

**POLSON RURAL FIRE DISTRICT BOARD MEETING
MINUTES APRIL 13, 2011**

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

Board trustee members absent: None.

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

Guests: Residents - Tom Eddy, Alan Fillman, Leanna Fillman, Jim Sisler, Frank Jones, Lee Manicke, Rory Horning.

Meeting called to order 7:00 p.m. at Fairgrounds Rural Fire Station No. 4 by Vice-Chair Clapp. The Pledge of Allegiance was recited.

Minutes March 9, 2011 Polson Rural Fire District Board Meeting: Tom Eddy commented on the items he submitted during the public comment added to the minutes. Chair Clapp noted Mr. Eddy's letter and news article from the Los Angeles Times regarding the vehicle crash fees are communications preserved in the organization's correspondence file. The minutes are the proceedings of the organization and a recording of what took place at the time. The items provided were reviewed by the board and ultimately become part of the correspondence file. **Motion Trustee Stanley to approve the March 9, 2011 minutes as transcribed with the additional explanation, second Trustee Hoel. Motion carried unanimously.**

Communications: Big Arm Association schedule use of Big Arm Fire Hall. Every Monday and Wednesday 10:00 a.m. exercise class; Tuesday, April 4th 4:00 p.m. committee meeting; Thursday, April 14th 10:30 a.m. community coffee hour; Saturday, April 30th 9:00 a.m. community lunch. Last week of April possible conference with Montana Preservation Alliance. (No date set). Last week of April, possibly April 28th or 29th 9:00 a.m. community highway clean-up. Schedule submitted by Alison Meslin, Big Arm Association. Chair Clapp requested clarification from Mrs. Fillman regarding the community lunch which is advertised as a chili feed. The upstairs meeting room and kitchen will be utilized. Trustee Stanley commented organizations using the facility routinely and notice a maintenance concern should contact the board timely. Recently a water channel caused ground settlement. Mr. Eddy questioned his agenda item request. Chair Clapp indicated the letter will be addressed at the appropriate time. Agenda items for board review/consideration need to be submitted ten days in advance of the meeting. Submission will be reviewed by the board to be placed on the agenda. Mr. Horning requested clarification to place the item on the agenda and additionally lobby a board member to submit the agenda request. Chair Clapp indicated the open meeting law requirements are met. Mr. Horning requested the record reflect his disagreement the open meeting law requirement is not met.

Claims: Motion Trustee Sams to pay March 2011 claims as submitted, second Trustee Nelson. Trustee Stanley abstained. Motion carried.

Treasury Report for month ending March 2011:

Final Lake County Treasurer report with March 2011 revenue posted.

Fund #7245 Operating Fund Balance \$ 27,458.04

Fund #7244 Voted Levy Debt Svc. {Fire Apparatus}\$ 9,996.63

Fund #7246 Capital Improvement Fund Balance \$ 26,859.00

Fund #7243 Voted Levy/Reserve Fund Balance \$ 97,570.09

Total Operating Fund Expenditures \$ 14,540.33

Check numbers 4505 - 4524

(paid April 13, 2011)

REVENUE TO BE RECEIVED –

AT MARCH 31, 2011 LAKE COUNTY TREASURER TRIAL BALANCE

{Balances represent ONLY 2010 Real Property Tax Collections. Real Property Tax is the majority of the revenue for the district. Outstanding Real Property Taxes for years 2006-2009 are minimal)

FUND # 7245 OPERATING FUND	\$ 61,376.49
FUND # 7244 VOTED LEVY FUND	\$ 39,193.16
FUND # 7243 VOTED LEVY RESERVE FUND	\$ 29,943.58

Prior year comparison 2009 real property tax collections at 96.78%.
Anticipate 2010 real property tax collections will be comparable.

