a propane tank versus a costly revamp of the electrical system; and that the three paramedic students graduation will be held November 25th at 6:00 pm at the Leo Rich Center in Tucson.
9. Monthly Financial Report for September 2019: Melissa Tomlinson presented the financial reports for the month of September.

Key points for the month:

- A. Santa Cruz County tax revenue for September was \$17,475 which was under budget by \$11,551.
- B. Non-Levy revenue was \$61,615 which was over budget by \$8,364.
- C. Expenses for the month totaled \$252,244 which was under budget by \$29,543.
- D. Fiscal year revenues at \$172,783 are under budget by \$189,466 attributed primarily to fewer than anticipated wildland deployments and expenses at \$944,048 are over budget by \$16,254.

10. Consent Agenda

- A. Approval of minutes from September 25, 2019 regular board meeting
- B. Approval of monthly financial reports

Mary Dahl asked for any questions or comments from the Board. Mike Connelly made a motion to approve the consent agenda and Bill Kirkpatrick seconded the motion; all were in favor, the motion passed with a unanimous vote.

11. Discussion and possible action on sale of Station #2 tower: Thomas Waniewski, telecommunications consultant with Capital Telecom, presented the Board with a brief summary of the positive and negative aspects associated with the decision to accept or not to accept the proposed purchase price offer of \$3.5 million from American Tower:

Positive Aspects of sale – ability to use the proceeds for capital needs without further burdening taxpayers; District staff no longer having to deal with maintenance issues or serving as liaison to American tower to resolve issues.

Negative Aspects of selling – loss of long-term rental income; loss of control of the oversight of the tower; loss of potential upside on any new tenants or modifications of existing leases,

Positive Aspects of retaining tower – substantial monthly income; continued increase in rents as reflected in amendments with existing tenants; potential to renegotiate or eliminate management fee as contract comes up for renewal in approximately five years.

Negative Aspects in retaining tower – the pending consolidation of Sprint and T-Mobile will likely lead to a termination of at least one lease; sites with high current rental rates are being targeted by A T & T and Verizon nationally for “high rent relos”; no new national carrier tenants left as the tower currently has the four major players; sale price is likely near maximum potential value and any consolidate or termination of tenant lease will reduce that price.

Board members Dahl and Clancy asked when it would be a good time to sell the tower to which Mr. Waniewski replied the District need not rush, but should consider that the potential merger between Sprint and T-Mobile may cause the loss of one of the leases. Mike Connelly asked Mr. Waniewski why his opinion for the District to consider selling the tower had changed from the last time he was here to which Tom stated that the Sprint / T-Mobile merger was unsure at that time and other changes in the industry, i.e., “high rent relos” are becoming more prevalent. Mike Connelly asked when the last negotiation of the 60/40 management fees with American Tower had taken place to which Mr. Waniewski stated he did not know. Mary Dahl stated that she feels with changes in the industry, with the tower tenants being fully subscribed and the potential for “high rent relo” that now is the time for the District to consider sale of the tower. Candy Clancy asked what the loss of revenue would be with the merger of Sprint and T-Mobile to which Tom replied approximately \$5,000 per month / \$60,000 per year. Mike Connelly asked Mr. Waniewski what his fees would be if he represented the District is selling the tower to which he replied 4% or less of any amount negotiated over the current offer of \$3.5 million. Candy Clancy made a motion to authorize staff to coordinate exploratory options of sale of the Peck Canyon cell tower with American Tower and Herb Wisdom seconded the motion; all were in favor, the motion passed.

12. Discussion and information only on plans for Station #1: Chief Horvath explained that there were no new updates from what the Board was provided with in the prior month. Candy Clancy and Mike Connelly both agree that the District should step back for a few months and possibly even a year in its discussions of a new Station #1 to keep an eye on cash flow and to see where property tax revenues. Mr. Connelly feels that the District should continue to pursue options, but would like to see a presentation without bond debt or lease purchase because taxes for District residents are already overburdened. Bill Kirkpatrick expressed his desire for the staff to keep pursuing all possible

solutions for building a new Station #1. Mary Dahl conveyed her understanding of the concerns of all of the Board members, but feels that the Chief and staff should be given the opportunity to continue to move forward in pursuing all options available for Station #1. Mary Dahl stated that she would like to talk with the Architects.

13. Discussion and possible action regarding the use of Scott M. Bennett and the Law Firm of Coppersmith Brockelman PLC for legal services as needed: Chief Horvath explained to the Board that the District has been experiencing a lag in turnaround time with Bill Whittington for engagement contracts and contractual reviews and is requesting the District approve utilizing the services of Scott Bennett meanwhile retaining the services of Bill Whittington for the Local PSPRS Board. Bill Kirkpatrick made a motion to approve the engagement of Scott M. Bennett and the Law Firm of Coppersmith Brockelman PLC for legal services and Mike Connelly seconded the motion; all were in favor, the motion passed.
14. Discussion and possible action to change the dates for the November and December Board meetings: Chief Horvath suggested to the Board to change the dates of the November and December meetings to avoid conflicts with the Thanksgiving and Christmas holidays. Mike Connelly made a motion to change the November meeting from the 27th to the 20th and the December meeting from the 25th to the 18th to which Bill Kirkpatrick seconded the motion; all were in favor, the motion passed.
15. Future Agenda Items:
 - A. Further discussions on potential sale of tower
16. Call to the Public: Rich Bohman asked if the tower were to be sold if the District is limited as to how the proceeds would be invested to which Melissa replied that discussions would unfold as more details and the process continues. Dennis Eshleman stated that he was appreciative of Chief Horvath for being very thoughtful of the many issues affecting the District from a financial standpoint. Kathleen Vandervoet asked if a preliminary design for a new Station #1 has been started by the Architects if the Board knows where the station would be built to which Chief Horvath explained that no negotiations have started for the land.
17. Next Meeting: November 20, 2019, at 9:00 a.m. at Tubac Fire Station #2, 1360 W. Frontage Road, Rio Rico.
18. Adjourn Meeting: Mike Connelly made a motion to adjourn the meeting at 10:35 a.m., and Herb Wisdom seconded the motion; all were in favor, the motion passed.