

**Board of Directors
Minutes**

Regular Meeting

February 24, 2009

Pursuant to the proper public notice, a regular meeting of the Board of Directors of Klamath County Fire District No. 1 was held at The Center for Occupational Health, 2621 Crosby Ave., Klamath Falls, OR 97603

Members Present: Alan Scott, Vice President
Rod Green, Secretary-Treasurer
Mike Harrigan, Director
Rich Schuster, Director

Members Absent: Gloria Storey, President

1. Call Meeting to Order

Vice President Scott called the meeting to order at 7:06PM. Vice President Scott also clarified that Attorney Gourley would be available by phone.

2. Pledge of Allegiance

Vice President Scott led the Board and attendees in the Pledge of Allegiance.

3. Approval of Agenda

Vice President Scott revised the agenda to reflect moving Action Item a. Resolution for FlexLease to Action Item b, and Action Item b. Decision on Purchase, Sale, Lease of District Real Property to Action Item a. In addition, Action Item c. Intent to enter into a contract with 911 regarding user fees will be tabled until the next regular meeting. A motion to approve the revised agenda was made by Secretary-Treasurer Green, seconded by Director Harrigan, carried unanimously.

4. Public Comment

No public comments were made.

5. Financial Reports

a. January 2009 Report

Finance Officer Phil Hull was not present at the meeting. Chief Wenzel presented the financial report for January 2009. Chief Wenzel indicated that we are 59% of the way through the Fiscal Year. The General Fund Revenue is at 91.9% and Expenditures for the General Fund are at 52.9%. The Ambulance Fund Revenue is at 61.7% and Expenditures for the Ambulance Fund are at 51.8%. Suppression is at 54%, Prevention is at 48.6%, Administration is at 51.2%, Training is at 44.3%, and Hazardous Materials is at 52.9%.

Vice President Scott asked if the total expenditure for the Station Reserve Fund is \$22,774.77. Chief Wenzel indicated that the District has not transferred any funds into this reserve fund this budget year and is spending the money that was put in during previous budget years. Chief Wenzel will follow-up with Phil on the question. Director Schuster asked about Suppression Services Insurance-General. This item is currently at 97.3%. Chief Spradley reported that this is a once-a-year expense and was paid at the first of the year. There should be no more expenses for this line item.

After the report, Secretary-Treasurer Green made a motion to accept the financial reports for January 2009, seconded by Director Schuster, carried unanimously.

6. Action Items

a. Decision on Purchase, Sale, Lease of District Real Property

Chief Spradley reported on the purchase of the property located at 1625 Mitchell Street. This is the property adjoining Station 3. Chief Spradley was able to procure an earnest money agreement with the owner. The close date would be April 1, 2009, but the property owner has agreed to give the District leeway. First American Title Company is holding the earnest money check. Chief Spradley also reported that the District will be going through a title company for escrow. The District is going to incur about \$525 for escrow fees and \$675 for title insurance. Chief Spradley reported that the District met with the FlexLease people from Special Districts. The plan is to finance the property out for 20 years.

Secretary-Treasurer Green commented that everything seems to be going along with the plan. Chief Spradley indicated that the property owner accepted what the Board had planned to offer. Vice President Scott asked if there were any zoning problems that the District could see that would restrict what we would want to do with this property in the future. Chief Spradley commented that the property is currently zoned commercial. Chief Spradley reported that he does not foresee any issues with zoning. Chief Wenzel also commented that the District currently owns a strip of property between the church and the new Police Department and this additional purchase would square up the District's property lines.