Trustee Stanley indicated with the second half 2010 real property tax collections fund #7243 Voted Levy/Reserve Fund should have \$118,000 as an anticipated balance at June 30, 2011. The funds are in an interest bearing account with Lake County. Then the balance in the reserve fund is approximately the amount of the mill levy payback to the real property owners of record. The FY 2010-2011 operating budget was approximately \$125,000. Trustee Nelson clarified the mill levy payback will reduce the mills levied, therefore, the Voted Levy/Reserve Fund #7243 is a reserve fund for operations in FY 2011-2012 budget. **Motion Trustee Nelson to approve treasury report, second Trustee Stanley. Motion carried unanimously.** The board reviewed donations received from Silver Rock Pines Landowners Association payable to Polson RFD \$100.00; Hughes Ranch LLC Steve Hughes \$150.00 appreciation for haystack fire response fall 2009. The board authorized the checks deposited to Fund #7246 Capital Improvement Fund.

Chief's report: Fire Chief Fairchild reported 15 runs in March with 6 rural responses including 3 fire calls – chimney, grass, vehicle; 3 vehicle crashes. One volunteer personnel application was given out. The new truck #333 is in the Fairgrounds Station. Drew Hoel, Will Woodger and Fire Chief Fairchild have been working diligently to get the truck in service. The hose tray is the final component to install and program the radio. The factory recall on the module is scheduled for 9:00 a.m. Thursday, April 14th, 2011. The truck should be in service next week. The equipment on engine #323 will be changed out. Received from Lake County Sheriff's Office three used SCBA air pacs and masks. Two SCBA's will be issued to the rural department and one to the city department. Trustee Stanley suggested the department pay \$500 per pac, while the cost of the pacs new are \$700. To date this year, the volunteers donated to the community 1,862 training hours and 569 response hours. During the mask fit tests several are not sealing properly. It is necessary to purchase six masks three for the rural and three for the city. A maze training class with Finley Point Fire was held indoors at the Fairgrounds Fire Station. The departments appreciated the use of the building for indoor training. An electrical change out for all building units at the Fairground site is scheduled April 19th, therefore electrical power will be disconnected. Annual air pac flow inspection tests are scheduled for April 19th. Fire Chief Fairchild will be out of town April 18th – April 26th. Chair Clapp requested follow-up information on the donated SCBA's. John indicated the SCBA's are complete with one bottle and a flow test will occur with the scheduled tests on April 19th. On behalf of the board, Jack expressed thanks for the effort of the volunteers, Chief Fairchild and Trustee Sams. A significant cost savings was realized by the rural department and the rural taxpayers on the new Engine #333. The truck and components are less than half of the retail cost. John indicated the cost of a SCBA masks is \$269 - \$279 with the head straps. Trustee Stanley has six or ten head straps that are surplus to donate to the department. He advised the volunteer hours serve as an in kind match donation for federal grants. The in kind dollars donated to the district are \$10,526. Mr. Eddy stated a couple of meetings ago he requested additional information regarding the vehicle crash reports and there was a discussion if the information was considered public information. Trustee Hoel replied Mr. Eddy's letter was taken to the Lake County Attorney's office March 15th at 12:05 p.m. Attorney Kurt Moser was requested to prepare a written opinion. To date the board has not received a reply. Chair Clapp afforded Mr. Eddy the opportunity to independently contact the Lake County Attorney's office and the board will also follow-up on the request. Trustee Nelson indicated Kurt Moser is no longer with the Lake County Attorney's Office. The board will monitor the request.

Old Business:

