



MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE EVERGREEN FIRE PROTECTION DISTRICT AUGUST 28, 2016

The special meeting of the Board of Directors of the Evergreen Fire Protection District was held on August 28, 2016 at the Administration/Training Building, 1802 Bergen Parkway, Evergreen, Colorado.

MEETING CALLED TO ORDER Director Anderson called the meeting to order at 10:07 am.

TIME OF REMEMBRANCE AND REFLECTION: The pledge of allegiance was recited and a moment of silence was observed.

ATTENDANCE

DIRECTORS IN ATTENDANCE: John Anderson, Mike Gregory, Jeff deDisse, and Dr. Jim Mosby. Dave Christensen joined the meeting at 10:10 am.

ALSO IN ATTENDANCE: Connell O'Brien, Frank Dearborn, Rob Dorney, Marlis Wadleigh, Matt Swinden, Chris Mulberry, Doug Saba, John Lock, Peter Anderson, Dan Hrouda, Joy Glennon, John Putt, Yvette Putt, Matt Duty, Quatro Roderick, Sean Foos, Robert Gottsman, Dan Meller, Sal Christ, Danae Early, Matt Fennell, Greg Grotke, Mike Weege, and Carol Hucker.

APPROVAL OF AGENDA: accepted as presented

PUBLIC COMMENT: Bob Gottsman – Trying to stay informed on the election issue and has attended public meetings and read the materials available. He has some concerns. Taxes add up and cumulatively we lose some of our freedom as a result. He addressed the 50% increase in the fire department portion of the mill levy. There were some reductions in revenue over the past few years. He feels it is unclear what is being asked of in the mill levy and the bond issue. Can Station 4 be sold to apply to the capital needs of Station 1. Heard a comment about a new ladder truck and he doesn't believe we need the existing ladder truck. Why don't we share this expense and need with Genesee? Questioned the number of calls and the low reimbursements and why it is so low and if the section is overstaffed. Director Anderson replied that he will offer Mr. Gottsman the opportunity to ask for further clarification if the discussion when the board gets to the Mill Levy and Bond topics on the agenda does not answer his questions.

APPROVAL OF MINUTES:

- August 9, 2016 Regular Meeting Minutes: Director Christensen made a motion to approve the minutes as presented; Director Gregory seconded; motion carried.

UNFINISHED BUSINESS:

- Resolution calling for a November 8, 2016 Special Election on the Questions of a Mill Levy Increase and Debt Authorization and appointment of a Designated Election Official – Chief Weege explained that the resolution consists of two questions, one for a mill levy increase and the second for a bond issue to be placed on the ballot for the November election. The data we have been compiling indicates that EMS revenue has dropped off dramatically and will continue on this trend. Bob Walter reported that in 2018 when the Accountable Care Organizations take over for Medicare revenue it is anticipated that 90% of our revenue will not be available. EMS costs to operate will not be able to rely on the revenue stream to support itself and offset expenses. With decreases in tax revenue through property taxes over the last 5 years and the recent improvements in tax revenue we are about back to where we were 5 years ago in terms of our revenue while our expenditures have continued to climb over the same 5 years. It is anticipated that property values will rise 3% or less per year moving forward. The CPI was 3% from December 2014 to December 2015 and is expected to drop to 2% for 2016. One of the questions the board has to decide is what percentage of mill increase to consider. Director Christensen asked for clarification of the language in the question. Chief Weege explained that the language is written to give the board latitude in collecting the full levy one year and less another year as budget needs dictate. The second question in the resolution is about the bond issue to replace Station 1 with a 10 bay station that would allow for larger apparatus and potentially combine Stations 1 and 4. There would be a 50-75 year life expectancy for a new structure. Growth in the Evergreen district is unpredictable. Old cabins are being replaced by very large homes, there are taller and higher occupancy buildings and this changes how we strategically fight fire. The department has to keep

pace with growth. An alternative will be to push the bond out until the previous one is paid off and to invest some funds in to upgrades and stabilization of the existing building for \$50,000 to \$75,000 dollars to replace the apron and the sewer line and roof replacement on the admin side. Director Christensen noted that these fixes will not fix the physical issues with being able to pull the trucks on the apron or crossing the street with gear and traffic. While the county does not plan to widen the road at this location now it is expected that at some point it will have to widen to accommodate traffic. A new structure will require a lot of excavation to be able to move the station back further from the road and additional lots on each side would need to be obtained. The sale of Evergreen Meadows and Troutdale properties would be used to offset expenses. The sale of the Meadows property will require a vote of the HOA that donated the land to us, and the commercial site at Troutdale has not rebounded to a level where we can reasonably sell it at present. Director Christensen asked to clarify the loss in the property tax revenue for the last few years. Chief Weege explained that we lost about 11% cumulatively since 2008. We have gotten back above 3.3% now but expense increases have been greater than this. Inflation has been difficult to estimate, COLA has been from 5% to 0% over the recent years. Director deDisse requested that we change the order and discuss the bond issue first and then discuss the mill levy. He feels that the bond needs to include the increased costs of maintaining a new station. He thinks we should not go for both a bond and a mill at the same time. He believes we should study the issue further. The expenses of the station 1 repairs has to be taken in and he would prefer that we take care of the EMS issues and the mill levy at this time. If the mill levy is a little higher then we may be able to set more money aside in reserve to offset the cost of replacing station 1 in 7-10 years. We have always saved in capital reserves to build until the last mill levy which was used to build the admin and maintenance buildings and some outlying stations. Mr. Grotke asked about the department borrowing money to pay for stations. Director deDisse explained that the board cannot encumber a future board member with these long term agreements. There are plans to build a housing development across from Station 4. Director Anderson noted that he is a "No" vote on the bond question and invited the other directors to express their opinions. Director Gregory clarified that the mill levy does not decrease if the bond is not included in this election. Director deDisse asked if we build a 10 bay station what is the cost to heat and maintain compared to what is there now. The admin building expenses were not factored in when it was built. Director Mosby noted that the School board decision to go for a tax increase may negatively impact this question and that he feels we should not go for a bond issue, that we should put money into the repairs of station 1 and that we should ask for the higher mill levy increase to set funds aside for future construction. Director Christensen felt we should put off the bond issue with the reservation that we would be putting in to a building that we will eventually tear down. Director Anderson noted that it is a risk. Director deDisse commented that we will have to put in the sewer tap if the line is partially collapsed regardless. He feels that once the county gets the turn lane project completed south of Buffalo Park Road that they will have to look at the stretch to downtown Evergreen and the decision will impact the station 1 location. The rebuilt station would have to be back far enough to accommodate the wider road and still have room for the apron. Director Christensen agreed that the bond should held off.

