

**POLSON RURAL FIRE BOARD MEETING
MINUTES JUNE 09, 2010**

Board trustee members present: Fred Nelson, R. Jack Clapp, Beth Hoel, Steve Stanley.

Board trustee member absent: Jim Manley.

Staff: Fire Chief John Fairchild; Board Clerk Bonnie M. Manicke.

Guests: Sasha Goldstein, Lake County Leader Reporter, Elsa Duford, City of Polson Commissioner; Todd Crossett, Polson City Manager; Volunteer Fire Personnel Terry Gembala, President Volunteer Firefighters; Drew Hoel; Jane Clapp; Residents Tim Beebe, Dave Waterman, Lee Manicke, Dean Sams.

Meeting called to order 7:00 p.m. Fairgrounds Fire Station by Chairman Nelson.

Minutes May 10, 2010 Rural Fire Board Meeting; Motion Trustee Clapp to approve minutes of May 10, 2010, second Trustee Hoel. Motion carried unanimously.

Claims: Motion Trustee Stanley to approve May, 2010 claims, second Trustee Hoel. Motion carried. Trustee Clapp abstained. The claims included the annual payment for housing fire equipment at the Clapp Ranch.

Communications: General communications: Energy Partners provided a 2010 prepay cap contract to deliver 300 gallons of propane at \$1.89 per gallon \$567.00 LESS 2009 credit \$159.00. The amount due by September 15, 2010 is \$408.00 for contract delivery September 16, 2010 through March 31, 2011. The auto-fill basis is at market rate or contract rate, whichever is lower, until all contract gallons are delivered or March 31, 2011 arrives, whichever occurs first. The 2009 prepay cap contract was \$1.59 per gallon. Denning, Downey & Associates, certified public accountants, auditing local governments submitted a proposal to report post-employment benefits other than pensions referencing GASB #45. GASB #45 is not applicable to the Polson Rural Fire District volunteer staff.

Fire Chief Fairchild provided a copy of the 2010-2011 Montana DNRC Incident Rental Agreement for equipment and personnel. The contract was signed by the fire chief and board chairman.

At the board's request, Fire Chief Fairchild presented four bids proposals for various items for the Fairgrounds Station 1). Carpet for conference room at Fairgrounds Station: a). *Harbor Light Furniture & Flooring* **\$1,944.00**; b). *Home Floor Covering* **\$1,995.00**. 2). Front and back concrete aprons at the Fairgrounds Station: a). *Fairchild Concrete, Inc.* excavate and prepare site for concrete 30' x 124'- 6-inch thick apron with 3/8-inch rebar 2' on center quoted price \$10,050.00 per slab, **total \$20,100.00** b). *Oden Concrete, Inc.* move material and prepare front apron 30' x 130' pour 3900 sq. ft. apron 5-inch thick with #4 rebar 2' on center each way, 5 ½ sack mix \$13,900.00; prepare and pour back apron 30' x 130' 5-inch thick with #4 rebar 2' on center each way, 5 ½ sack mix \$13,300.00, **total \$27,200.00**; c). *Whealon's Construction Specialties* front apron 30' x 130' bid includes 5 ½ sack concrete, 5 1/2-inch thick slab; 1/2-inch rebar on 24" centers; excavation for slab area; and labor to fine grade, form, pour, and finish. Does not include: removal of excavated material, fill under apron, sumps or drains on back apron \$13,482.00. Note: back apron same as above \$12,900.00, **total \$26,382.00**. 3). Washer & dryer A board member challenged the volunteers to purchase a washer and dryer. *Appliance Care* submitted a proposal for a new washer and dryer at \$699.00 each; used dryer at \$200.00, **total \$1,598.00**.

4). Fence *Lynch Fencing, Inc.* 490-feet 5 strand bobless wire fence on all-wood posts with 2 gates, 1-12' brown gate, 1-4' brown gate, 6-single (2 post bracers), double 3-post brace, take down existing fence and pile for land owner **\$1,767.00**.

The annual payment for the interlocal agreement with the City of Polson in the amount of \$15,000 was presented to the board for review. The payment is included with the June claims.

Received resignations from three Big Arm volunteers Ron Friez, Arnold Gomke, and Jeff Meslin. (Copies of letters attached to file minutes).