VEHICLE ACCIDENT RESPONSE ADDRESS ITEMIZED BILLING – During the March meeting the board requested Fire Chief Fairchild prepare an itemized billing for vehicle accident response. Residents in the community suggested the board prepare a schedule of itemized response fees for analysis. Fire Chief Fairchild prepared the following itemized fee schedule. The standard response at a crash is a type 1 engine for blocking the scene and fire suppression, a rescue vehicle which carries Jaws of Life and other tools necessary for extrication, and a command staff vehicle. The Northern Rockies Coordination Group (NRCG) business management handbook was referenced for the fee schedule. The NRCG standard fee is also referenced for wildland and haz-mat response. The fees established are 1) Type 1 Engine with 4 person crew: \$188.00/1hour minimum; 2) Type 6 Engine with 2 person crew: \$98.00/1 hour minimum; 3) Rescue vehicle with 2 person crew: \$121.00/1 hour minimum; 4) Type 1 Water Tender with 1 person crew: \$121.00/1 hour minimum; 5) Command staff vehicle: \$53.00/1 hour minimum; 6) Each additional crew member after initial response will be billed at \$17.85 per hour per crew member; 7) Jaws use of equipment is computed at the value of the current equipment. The following analysis was computed to arrive at a replacement cost for jaws equipment and attachments. The equipment value is \$100,000 with a 10 year depreciation schedule at \$10,000 per year. In a 10 year period January 2001 to December 2010, the department responded to 607 crashes with one-third of the crashes requiring extrication for an average of 18.2 per year. City crashes total 207 with an average of 6.2 per year; rural district crashes total 400 with an average of 12.0 per year. The depreciation over a ten year period is \$10,000 per year for the equipment divided by the average number of crashes for the department, City and Rural. The depreciation for the department is \$549.45 per incident; City \$1,612.90 per incident; Rural \$833.33 per incident. The figures above do not include an annual service fee for maintenance on the equipment of \$2,200 and the fuel to run the equipment which ranges from \$25.00 - \$75.00 per year. Additionally it does not include training with new equipment and new member orientation which ranges from \$500.00 - \$2,000.00 per year. A replacement percentage has not been added for a price increase. A 20 percent average price of the past 10 years indicates training \$10,000; maintenance \$22,000.00; fuel \$500.00 for a total of \$32,500 over a 10 year period. The expense to operate the Jaws is shocking. Therefore, what is a fair fee to operate the Jaws? The following was analyzed – equipment value \$100,000 Plus training/maintenance/fuel \$32,500.00 = \$132,500.00 less 10 year depreciation \$13,250.00 divided 18.2 average rural crashes equal \$728.00. The cost per incident for the Jaws is \$728.00. 8) Lost or damaged equipment will be billed at repaired or replacement cost. Additional items that can and may be billed for extrication response include: hydration supplies water and Gatorade \$.99 - \$1.59 per bottle; absorbents haz-mat pads or granulated absorbent - \$1.10/ea - \$8.00 per bag. A billing data form was prepared to reflect the following itemized charges Type 1 Engine \$188.00 per hour 1hour minimum; Rescue vehicle #300 \$121.00 per hour 1 hour minimum; Command vehicle \$53.00 per hour 1 hour minimum; Jaws equipment \$728.00 per incident; additional charges for damaged or lost equipment; hydration; absorbents; mileage; and other. Trustee Stanley requested the mileage charge removed. The mileage is generally included in the operator rate. Chair Clapp indicated previously the board adopted a categorization fee schedule and asked John if the schedule can be maintained effectively. John indicated the cost represent a fair fee based off the NRCG national statistics for the region. Trustee Stanley supports the fee schedule and noted the fees represent the NRCG fees. Mr. Eddy asked if the NRCG represent national fees. Chair Clapp responded the NRCG fees are for this region. Mr. Eddy expressed with a volunteer organization the NRCG will not apply. While the board indicated the NRCG is applicable for the services rendered. Mr. Eddy indicated for these types of fees the Montana law states the fees should be the cost of services provided while with a volunteer crew there is no cost. Chair Clapp replied there is a cost incurred by this district through tax revenue for the volunteers (crew) worker's comp premium, insurance premiums. The volunteers do not receive cash payments for services. This organization is not able to function without significant costs for worker's comp premiums, insurance premiums, outfitting and training the volunteers which are significant costs of the district's maintenance and operations. Mr. Eddy indicated the costs are already established by fire response duties. Trustee Stanley responded that Mr. Eddy requested the board analyze an itemized bill for the vehicle crash response. The NRCG fees are standard. Resident Jim Sisler contacted fire departments in state and out of state. He is of the understanding that fire districts in this state operate differently. The operations of the district are supported by a tax levy, while in some small areas the districts operate on a fee basis. The Polson Rural District is proposing to do both a