Director deDisse made a motion to forego the bond question on the resolution; seconded by Director Christensen; the motion carried.

The board was presented with an election resolution that only includes the mill levy question. Chief Weege made the recommendation that the board approve the resolution with a 3.5 mill increase. Director deDisse commented about the fluctuation in residential property values. Mrs. Putt (a local realtor) responded that buyers do look at what their taxes could be and with the school district on the ballot and Amendment 69 there are a lot of tax increases before the voters. Buyers also look at the quality of the schools and the health of the fire department. Director deDisse expressed that he did not see the property values returning to the high they were at a few years ago. Director Anderson expressed that there are plenty of variables and we can only make our best educated informed decision on the health of the department and the services we provide. Our budget is as tight as it can be and then we have to put the issue of a decision about the organizations health and services to the community for their input via a ballot issue. He is at the point where it is not if to ask but how much to ask. Director Christensen noted that the drivers are not things we created but rather a reaction to the Affordable Care Act, Medicare payments,

inflation, tax revenue, and other factors outside our control. Director deDisse asked if the board members were in agreement that a mill levy increase should be sought. A motion to approve the IGA for coordinated election was made and the board returned to discussion of the amount of the mill levy that should be placed on the election resolution. Director deDisse spoke about the difficulties that have been addressed through tightening the budget and his opinion about the financial status. Director deDisse made a motion to accept the resolution for a mill levy increase in the amount of 3.5 mills; seconded by Director Mosby; Discussion – Director Christensen noted that it is voted on each year and it might not be 3.5 every year. Mr. Gottsman asked if the board decides to lower it in one year do they have to go back to the voters to raise it the next year. Director deDisse noted that with the bond refinancing 2 years ago we gave back 1.4 mill for legal compliance and that if we had not had to do that we might not need to ask for an increase now. Director Anderson clarified to Mr. Gottsman that the board can raise or lower it each year as needed as long as it does not exceed the stated 3.5 mill increase per the language of the resolution. Chief Weege noted that the language is required legally to give us the flexibility as needed. Director Anderson called for a vote. Motion carried.

- Intergovernmental Agreement for Coordinated Election – Jefferson County and Clear Creek County: Director deDisse made a motion to approve the IGAs for the coordinated elections in Jefferson and Clear Creek County; seconded by Director Christensen; motion carried.
- Intergovernmental Agreement for Ballot Issue – TABOR, Jefferson County: Director deDisse made a motion to approve the IGA for Ballot Issue – TABOR; seconded by Director Christensen; motion carried.

NEW BUSINESS:

- Spending Authorization 2016-005: Wildland Equipment and Supplies, \$14,082.00 – Director deDisse made a motion to approve Spending Authorization 2016-005; seconded by Director Mosby; motion carried.
- Spending Authorization 2016-006: Administrative Computers and Installation, \$7,903.77 – Director deDisse made a motion to approve Spending Authorization 2016-006; seconded by Director Christensen; motion carried.

BOARD MEMBER COMMENTS:

Director Mosby: Encourages everyone to talk with friends, to pass the word about the mill levy.

Director deDisse: Appreciates the attendance and feels this is the best direction for the whole organization. He is available to talk as are the other board members.

Director Gregory: Thank you everyone for analyzing the needs of the department and feels it is important to maintain the current service levels.

Director Christensen: Fact based discussion for why and what we are doing to enable us to continue providing the services. Questions let us know.

Director Anderson: Thanked everyone for coming and for proactive approach to involvement in public government. We made a commitment to put forth the funding and service output to the voters and we will be bound by their decision.

EXECUTIVE SESSION: Director deDisse made a motion to enter into Executive Session per Colorado Statute CRS 24-6-402(4)(f) for the purpose of discussion of personnel matters involving Chief Weege. Director Christensen seconded the motion; the motion carried. The Board entered executive session at 11:32 am. Director deDisse made a motion to return to public session at 1:14 pm; seconded by Director Christensen, motion carried. The board returned to public session at 1:15 pm.

MEETING ADJOURNED: Director deDisse made a motion to adjourn the meeting; Director Christensen seconded; motion carried. The meeting adjourned at 1:15 pm.

NEXT MEETING DATES:

Volunteer Pension Board Meeting Tuesday, September 13, 2016 at 5:00 pm in Training Rooms A & B
Regular District Board Meeting Tuesday, September 13, 2016 at 5:30 pm in Training Rooms A & B
Respectively Submitted,

Carol Hucker

Recording Secretary