Vice President Scott asked if the District's audit was complete. Chief Spradley reported that it is not complete but Phil is working on getting it done. Vice President Scott asked what the monthly payment schedule would be. Chief Spradley replied that the payment would be a little over \$1,000 a month on the 20-year schedule, with a total of \$165,000 being financed. Director Schuster asked if the interest rate was going to be adjustable. Chief Spradley commented that it will. Chief Wenzel commented that there is a penalty to pay it off within the first four years. Director Schuster is concerned that the FlexLease documents say "For Discussion Only". Chief Spradley indicated that Attorney Gourley has been working with Special Districts on this contract. Vice President Scott commented that the FlexLease still needs to be legally reviewed. Vice President Scott also commented that Legal Council has informed him that even if the Board makes a resolution to purchase the property and a problem arises, the District has the legal ability to get out of the purchase, only losing the earnest money.

Director Schuster made a motion to make an offer to purchase the property located at 1625 Mitchell Street at the price listed of \$165,000, seconded by Director Harrigan, carried unanimously.

b. Resolution for FlexLease

Vice President Scott commented that the FlexLease needs to be reviewed by Legal Council. Attorney Gourley asked when the FlexLease needs to be done by. Chief Spradley reported that the FlexLease document states that the Resolution adopts to move forward with the FlexLease and that allows Special Districts to move forward with financing one week from adoption. Chief Spradley confirmed that he can send the FlexLease to Attorney Gourley electronically. Director Schuster asked Chief Spradley if he had compared the FlexLease to other options. Director Schuster is concerned with the adjustable interest rates and the prepayment penalties. Director Harrigan commented that this was a very good point. He added that it would be good to get a fixed rate. Chief Spradley reported that he understands the rates are fixed once the Resolution is adopted. Chief Spradley recommended that the

motion to approve the Resolution includes pending locking in a fixed rate. Chief Spradley also commented that the District will hold the title to the property. Chief Wenzel pointed out that the interest rates in the FlexLease are below current market interest rates. Chief Wenzel and Secretary-Treasurer Green agreed that it would be reasonable to have a plan to pay off the FlexLease in the first four to five years.

Director Harrigan made a motion to read Resolution 09-01 by title only, seconded by Secretary-Treasurer Green, carried unanimously. Stacy Brainard read Resolution 09-01 by Title only. This is a resolution adopts a Financing Agreement dated as of February 24, 2009, Series 2009C and is entered into between U.S. Bank National Association, a national banking association organized and existing under the laws of the United States of America, with its principal corporate trust office located in Portland, Oregon and the Klamath County Fire District No. 1, Klamath County, Oregon, a body corporate and politic existing under the laws of the State of Oregon. Director Schuster made a motion to adopt Resolution 09-01 pending legal review and locking in a rate at closing, seconded by Secretary-Treasurer Green, carried unanimously.

c. Intent to enter into a contract with 911 regarding user fees

This item will be tabled until the next regularly scheduled Board meeting.

d. Approval of the January 20th Regular Meeting Minutes

Director Schuster made a motion to approve the minutes, seconded by Secretary-Treasurer Green, carried unanimously.

e. Approval of the January 26th Special Meeting Minutes

Director Harrigan made a motion to approve the minutes, seconded by Director Schuster, carried unanimously.

f. Approval of the February 11th Special Meeting Minutes

Secretary-Treasurer Green made a motion to approve the minutes, seconded by Director Harrigan, carried unanimously.

g. Ratification of January 2009 Bills

A motion was made for ratification of the January 2009 bills by Secretary-Treasurer Green, seconded by Director Harrigan, carried unanimously.

7. Informational Reports

a. Review Draft agreement with Emergency Airlift

Chief Keady presented a draft agreement with Emergency Airlift. He reported that the Fire District has an agreement for joint membership of the FireMed program with Mercy Flights. This joint agreement has been in place for about two years. On February 1, 2009, two air ambulance companies came into Klamath County, with very little notification to the Fire District. Chief Keady reported that the Fire District does not control the interfacility transports, from hospital to hospital. Sky Lakes asked Emergency Airlift to come to Klamath Falls. At the same time, AirLink from Bend also came to Klamath Falls. Emergency Airlift also has a ground ambulance in addition to the air. Chief Keady has met with Emergency Airlift and they have agreed not to transport patients by ground from the hospital to the airport, unless the Fire District cannot do the transport due to call volume. Emergency Airlift is also willing to sign a non-compete agreement if the Fire District will partner with Emergency Airlift with our FireMed membership program.