taxable mill levy and implement a fee for vehicle crash response. The department does a great job and he has the highest respect for the volunteers. He questioned if the monies collected will be used to reduce mill levies, therefore lowering the mill levy request. Chair Clapp replied if the vehicle response fee generates excess funds the annual mill levy request will be reduced. He pointed out the board members receive no enumeration, the volunteers receive a nominal clothing allowance to replace damaged clothing and no mileage is paid for volunteer response. The money generated is applied to provide services to the citizens of this community. The department cannot operate with a deficit budget, therefore, if the money is not available the district cannot provide the service. If the funds are not needed, the mill levy will be reduced in the future. Costs of services are continuing to increase, therefore the board chose to implement the fees. With the new technology and new vehicle design, the cutters on the jaws equipment may incur major damage. Cost to replace the jaws cutters is \$10,000 to \$15,000, a firefighters turnout gear is \$4,000 to replace. The board determined under Montana law the funds collected by tax mill levies is to provide fire service response. As an example, Mr. & Mrs. Fillman are residents of the Chief Cliff Fire District. The CCFD provides only fire service response. If an accident occurs in the CCFD, Polson is requested to respond to the accident scene. The board determined the vehicle accident should reimburse the taxpayers for the services received billed through the vehicle insurance policy. The vehicle response fee is not unique to Polson and is being implemented in a number of communities. Fees are implemented in Pablo and Bigfork, therefore, if Polson were to lift the fees the vehicle response fee still exists in the surrounding communities. A number of residents in the community questioned the flat rate was not fair to everyone. The board requested Fire Chief Fairchild to prepare an itemized schedule. The itemized schedule analysis took two to two and one-half days to prepare. The attempt was to address some of the taxpayers concerns. Three thousand resident taxpayers are in the district; while there is a concern by four or five taxpayers. The board is not insensitive to the concerns and explored the itemized billing to make it commensurable to the services provided. The question is to continue with the flat rate or implement the itemized fee schedule. **Motion Trustee Stanley to adopt itemized billing with current structure for vehicle accident response fees with the change to eliminate the per mile charge, second Trustee Sams.** Mr. Sisler asked who does the investigation to determine the cause of the damage. Chair Clapp responded the party to whom the service is rendered is billed. Montana law dictates the person at fault pays the bill. Therefore in a collision by the other party being at fault their insurance will pay the vehicle response fee. Additionally if the response does not render services, no fees will be charged. Jack noted prior to the vote the itemized billing is a work in progress and requested Fire Chief Fairchild report the activity to the board. **Motion carried unanimously.**

New Business:

ENGINE #323 - Engine #323 is out of service. The board needs to determine what to do with Engine #323. A daily fire newsletter is posted on the internet by the Montana Fire Academy which provides a section to advertise sale of surplus equipment. Chair Clapp suggested the board advertise Engine #323 for sale by sealed bid in the newsletter along with pictures. Fire Chief Fairchild provided the following advertisement.. Polson Rural Fire District would like to sell a 1987 K3500 club cab by sealed bid. The mileage is unknown at this time. The vehicle was used as a type 6 brush truck. This is a dually pickup with boxes and a slide in unit that has a 300-gallon tank and 18 horse pump. The hose on the reel will be pulled off along with all loose equipment. The truck will be sold as is with no warranty. The Polson Rural Fire District will accept sealed bids until April 30th and will announce the winner of the bid at the May 11th Rural Board meeting. Anyone wishing to see this vehicle can call 406 883-8220. Trustee Nelson suggested the advertisement include the truck was well used. Trustee Stanley suggested the advertisement include the right to refuse bids. Chair Clapp added 4X4 with manual transmission. **Motion Trustee Stanley to advertise Engine #323 for sale by sealed bid with advertisement additions well used vehicle, right to refuse bids and add 4X4 vehicle with manual transmission, second Chair Clapp. Motion carried unanimously.**