Chairman Nelson read a letter of resignation from Trustee Manley dated June 8, 2010. A copy of the letter was also forwarded to the Lake County Commissioners. In summary Trustee Manley has concerns the new board at the first meeting took action to eliminate the autonomy of the Big Arm Company and fold it into the city fire department and recently three of the seven Big Arm firefighters resigned. The interlocal agreement with the city cannot be justified for rent since the completion of the new rural station. Concerns with the manner of turning all the fire operations over to the Polson Volunteer Fire Department. Trustee Manley expressed there is not anything positive he can contribute by remaining on the board. (Copy of letter attached to file minutes). Trustee Stanley addressed issues in the letter by stating he defends Big Arm Fire Station and volunteers at the station are an active part of Polson Rural Fire District, health issues of volunteers should not be discussed. Trustee Stanley was a member of the Polson Rural Fire Board when the interlocal agreement was formed, although was not on the board when the agreement was signed. Originally Pat DeVries, CPA processed the rural payroll for the fire chief, since the rural had no mechanism to process the payroll. Former Fire Chief Mike Tucker was a part time employee and was not able to receive benefits with the city, therefore, the rural fire board agreed to make a payment to the city so the fire chief could become a full time employee and receive benefits. Trustee Stanley originally disagreed with the agreement when it was signed, although now considers the agreement useful. The payment is not just for storage, it also includes the chief's salary. In the past, apparently the chief couldn't receive a salary for serving in the capacity of rural fire chief. Looking at what the city offers the district, the district gets a bang for the buck. The fire chief completes a large amount of paperwork, the city provides two type 6 apparatus for the district's use in wildland firefighting, water is provided at no cost. He defends the joint city/rural department and the way the firefighters are able to function within the two separate departments but come together for response. Also the interlocal agreement should be considered useful to the district. Perhaps the dollar amount of the interlocal agreement could be reviewed in the future.

Treasury Report for month ending May 2010:

Fund #7243 Voted Levy/Operating Fund Balance	\$ 50,351.73
Fund #7245 Operating Fund Balance	\$ <u>74,658.59</u>
Total Operating Balance:	\$ 125,010.32
Fund #7244 Voted Levy {Fire Apparatus}	\$ 28,185.78
Fund #7246 Capital Improvement Fund Balance	\$ 51,817.02
Total Operating Fund Expenditures	\$ 24,557.92*
Debt Service Expenditure (Fairgrounds Stn)	\$ 9,385.75
Debt Service Expenditure (2007 Pierce fire truck)	\$ <u>41,798.63</u>
Paid bills in the amount of	\$ 75,742.30
Check numbers 4217 - 4239	
(paid June 09, 2010)	

*NOTE: ADJUSTED FOLLOWING MEETING - Void check #4229 \$84.03 payable to Northern Energy returned. Kraig Rubel paid for propane and one cylinder with cash.

Chairman Nelson inquired on the availability of State of Montana Intercap Program funding for the loan balance on the 2007 Pierce Fire Truck. Bonnie stated the Intercap Program has a variable interest rate which changes annually in February. The current interest rate is 1.95%. Reviewing 2004-2007 historical data the rate in six months could be 3.05% and considering inflation factors the future variable rate may exceed 4.00%. The loan currently has a fixed interest rate of 4.00% with final payment June 15, 2013. The recommendation is to remain with the current fixed interest rate of 4.00%. **Motion Trustee Clapp to accept treasury report for month ending May, 2010, second Trustee Stanley. Motion carried unanimously.**

Chief's Report: The bolts on the steel frame of the Fairgrounds Station are being tightened. Volunteer fireman Kraig Rubel is assisting with the project. Items outlined in the Plum Creek Grant have been ordered. Fire hose testing will be conducted. The Pachyderm Club will be meeting at the Fairgrounds Fire Station June 25th 11:00 a.m. to 1:00 p.m. Submitted an application to Wright Express to provide 10 fuel cards for trucks. For accounting purposes fuel card pin numbers will be identified by the truck number. Preparing the fiscal year 2010-2011 budget. Requested board approval to advertise for new recruits for the entire district, although mainly focus on the Big Arm area to join the Big Arm Company. Currently two applications are being reviewed for the Big Arm Company. Membership is planning a hamburger fry at the Big Arm Station Saturday, June 26th 10:00 a.m. to 4:00 p.m. Trustee Stanley suggested the advertisement for new recruits include Polson Rural and not single out Big Arm. Volunteers are need for Polson Rural. Trustee Stanley recognizes the Fairgrounds Station is a challenge and appreciates John working on the building.