Vice President Scott asked why Sky Lakes felt the need to request an air ambulance company come to town. Chief Keady replied that he believes there is a connection with Sky Lakes and Emergency Airlift through some of the physicians. Chief Keady indicated that now that there are air ambulances in Klamath Falls, the Fire District has to look at what is best for the community as far as a membership partnership. Chief Keady reported that he does not feel it is the Fire District's position to partner with one air ambulance when there is no guarantee they will be here in six months. Chief Keady also indicated that if the Fire District does enter into a membership partnership, it would be best to partner with the air ambulance that would be the most help to the Fire District, which would be Emergency Airlift. In addition, Emergency Airlift has agreed to not compete with the Fire District where they can.

Chief Keady indicated that the Board is seeing this agreement in draft form is because it will end the Fire District's agreement with Mercy Flights and it will enter into an agreement with Emergency Airlift once some of the questions are cleared up. Vice President Scott responded that he can see some real problems with this agreement. Director Schuster asked about the portion of the contract that addressed Fire District responding within ten minutes. He felt this vague. He would like to see it say that the Fire District must give them answer of "no" within ten minutes.

Vice President Scott had a question about sharing current membership rosters. He is wondering if Emergency Airlift will want to sell membership to our customers through the information we would be giving them. Chief Keady indicated that we can address marketing tactics with Emergency Airlift.

Director Harrigan left the meeting at 8:01pm.

Vice President Scott is also concerned about hurting what the Fire District has accomplished with the ambulance program. Chief Keady feels that this agreement will put any stop to Emergency Airlift competing with the Fire District. Chief Keady reported that there will be no action until the Board sees a final draft.

b. Amended Petition for Property Withdrawal

Attorney Gourley was not present to give a report. Chief Wenzel reported that he believes that Attorney Gourley has submitted the paperwork to the superior court.

Administration

a. January 2009 Web Site Statistics

Chief Wenzel reviewed the January 2009 Web Site statistics. Celeste Grimes has expanded the information that is provided to show some different statistics.

b. March Chief Officers and Duty Chiefs schedules

The Board reviewed the Chief Officer and Duty Chief schedule for March.

c. Thank you letters

The Board was presented with the thank you letters that the Fire District received over the last month.

d. February Fire Chief's Community Activity Memo

Chief Wenzel presented his monthly report to the Board.

e. Other reports of the Fire Chief

Chief Wenzel had no other reports.

Operations

a. Incident Activity through January 31, 2009

Chief Spradley reviewed the Incident Activity Report for January 2009. In comparison with January 2008, the District is running a little below last year. The biggest difference is in the Rescue and Emergency Medical Service Incidents. Chief Spradley called attention to one particular incident to the Board. On February 1, 2009, A-shift responded to a fire at 2445 Radcliff Avenue. 3113's crew did make a rescue of a female bystander that had entered the occupancy. She was not breathing at the time she was pulled out. They were able to revive her on the lawn. 3173's crew then transported her to Sky Lakes. Captain Todd Teaford, FF Helge McGee, and FF Cory Curtis were on 3113. FF Jerry Baird and FF Andy Hoskins were on 3173. Vice President Scott commented that he saw a small article in the newspaper about this incident.

b. February Operations Chief Community Activity Memo

Chief Spradley reported that he has been working on Saddle Mountain's ambulance service area that was disbanded and reassigned by direction of the Klamath County Commissioners. The Fire District has been assisting Chiloquin, Bly, and Bonanza to redefine that area. That work is about 99% done. With these changes, the response cards for this area have been redesigned.