BIG ARM EXCAVATION ISSUE - Fire Chief Fairchild presented a proposal by Rubel Contracting to repair the road and parking lot at the Big Arm Station. The winter weather caused the ditch to settle. The proposal includes haul and compact 3/4-inch crushed gravel and construct manorstone wall block, natural color, one-foot six-inches in height. Cost of project is \$2,310.31. Trustee Nelson questioned if

the height of the wall is adequate. Trustee Stanley suggested an additional foot added to the wall height. Chair Clapp noted following the recent improvement at the Big Arm Station negative letters appeared in the local newspapers. If the Big Arm residents feel the improvements are not necessary, perhaps the funds should not be expended. Rory Horning indicated there was not excessive negative comments. Trustee Stanley expressed the mud on the slab endangers the volunteers and the parking lot has settled. Trustee Nelson suggested a french drain behind the wall block to drain the area. The crushed gravel on the road can be completed immediately. The time line for the wall block will require time for the soil to dry out. **Motion Trustee Nelson authorize the Chief to proceed to make the necessary repairs as indicated on the bid sheet at the Big Arm Station with an additional one-foot of wall block, add a french drain to the wall block, and back grade the slope with the total cost not to exceed \$3,000.00, second Trustee Stanley. Motion carried unanimously.**

APPOINT CITY LIAISON COMMITTEE – Chair Clapp indicated the proposed liaison committee will coordinate with the city administration in terms of ongoing fire department operations. Currently the Rural Fire Board does not have a committee to work with the city manager regarding similar goals. In the past, it was done on an ad-hock basis. **Motion Trustee Nelson to appoint a committee of two Polson Rural Fire District Trustees to serve on the liaison committee to establish a chain of communication with the city, second Trustee Sams. Motion carried unanimously.** Mr. Horning asked if City Attorney James Raymond provides legal services to the Polson Rural Fire District. Chair Clapp indicated the district utilizes Lake County Attorney legal services. **Motion Trustee Nelson to nominate Trustees Clapp and Stanley to serve on the liaison committee, second Trustee Sams. Motion carried unanimously.**

Trustee Nelson requested to be excused for a scheduled personal telephone conference.

Public Input on Non Agenda Items: – Mr. Eddy read a letter addressing the legal aspects to implement the vehicle crash fees. He is of the opinion the board does not have the authority to enact the fees. Since the board has not sought a written legal opinion from the County Attorney, he is requesting the board address the matter with the objective of obtaining a written legal opinion from the Montana Attorney General regarding the issue. Specific legal questions that need to be answered are: 1). Does this board have the authority to enact such fees? Note Montana Code 7-33-2105 (Powers and duties of Trustees) does not provide this authority. Furthermore, legislation (HB256) to change this code to allow such fees failed in the Local Government Committee of the 2009 legislature. 2). Does this board have the authority to enact such fees without passage of a resolution? 3). Does this board have the authority to enact such fees without a public hearing on such a resolution (which has not been written)? He recommends any further action on the crash fee program be halted until a written opinion supporting the legality of the boards' actions is obtained from the Attorney General. Chair Clapp noted the letter will be filed in the communication file. Fire Chief Fairchild indicated no crash response bills have been issued. The committee to review the crash billing is not a policy making committee. Trustee Stanley clarified the purpose of the committee is to review the crash report for equitable billing. Frank Jones congratulated the board implementation of the fees for crashes. Reading documents in the newspaper this is exactly what needs to be done. Chair Clapp noted the sign near Mr. & Mrs. Fillman's property suggesting no crash fees. Perhaps the sign will encourage public safety.

Motion Trustee Stanley to adjourn, second Trustee Sams. Polson Rural Fire District meeting adjourned 8:21 p.m.

R. Jack Clapp, Vice-Chairman

Beth Hoel, Secretary-Treasurer