

**MINUTES
BOARD OF DIRECTORS REGULAR MEETING
NORTH METRO FIRE RESCUE DISTRICT
ADMINISTRATIVE HEADQUARTERS
101 SPADER WAY, BROOMFIELD, CO 80020**

Date: December 12, 2018

BOARD MEMBERS PRESENT:

John Abboud, President
Peter Billera, Vice President
Tim Long, Treasurer
Jenni Murphy, Secretary
Richard Miller, Asst. Secretary

STAFF PRESENT:

David Ramos, Fire Chief
David Anderson, Deputy Chief, Support Services
Jeff Bybee, Deputy Chief, Operations
Lisa Willis, Chief Financial Officer
Eileen Gomez, Human Resources Manager
Steve Gosselin, Division Chief, Fire Prevention
Sara Farris, PIO

LEGAL COUNSEL:

Joan Fritsche, Esq.

A. Call to Order

President Abboud called the Board of Directors meeting to order at 5:00 p.m. on December 12, 2018.

B. Pledge of Allegiance – Led by Director Murphy

C. Additions/Deletions to Agenda

None.

D. Public Comment (Agenda Items Only)

None.

E. Action Item – Old Hire Pension

1. A MOTION TO APPROVE RESOLUTION #NM18-008 TO APPROVE A ONE-TIME 1.5% INCREASE IN BENEFIT PAYMENTS TO PARTICIPANTS OF THE “OLD HIRE” DEFINED BENEFIT PLAN WAS MADE BY DIRECTOR MURPHY AND SECONDED BY DIRECTOR MILLER. THE MOTION PASSED UNANIMOUSLY.

F. Convene as Old Hire Pension Trustees Board

The Old Hire Pension Trustees meeting was called to order by Trustee Abboud. (The minutes of the Trustees' meeting are separate from the minutes of the Regular District Board meeting.)

The Old Hire Pension Trustees meeting was adjourned at 5:25 pm.

President Abboud continued the Regular Board meeting at 5:26 pm.

G. Presentations

1. PIO Presentation

PIO Farris reviewed media clips from the past month. There was coverage of the wildland deployments to California. There was an article about an odor investigation due to the possibility of it being related to oil and gas drilling. A firefighter was approached by a high school student about bringing CPR classes to Northglenn High School, and the class was featured on a local news channel. President Abboud asked if the District should be offering this class at other high schools in the area. PIO Farris replied that this is in the plan, and she is looking for additional funding by sponsors. President Abboud commented that the Rotary Club may be interested in sponsoring some classes. He asked her to arrange a presentation to the Rotary Club. Director Billera asked what it costs to offer a CPR class. PIO Farris replied that three classes in one day cost \$2,500 for overtime.

PIO Farris noted that the mammography van from St. Joseph's was located at Station 62 in November and at Broomfield Health and Human Services in December. This has already been booked for 2019. She recapped the District's participation in community holiday events.

H. Staff Reports

1. October 31, 2018 YTD Financial Statements – General Fund

CFO Willis noted that it was too early in the month to review the November financial statements. She discussed the October financial statements, noting that interest income is above Budget for the year. Wildland revenue is also over Budget for the year, with more being billed in November and December. The District received \$59,000 in October and \$190,000 in November as cost reimbursements from the City and County of Broomfield for sections of the water line the District installed to service the Training Center. She thinks the District will hit close to Budget for Emergency Services overtime in 2018.

President Abboud asked about the water line revenue and whether there were expenses associated with this project. CFO Willis replied that the installation of the water line cost \$1.2 million in 2010. This kind of project would normally be recorded as a receivable, but the auditor was not confident that the District would eventually be reimbursed based on the economy and development projections. The water line installation was recorded as an expense to the District at the time the money was spent. The District is now recording payments as revenue. President Abboud asked who pays the expense to maintain the water line. CFO Willis replied that the City and County of Broomfield took ownership of the water line in 2011 and maintains the water line. There are no

maintenance responsibilities or costs for the District. CFO Willis noted that there were almost \$900,000 in reimbursable costs for the District. Director Miller asked where the water line is located. Chief Ramos replied that the water line supplies water to the Training Center, from Broomfield, crossing under I-25.