Director Schuster commented that he works with a pilot that is a volunteer firefighter in Merrill. This firefighter told Director Schuster that he heard at meeting at the Merrill Fire Department that Fire District No. 1 was spending a lot of tax payer dollars to fight the redistricting. Director Schuster asked if the Chief Officers have any contact with the Merrill Fire District and can clarify these issues. Chief Spradley commented that the Fire Districts have a standing mutual aid agreement and will continue to cooperate together. Chief Wenzel and Chief Spradley gave some history on this issue. Chief Wenzel also clarified that the Fire District has spent a little over \$200 on this. Potentially, it will take more than \$500 a year away in revenue from the Fire District. Director Schuster does not want to see the firefighters to not work together because of misunderstanding. Chief Spradley commented that he believes the same thing and he is working on updating run cards to reflect Merrill's current resources. Chief Wenzel also commented that Merrill does not actively participate in the Klamath County Fire Defense Board.

Training/Ambulance

a. February Training Calendar

Chief Keady presented the February training calendar. He commented that the Radio Procedures class has been postponed until March. FF Steve Leslie is taking the lead on this class. In addition, Chief Keady commented that the Gang Awareness class taught by Detective Jim Williams from KFPD. There was a really good response to this class.

b. January Training Statistics

Chief Keady reviewed the breakdown of the training hours for January. He commented that the District is getting good statistics. Chief Keady also works with the Battalion Chiefs to make sure the training is well tracked.

c. February Training Chief Community Activity Memo

Chief Keady reported that he attended the Special District's Association of Oregon convention with Director Schuster. It was a good opportunity and training. Chief Keady also attended the Firehouse World Expo in San Diego. This included two days of hands-on training. He would like to see the Fire District participate every year. Chief Keady mentioned that the Quality Improvement

Committee met for the second time to review Pre-Hospital Care Reports. Chief Keady reported that the committee saw an improvement in not only the reports, but also in patient care.

d. EMS Billing Report

Chief Keady reported that things are starting to level off after a period of time of catching up. Collections are continuing to be a problem. In addition, the Medi-Cal program in California is paying pennies on the dollar.

Prevention

a. February Fire Marshal Community Activity Memo

Chief Kenworthy reviewed his February report with the Board. In addition, Chief Kenworthy included a report on what the Fire Prevention Personnel are doing monthly. He pointed out that the Fire District worked closely with the Department of Human Services regarding suspected abuse of senior citizen residents in a licensed care facility. Subsequently the facility was shut down and an employee was charged with four counts of abuse. Chief Kenworthy also reported that Deputy Rice responded with B-shift personnel to a smell of smoke at a drug and alcohol treatment facility. The smell of smoke could not be determined but personnel found many fire safety hazards. The facility was posted "Unsafe to Occupy" and closed immediately. The residents were relocated to another facility.

Chief Kenworthy also recognized Deputy Fire Marshal Scott Rice for his work on the investigation of the Main Street Fire that occurred on June 23, 2007. Several months ago a person came forward with new information about the fire that led to a Grand Jury Hearing last week. Deputy Rice provided testimony to the Grand Jury and an arrest warrant was subsequently issued. Chief Kenworthy commended Deputy Rice for not giving up and for again demonstrating his professional skill and ability in arson investigation. Vice President Scott also commended Deputy Rice.

8. Adjourn

The Board adjourned to Executive Session at 8:38PM under section 192.660 (2) (d) to conduct deliberations with the persons designated by the governing body to carry on labor negotiations and 192.660 (2) (e) to deliberate with persons designated by the governing body to negotiate real property transactions. The Board of Directors did not reconvene to regular session.

The next regularly scheduled meeting of the Klamath County Fire District No. 1 Board of Directors will be at The Center for Occupational Health, 2621 Crosby Ave., on Tuesday, March 17, 2009 at 7:00 PM.

BOARD MEMBERS SIGNATURES

PRESIDENT

VICE-PRESIDENT

SECRETARY / TREASURER

DIRECTOR

DIRECTOR