Old Business

REQUEST FOR FIRE SERVICE – Trustee Stanley informed the board Fire Chief Fairchild indicated Knuppel Lane, which is chip sealed, was not accessible with fire equipment. Trustee Stanley expressed the Polson Rural District taxpayers should be informed, if there is a request for service in Polson Rural District there will be a response. The taxpayers pay for response and Polson Rural Fire volunteers will respond. He acknowledges there are some areas in the district that are a challenge to access, but there is always a response. Property owners Tim Beebe and Dave Waterman thanked Trustee Stanley for acknowledging the response in the district. They invited Fire Chief Fairchild to view the area and become familiar with Knuppel Lane.

WORKER'S COMPENSATION ANNUAL REPORT – Pete Bishop worker's compensation carrier with Bishop Insurance reviewed the annual premiums billed by Montana State Fund. December 19, 2007 – December 19, 2008 reported payroll \$29,741.17 premium \$2,662.48 rate \$9.11. December 19, 2008 – January 1, 2009 short term policy to move policy date to January 1st reported payroll \$1,574.03 premium \$238.39. January 1, 2009 – January 1, 2010 estimated payroll \$26,000.00 premium \$2,882.40 rate \$11.07. Reported payroll \$39,623.36, therefore, reported payroll exceeded estimated payroll resulting in an additional premium of \$1,530.58 as result of audit. January 1, 2010 – January 1, 2011 estimated payroll \$26,172.00 premium \$3,218.72 rate \$12.66. In a three year period, the rate increased from \$9.11 to \$12.66. Currently Liberty Northwest, Safeco, Travelers, and Fireman's Fund insurance carriers do not provide coverage for volunteer firefighters in the State of Montana. Assumed earnings are based on the number of volunteer hours of each firefighter times the average weekly wage divided by 40 hours, subject to a maximum of 1 ½ times the average weekly wage. The term “volunteer hours” means all the time spent by a volunteer firefighter in the service of an employer, including but not limited to training time, response time, and time spent at the employer's premises. Hours times average weekly wage divided by 40 equals assumed payroll. Subject to a maximum of 1 ½ times times average weekly wage. This is the calculation performed for each firefighter. The reason for the \$1,530.58 additional premium for 2009-2010 policy years was an increase in the number of firefighters from 42 to 49 and reported payroll was higher than estimate by \$13,623.00. For policy year 2010-2011, Pete suggested increasing the estimated payroll to \$39,000 or increase the budget \$1,600 for an anticipated additional payment when the audit is calculated. (Copy of report attached to file minutes). The training hours are split 50/50 with rural and city; rural fire response, and volunteer hours at rural stations are calculated at 100 percent. Pete indicated the worker's compensation auditor reported the calculations and reports are prepared well and accurate.

STAKEHOLDERS GROUP REPORT – Trustee Clapp referred to City Manager Todd Crossett. Todd served as facilitator during the recent meetings. He has no personal agenda in the process being a rural taxpayer and a city employee. The meetings were useful to discuss issues and resolve conflict. The membership of the board has changed, therefore, the board is no longer split in their decision making process. He suggests the group meet to work out issues in real time, rather than waiting several years. Currently the Big Arm residents are apprehensive of the Big Arm Station status as to whether it will closed. Todd recommends the group include residents from the Big Arm area and meet every other month. Trustee Stanley

expressed it is not this board's intention to closing the Big Arm Station. Resident Dean Sams expressed the future of the Big Arm Fire Station lies in the Big Arm Community. According to state guidelines three or four volunteers at the Big Arm Station will not provide a response team and liability issues will become apparent. Todd indicated it would be useful for the stakeholders group to have a discussion with the Big Arm residents stating it is not the intent to close the Big Arm Station. Trustee Stanley indicated that discussion should be with the rural fire district board members in the rural atmosphere and it real important that the issue is discussed with the board. Trustee Clapp indicated Todd's points are well taken and felt the stakeholders meetings were useful. A recent example is the resignation of three Big Arm volunteer firefighters. The board was not instrumental in their resignation; while the volunteers did not come to the board to try to resolve the issues. Therefore he not sure how to resolve issues. Although, Trustee Clapp feels the stakeholders group may serve some useful purpose in the future to avoid issues becoming issues. Trustee Stanley expressed the rural district has the Fairgrounds Station facility to serve as a meeting place for rural board meetings and is centrally located for all rural residents. Perhaps the board needs to visit Big Arm, but board meetings will no longer be scheduled at Big Arm. Trustee Stanley requested Todd review the interlocal agreement and come to a conclusion of what the \$15,000 annual payment covers. Perhaps the language in the interlocal agreement needs to be clarified. He commends the taxpayers questioning the annual payment; and the board needs to clarify the use of funds. Todd with review the agreement with City Attorney James Raymond.