2. 2019 Proposed Budget

CFO Willis discussed changes to the 2019 Budget since the November meeting. The final assessed valuations were received from the Counties. Other changes include adjustments between merit payouts and base pay, promotions of Engineer and Lieutenants, increase to Wildland expense and changes to healthcare plan choices. She noted that property tax revenue decreased due to final assessed values; the largest decrease was in Broomfield County by \$190,000. This was mostly due to a settlement for Century Link and Qwest Communications and an adjustment to an abatement. The decrease also affected the Treasurers' fees. Wildland revenue was increased from \$200,000 to \$450,000. This will hopefully avoid the need for a Supplemental Budget for 2019 for this pass-through expense. She also noted the addition to Other Contracted Services, which would cover additional IT consulting per the Board's direction. She discussed adjustments to merit pay and promotions to Engineer and Lieutenants. There is a net change of \$22,215 to ending Fund balance. CFO Willis explained that some of this change is from the anticipated beginning Fund balance for 2019. Director Miller asked about the relationship between expenses and revenue. CFO Willis replied that the District tries to make expenses less than revenue. She explained that the District maintains Fund balance of 30% of the next year's Budget as the ending Fund balance. She can make adjustments to transfers to the Capital Improvements Fund. President Abboud noted that there was a loss in revenue that was covered by a decreased interfund transfer. Chief Ramos noted that the 30% Fund balance reserve was a recent decision by the Board. The auditors recommend at least a 25% Fund balance reserve. The District fell significantly below this figure before it asked the voters to approve the mill levy increase in 2014.

Director Long asked which funds are involved in the interfund transfer. CFO Willis replied this money comes from the General Fund into the Capital Improvements Fund. Director Billera asked how often these transfers occur. CFO Willis responded that she makes the transfers as cash flow and needs allow.

3. Station 62 Repairs

Chief Anderson showed some photos of the progress of the repairs at Station 62. He reviewed the timeline of the project. There were delays in getting the plans approved by the City of Northglenn, especially with respect to the materials to be used. There also has been a lack of subcontractors available to work on construction projects. He is thankful for the good weather. The timeline has been longer than anticipated or desired. Director Murphy asked when the exterior would be complete. Chief Anderson replied early next year, in February. Director Long asked if the District is installing a new roof. Chief Anderson replied that there would be a new roof over the apparatus bay.

4. Extraction Oil and Gas Purchasing Agreement

Chief Ramos discussed the agreement for training and equipment to be paid by Extraction Oil. This agreement does not require Board approval, and Chief Ramos stated that he intends to sign the agreement unless the Board expresses objection. Chief Bybee reviewed details of the

agreement, which are outlined in the Comprehensive Drilling Plan (CDP) with Broomfield. The amount paid to the District is approximately \$220,000. The agreement provides for reimbursement by Extraction for the purchase of static air monitoring devices, trailer and foam, truck to pull trailer, ruggedized laptop and miscellaneous hazardous material mitigation supplies. Extraction will also extend water lines and install hydrants within 1,000 feet of each pad site. Chief Bybee discussed the equipment that Extraction will purchase for the District. This equipment will also have utility in other hazardous materials response. President Abboud asked if Chief Bybee is satisfied with this agreement. Chief Bybee is satisfied and feels that the District got a better deal than a neighboring jurisdiction, especially when the agreement to extend water lines is taken into consideration.

Director Long is glad to see this agreement. He wondered why the Board was not approving the agreement. Chief Ramos noted that the Board is required to approve contracts for construction projects over \$60,000 and other expenses over \$100,000. This agreement is for expense reimbursement only. Chief Ramos intentionally delayed signing this agreement to allow opportunity for Board input. President Abboud agreed that Director Long asked a good question regarding Board approval of this agreement since the amount of expense incurred by the District prior to reimbursement would exceed \$200,000. He would like a legal opinion.

Attorney Fritsche noted that Attorney Shearer had reviewed the agreement and provided his comments to the Chief. She stated that, in her opinion, the Chief does have the authority to execute the agreement. Chief Ramos added that the Board could be engaged earlier for these types of agreements if it wished to do so in the future.

Director Long asked if Extraction would be responsible for the replacement of depleted resources. Chief Bybee noted that Extraction Oil is obligated to reimburse the District for used or damaged equipment and supplies, including hazardous materials disposable supplies recovery. Chief Bybee added that Broomfield was a great partner in negotiating this agreement. The City and County's CDP provided the framework for the negotiation. PIO Farris commented that she had recently worked with Jennifer Rios of the Broomfield Enterprise to prepare a news story about the city's preparations for emergency planning for oil and gas incidents. This article would appear in the newspaper in the near future.

Director Billera asked about the anticipated timeline of the oil-drilling project in Broomfield. Chief Bybee offered to share a Gantt chart of the drilling plans with the Board at a future meeting. He noted that pipeline work had begun. The District experienced 25 odor calls when the pipeline work began, and Chief Bybee expects more calls as the project progresses. The drilling will begin in February 2019. There is a large training exercise planned for firefighters, Extraction Oil personnel and City and County of Broomfield emergency planning personnel on January 17.

Director Miller asked about the specialized equipment and whether it requires specialized training that may have additional expenses. Chief Bybee replied that Extraction agreed to pay \$7,500 towards training in the first year and \$2,500 each year thereafter. He noted that the air monitoring equipment may require additional training.

Director Murphy asked if the trailer would need to be stored inside a bay. Chief Bybee stated that

the trailer with foam must be stored inside, and it would be initially housed at Station 67.

Director Long noted that the word reimburse is in the agreement, not to exceed \$400,000. He thinks there are lots of "what ifs". He is worried about the District's liability in the future. Chief Bybee is confident that the equipment the District is purchasing will give it the capability to respond. Chief Ramos noted that the District has no authority to approve the development of oil and gas, but does have a responsibility to provide emergency response protection and to engage in hazard reduction where possible. Chief Ramos also noted that the District would receive additional tax revenue from the oil and gas production. The District requested the reimbursement from Extraction set forth in the Agreement to stand up new emergency response capabilities in advance of production and receipt of associated tax revenues.

President Abboud noted that oil and gas companies have an obligation in the Fire Codes, but Extraction Oil has gone above that in this agreement. He congratulated the District.

Chief Ramos asked if the Board was comfortable with him executing the agreement. Director Billera asked if there was capital outlay by the District. Chief Ramos replied that there is capital outlay and that he would come back to the Board if at any time the capital outlay exceeds \$100,000. President Abboud acknowledged that the Board is comfortable with this agreement. Chief Ramos added that the budgeted expenditures for these purchases are in the 2019 Capital Improvements Budget under grant revenue.

5. Intergovernmental Agreement for Automatic Aid

Chief Ramos noted that this agreement is between the District and nine other fire departments for automatic aid. Automatic aid is the sharing of emergency response resources between fire departments where preapproval to dispatch another agency's resources has been granted by the agreement. The CAD-to-CAD project to connect Broomfield, ADCOM, Thornton and Westminster dispatch centers is now underway, and this agreement sets forth the District's agreement to participate in closest unit response, regardless of jurisdiction. This agreement differs from auto aid agreements of the past in that it allows fire chiefs to establish parameters for sharing resources and to update and change those parameters without modification to the agreement. Chief Ramos recommends that the Board approve this intergovernmental agreement.

6. 2019 Strategic Plan

Chief Ramos discussed community involvement in the Strategic Plan. There will be two processes running parallel and simultaneously. The community-driven Strategic Planning Committee will be appointed by the Board and will be composed of 15-20 community members representing different areas of the District. He discussed a press release and invitation letter that would be sent to past Board candidates, participants in the Citizens Fire Academy and other interested residents. The District will ask for applications to be returned by January 4. Chief Ramos will help the Board with identification of potential committee members. The first meeting of the Committee will be in late January or early February. These meetings will begin with education of the Committee members with standards of coverage as well as regional and national practices. The end goal is to understand what the community expects and wants from its fire department. He plans to present customer satisfaction survey data for all calls to the Committee. The information will help the Committee gain an insight into community expectations and current level of customer satisfaction.

The Committee will also include key staff members – Division Chiefs, CFO and line support to cover all areas. The Board has directed that it would also like to have two Board members serve on the Committee. If three or more Board members participate, the meetings must be posted as a Board meeting. He looked for feedback on how the Board would like him to proceed with identifying Committee members.

President Abboud commented that he would like the applications to be brought to the Board to review for the selection of the Committee at a Study Session in January. He agrees that the Board should select two Board members to participate on the Committee. Director Long is worried about the response date in early January and whether interested persons will respond around the holidays. Director Murphy concurred. Chief Ramos replied that the process is easy to apply, and he does not want to delay the Strategic Planning process by delaying the formation of the Committee. Chief Ramos noted that the Citizens Fire Academy participants would make excellent candidates based on the education they received this past fall.