FAIRGROUNDS FIRE STATION CONSTRUCTION LOAN – Board clerk Bonnie Manicke reported the Valley Bank loan balance is \$168,517.00 . The board capped the loan at \$175,000. Trustee Stanley reported the previous board made an agreement with Polson Fairgrounds, Inc. following construction a chain link fence would be installed. Following conversation with Lake County Commissioners it was agreed to install a wood pole fence with straight wire (no bobwire) with two gates – one drive through gate to allow access to the fairgrounds for volunteers drafting and training and one walk through gate. The bid from Lynch Fencing is \$1,767. Additionally the conference room at the Fairgrounds Station should be carpeted to improve acoustics. The bid quotes are a). *Harbor Light Furniture & Flooring* **\$1,944.00**; b). *Home Floor Covering* **\$1,995.00**. Trustee Stanley proposes a loan request of \$3,711 for the fence project and carpet; then close the loan with Valley Bank Ronan. Chairman Nelson confirmed the loan balance would remain within the loan cap of \$175,000. Bonnie indicated the approved June bills includes payment number one issued to Valley Bank in the amount of \$9,385.75 which was due May 30, 2010. In view of the payment and current excess operating cash, she recommends operating funds used for the fence project and carpet. The preliminary Lake County Treasurer's report shows approximately \$127,000 comprised of operating funds and voted levy funds for operating. Trustee Clapp asked if the current funds are reserve funds. Bonnie replied the excess is due partly to the real property tax reappraisal and the board has been conservative the past nine months in anticipation of protested tax claims. Actually the current amount held in protested taxes is \$4,657.97. **Motion Trustee Stanley to close the construction loan with the current balance \$168, 517, second Trustee Clapp. Motion carried unanimously.**

FAIRGROUNDS BUILDING LIAISON REPORT – Trustee Stanley reviewed a list of items submitted by the volunteers to complete the Fairgrounds Station. Minor construction paint and chalking, bolts in the building framework tightened, major items include a steel cabinet, vacuum cleaner, television donated by fire chief, VCR donated by Trustee Stanley, DVD, microwave, concrete aprons front and back, light pole, obtain quote from Rody Construction to repair remote door openers, install carpet in conference room, defer bathroom upgrade, defer ice maker. He also contacted Judy Hewitt, a commercial cleaning service, to clean the facility once a week. Judy's quote is \$135.00 per month to clean the bathrooms and conference room. **Motion Trustee Stanley to hire Judy Hewitt \$135.00 to \$200.00 per month to clean the facility on a weekly basis for a six month trial period; Motion Trustee Stanley to accept the bid from Harbor Light Flooring \$1,944.00 to carpet the conference room; Motion Trustee Stanley to accept Lynch Fencing proposal \$1,767 with the approval of the Fair Board; Motion Trustee Stanley to pay one-half the cost of a washer and dryer - rural amount \$699.00; second Trustee Hoel. Motion carried unanimously.**

New Business:

FUEL CARDS – Fire Chief Fairchild reported the fuel cards are being processed with Wright Express. The fuel card allows for purchases throughout the state. Chairman Nelson suggested purchases alternated between all local fuel suppliers.

LONG RANGE PLAN AND APPOINT COMMITTEE – Chairman Nelson appointed a three member committee consisting of Trustee Clapp representing the board, Sid Rundell representing the public, and Fire Chief Fairchild. Board input should be directed to Trustee Clapp, public input should be directed to Sid and volunteer membership input to Fire Chief Fairchild. The committee will review five and ten year long range plans for the rural fire district.

BUDGET FY '10-'11 SCHEDULE SESSION AND APPOINT COMMITTEE – Chairman Nelson appointed a FY '10-'11 budget committee Trustee Stanley, Trustee Hoel, Fire Chief Fairchild and Clerk Manicke. The committee was instructed to develop a budget for the board to review and adopt.

REQUEST SCHEDULE FOR EVENTS AT EACH BUILDING – Fairgrounds Station - Pachyderm Club meets June 25th. Fire Chief Fairchild indicated a schedule for use of the Big Arm Station has not been submitted recently. Trustee Hoel reported three notices of the June Rural District Meeting agenda were posted at the Big Arm Station inside and outside the door and the door below where the fire department enters and all three signs were removed. A meeting was in progress at the time of posting the agenda. Alison Meslin generally schedules the meeting and emails the fire chief, although he has not received an email in a long time. Trustee Clapp suggested the board secretary send a communication to Alison to provide a schedule of events to Trustee Hoel and then pass the schedule on to Fire Chief Fairchild. Originally the ownership of the building is the Big Arm Fire Company and the district pays nothing to maintain the building; while the land is a lease with the Salish & Kootenai Tribes and the rural fire district.