Director Miller is not sure he is comfortable with the Board selecting the committee. He is worried that this may slow the process. He likes the idea of having Board members on the District's Strategic Planning Committee. President Abboud responded that it might be better for the Board to select the participants to make the process more transparent. Chief Ramos noted that in order to receive national accreditation, the Strategic Planning process must include community involvement. He agrees with the Board selecting the community members. Staff would summarize the applications and give a matrix to facilitate decision-making. Director Billera agreed that this should be a collaborative effort. Director Long said he has experience with SWOT analysis. He asked if there would be an independent third-party conducting the process. Chief Ramos commented that third-party involvement is not needed for the internal committee, as it will not be difficult to run the SWOT analysis for this purpose. He has already begun work on assessing program management areas, including a recent EMS summit of 50 firefighters. He would like an outside consultant to manage the community group discussions.

Director Miller agreed that the Board should select the community committee members.

Chief Ramos requested some direction from the Board on when to schedule a meeting to select the community committee members. He noted that the Board could meet before the January Board meeting. He reminded them that the Board had initially requested to meet at Station 62 in January, but President Abboud suggested holding the February Board meeting at Station 62 due to the construction delays.

President Abboud stated that he would prefer a lunchtime Study Session. Director Murphy replied that her ability to attend a lunchtime Study Session would depend on the day.

7. RFP for Employee Benefits Broker

Eileen Gomez, HR Manager, reviewed the plan for soliciting, reviewing and selecting a benefits consulting firm. She has identified 10 firms to receive the RFP during the first week of January. She will develop a selection matrix and conduct interviews before consulting with the Board. She hopes to appoint the firm in March 2019.

President Abboud asked if Chief Ramos was looking for a vote to go out for RFP. Chief Ramos replied that he had already been directed to go out for RFP by the Board, and no further action by the Board is required.

Director Miller asked if the existing contractor would be on the list. Ms. Gomez replied that it would receive the RFP.

Director Long expressed concern in limiting the number of firms invited to submit proposal to 10. He feels that there may be quality firms left out. Ms. Gomez replied that casting a larger net may make the pool unmanageable and may include firms that are not qualified. Director Long noted that there is an association of local qualified brokers in Colorado. He would prefer to keep it local, not national. Ms. Gomez replied that the District could cast a wider net with the Rocky Mountain bid process. There is not a benefits consulting association. Director Long indicated that he is open to broker agencies. Ms. Gomez is looking for guidance on complicated topics such as compliance, and in her experience, a general broker does not have the type of expertise a consulting firm would have.

Chief Ramos noted that the District is seeking firms with the experience and capacity to handle the identified scope of work, and prequalifying firms may prove beneficial to the process. He agreed to broaden Staff's search for additional qualified brokers.

President Abboud commented that he believes it is wise to pre-qualify and limit the recipients of the RFP. He recommended that Ms. Gomez and Director Long discuss this further. Director Long said he would provide the name of the association to which he was referring.

8. Project Updates

Chief Ramos informed the Board of a recent accident with a medic unit. The good news is that there were no major injuries. The medic unit was rolled on its side after being hit broadside at an intersection. It is likely to be a total loss of the medic unit. President Abboud asked if anyone was cited. Chief Ramos replied that the driver of the other vehicle was cited with failure to yield to an emergency vehicle. He requested to discuss the accident further in Executive Session as it could involve legal action in the future.

Chief Ramos confirmed that the January Board meeting would take place at headquarters and the February meeting would take place at Station 62.

Chief Ramos asked CFO Willis to review expenses for the Training Academy in response to Director Billera's question at a previous meeting. She reviewed the spreadsheet from the Fall Academy. Each fire department is responsible for a proportionate cost, based on the number of trainees. She noted that the cost per student in 2018 was almost \$1,800. Director Billera asked about the bills paid by each department. She noted that this was things like t-shirts, out of pocket costs for the extrication company, etc. Director Billera thanked CFO Willis for the explanation. Director Miller asked about the negative amounts. CFO Willis explained that the District pays for most expenses and is reimbursed by the other fire departments at the end. Chief Ramos added that labor costs are not on the bill and are the biggest expense to running the Academy. Each department has to provide an instructor to each Academy, even if they do not send any trainees.

This happened to Brighton Fire this year. Fire departments such as Frederick/Firestone that send students to the Academy must pay \$10,000 per student to help with labor costs.

Director Long noted that the spreadsheet is counterintuitive. CFO Willis explained that instructors are not part of the cost calculation. The out of pocket costs increase with more students.

I. Action Items

1. A MOTION TO APPROVE THE CONSENT CALENDAR WAS MADE BY DIRECTOR MILLER AND SECONDED BY DIRECTOR BILLERA. THE MOTION PASSED UNANIMOUSLY.
 - a) Approval of accounts payable checks 47319 through 47445 and online Bill Pay 2018-102 through 2018-112 for a net total of \$991,349.76. Voided check: 47321.
 - b) Approval of minutes from the November 13, 2018 regular district Board meeting.
 - c) Approval of minutes from the November 27, 2018 regular district Board meeting.
2. A MOTION TO APPROVE RESOLUTION #NM18-007 2019 MILL LEVY CERTIFICATIONS, ADOPT THE 2019 FINAL BUDGET AND APPROPRIATE FUNDS WAS MADE BY DIRECTOR LONG AND SECONDED BY DIRECTOR MURPHY. THE MOTION PASSED UNANIMOUSLY.
3. A MOTION TO APPROVE THE INTERGOVERNMENTAL AGREEMENT FOR EMERGENCY SERVICES AUTOMATIC AID WAS MADE BY DIRECTOR MILLER AND SECONDED BY DIRECTOR MURPHY. THE MOTION PASSED UNANIMOUSLY.

J. Attorney's Report

Attorney Fritsche had nothing to add to the written report. Director Long noted that when the attorney makes a statement, it is noted that the attorney approves something. He wonders if it would be better to say that it meets the legal requirements or standards. Attorney Fritsche replied that if the question is with respect to the Automatic Aid Agreement, legal counsel reviewed the Agreement as to form. Director Long replied that he would prefer use of "approved as to form" in future Attorneys' Report.

K. Public Comment

None.

L. Directors' Reports

Director Miller enjoyed the District holiday brunch with his family.

Director Long also enjoyed the District holiday brunch. He congratulated Chief Ramos on the Automatic Aid IGA. He thanked Chief Bybee for the negotiations on the Extraction Oil agreement. He apologized for his tone earlier this evening.

Director Billera thanked everyone for the presentations. He also had concerns with the Extraction Oil and Gas Agreement, but he has full faith and confidence in leadership and expertise of District Staff.

Director Murphy thanked the District for participating in Noel Northglenn. She enjoyed the presentations.

President Abboud thanked Staff and especially Chief Bybee for the agreement with Extraction Oil and Gas. He does not share concerns about the future of oil and gas development.

M. Executive Session

A MOTION WAS MADE BY DIRECTOR BILLERA AND SECONDED BY DIRECTOR MURPHY TO GO INTO EXECUTIVE SESSION AT 7:23 P.M. PURSUANT TO C.R.S. § 24-6-402(4) (B), (E) AND (F) TO RECEIVE ADVICE OF LEGAL COUNSEL AND TO INSTRUCT NEGOTIATORS AND DEVELOP STRATEGY FOR NEGOTIATIONS ON THE SUBJECT OF STRATEGIC PLAN, SPECIFICALLY THE SELECTION OF THE CITIZEN COMMITTEE, ON THE TOPIC OF THE RECENT TRAFFIC ACCIDENT AND THE BOARD REVIEW OF CHIEF RAMOS' PERFORMANCE EVALUATION. THE MOTION PASSED UNANIMOUSLY. ATTORNEY FRITSCHER CERTIFIED FOR THE RECORD THAT THE RECORDING DEVICE COULD BE TURNED OFF FOR THE FIRST TWO MATTERS TO BE DISCUSSED IN EXECUTIVE SESSION UNDER PRIVILEGED ATTORNEY-CLIENT COMMUNICATIONS.

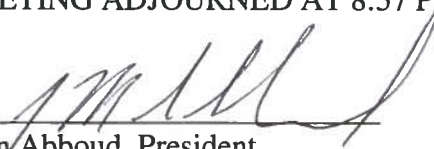


Joan Fritsche, Esq.

A MOTION WAS MADE BY DIRECTOR MILLER AND SECONDED BY DIRECTOR BILLERA TO COME OUT OF EXECUTIVE SESSION AT 8:55 P.M. THE MOTION PASSED UNANIMOUSLY.

N. Recess/Adjournment

A MOTION TO ADJOURN THE MEETING WAS MADE BY DIRECTOR MILLER AND SECONDED BY DIRECTOR LONG. THE MOTION PASSED UNANIMOUSLY. THE MEETING ADJOURNED AT 8:57 P.M.



John Abboud, President



Jenni Murphy, Secretary

I hereby attest that the information communicated during the Executive Session, which was not recorded, constituted privileged attorney-client communications.



Joan Fritsche, Esq.

I hereby attest that the Executive Session, which was not recorded, was confined to the topics authorized for discussion in Executive Session pursuant to C.R.S. §24-6-402(4) (b), (e) and (f).



John Abboud, President