FIRE COMPANY BY-LAWS – Trustee Clapp attempted to bring the rural fire company by-laws in conformance with the board and maintain the autonomy of companies. Items are contrary with board stated policy, Montana laws with different categories of non-firefighters who were part of the fire company and could incur liability for the board. The by-laws allow for fire companies to hold meetings at Big Arm with training coordinated through the chief. It also allows for a membership committee of all the companies with a representative from each company to determine membership which is consistent with recent board actions. Trustee Stanley suggested companies changed to stations. The training hours should be changed to 30 hours to comply with the state retirement requirement. Trustee Clapp presented Resolution Number 17 adopting uniform by-laws for rural fire companies. **Motion Trustee Stanley to adopt Resolution Number 17 Uniform By-laws for Rural Fire Companies, second Trustee Clapp. Motion carried unanimously.**

NAME CHANGE RURAL FIRE COMPANY – Trustee Clapp presented Resolution Number 18 to rename the Fairgrounds Rural Fire Company to Polson Rural Company 2. The name change allows to open the company for membership and retirement purposes. **Motion Trustee Clapp to adopt Resolution Number 18 to Rename the Fairgrounds Rural Fire Company to Polson Rural Company 2, second Trustee Stanley. Motion carried unanimously.**

DISCUSS POLSON VOLUNTEER FIRE DEPARTMENT - Trustee Clapp presented Resolution Number 19. Whereas, the Polson Rural Fire District previously passed a resolution stating that the Polson Volunteer Fire Department was not part of the Rural, the board wishes to rectify and clarify that earlier resolution. It is therefore resolved: That the Polson Volunteer Fire Department is recognized as the entity providing fire and rescue services to the Polson Rural Fire District and shall do so in conformity with the

Board Guidelines and Procedures under the supervision and control of the Fire Chief. **Motion Trustee Stanley to adopt Resolution Number 19 stating that the Polson Volunteer Fire Department is recognized as the entity providing fire and rescue services to the Polson Rural Fire District and shall do so in conformity with the board guidelines and procedures under the supervision and control of the fire chief, second Trustee Hoel. Motion carried unanimously.**

Public Input on Non Agenda Items: –

Sasha Goldstein, Reporter for Lake County Leader referred to the earlier discussion regarding the stakeholders meetings and issues with the Big Arm residents contemplating the board plans to closing the Big Arm Station. Trustee Stanley explained Big Arm is a huge part the district. The board needs to look at the entire district. Big Arm is on one end of the district while Valley View, Turtle Lake, etc. are at the other end of the district. The Fairgrounds Station is more centrally located for all residents in the district. Therefore all public board meetings will be held at the Fairgrounds Station, while in the past three meetings per year were held in Big Arm. The board and fire chief are committed to meet with the Big Arm firefighters.

Trustee Clapp requested the proposal to add concrete aprons to the Fairgrounds Station placed on the July agenda. Requested May tax collections to the operating fund analyzed. Lake County Treasurer June reports generally received mid July should indicate the majority of the second half of real estate taxes. Fire Chief Fairchild received a check from the airport board for \$100 for members cleaning the fence line. Trustee Stanley acknowledged city equipment was used. **Motion Trustee Stanley Fire Chief and City Manager decide the placement of funds either to the city or volunteers, second Trustee Clapp. Motion carried unanimously.**

Terry Gembala, President Volunteer Firefighters reported engine #316 is upgraded to better serve the city and rural residents. Trustee Stanley will support the fire boat for fire operations, although it should be very clear to the membership none of Flathead Lake nor any of the islands are in the rural fire district. The area is fire management responsibility. However rescue and life safety on the lake is the activity of the volunteers. Trustee Stanley supports fire fighting in the district with the fire boat.

Motion Trustee Clapp to adjourn, second Trustee Stanley. Motion carried unanimously.

Meeting adjourned 8:24 p.m. Next scheduled meeting at Fairgrounds Station, 25 Regatta Road; Wednesday, July 14, 2010 , 7:00 p.m.

Fred J. Nelson, Chairman

Beth Hoel, Secretary-Treasurer