

Wasatch County Fire Board of Directors Meeting

Tuesday August 13, 2024

Meeting held at the Wasatch County Administration Building located at
25 N Main, Heber City

Those in Attendance:

Mark Nelson
Erik Rowland
Steve Farrell
Spencer Park
Kendall Crittenden
Luke Searl
Karl McMillan
Chief Eric Hales
Assistant Chief Clint Neerings
Kierstan Smith, CPA
BC/Fire Warden Troy Morgan

Approval of Meeting Minutes

Councilman Farrell: Welcome to the Wasatch County Fire District Fire Board Meeting for August 13th meeting. All the board members are with us except Luke Searl and we hope he'll show up. We'll start out with the approval of the minutes for July 9th, 2024. Has everyone had a chance to review them?

A motion was made by Councilman Crittenden to approve the minutes from 7/9/2024. The motion was seconded by Councilman Rowland. The motion passed all in favor.

Approval of Warrants

Councilman Farrell: We have warrants in the amount of \$1,905,812. Anything on the warrants, Chief, that are unusual?

Chief Hales: Not unusual, um, again costs are up due to the construction project of the Station 51 in Heber City. And then, what happened this month as well, is we essentially had three payrolls on this as well, so that does add to the added cost of this warrant list.

We do want to point out, it's kind of a change in how we're doing things as you'll notice, if you see an ACH voucher. Typically, before, we would cut a check that we would have to shred and

void and occasionally on a rare occasion that check would be sent out as well and cause us issues. But we have found that utilizing this ACH voucher it has the same credentials that a check does, other than there's no routing number, it's still the same signatures and it just kind of provides that written documentation of that exchange. So we feel that instead of wasting a check, just doing it this way, will satisfy all the needs of our auditors. So that is a change that you will see moving forward. Any other things on that?

Councilman Farrell: Any other questions on the warrants? Hearing none, we'll enter for a motion to approve the warrants as presented.

A motion was made by Councilman McMillan to approve the warrants from 7/9/2024. The motion was seconded by Councilman Park. The motion passed all in favor.

Councilman Farrell: Chief, let's go over the Chief's Report.

Chief's Report

Chief Hales: Briefly for July of this year, we actually set a record within the district with 442 calls. That was the first time we've ever breached that number in any month. So each year, we continue to see more and more calls, but this was a significant spike that we had this past month.

As you can see they were proportionate again...medical's, fires...there wasn't anything that really spiked. But it just...each year we continue to see that, that increase. We had multiple days of over 20 plus calls a day and that does burden, especially our staffing now. Eventually, we'll get caught up. We hope to that, but...

Councilman Farrell: Have you got any...is the trend out of proportion of the county? Are you seeing the increase? Is it in the Jordanelle Basin we're more calls? Or here on the valley floor?

Chief Hales: It's still primarily here on the valley floor and in some of the recreation areas. I am assuming and I'll almost guarantee that as that resort opens, we will start to see that trend in the winter increase. They are planning to open 24/25 ski season with a couple lifts. But obviously in the next five years as that resort base starts to build out, we're going to continue to see more and more...

We will continue to where we see the spike in the summer, we will also see that spike in the winter as that resort builds out.

We did have a couple assists out of county to the Echo North Summit area on a fire, as well as there was a week time in, a couple weeks ago in South Summit that in a week's period, they had three significant wildfires. One started in Browns Canyon and the two others were on

Democratic Alley area. So we did assist those to us and they're just getting a little too close for county lines.

We did have a few fire starts within our county due to lightning strikes, but they were fairly insignificant. We were fortunate that with that number of calls, it was amazing that we didn't have too much more... and then we continue with the medical crashes and so forth.

That's about all I have on kind of an overview of last month as far as a station update, we're going to talk a little bit more about the station and I do have a document in their talks about a capital facilities plan moving forward. Station 51 is moving forward as you noticed they did yesterday, prior to that storm, they just had laid the asphalt for that 160 East. And then they were trying to finish up the road work on 12th South, but due to how much water we received, they'll probably get to that tomorrow. We're trying to get it done before school starts.

Chief Hales: The goal is to get all the asphalt and road work done prior to school starting on that.

Before we get into the capital facilities, I'll bring Chief Neerings up and have a little discussion about our bond procedure. As you notice, in the warrants every month especially during this time of year we, we have those Wildland Urban Interface bonds and Landscape bonds that are about \$5,000 and we want to kind of talk about that procedure... he moved on me. And, and what we wanted are proposing to do moving forward not only internally but also with kind of the policy as well.

Bond Procedure

Assistant Chief Neerings: So we've allowed a bond if you finish your project during winter months, when obviously you can't install your landscaping. What we've done in the past is give it the partial pass, they pay a \$5000 bond to be hold as a kind of a placeholder to verify they have incentive to come back and actually finish it. We give them a partial pass on it.

What we're looking into now, we've been working with Rob with legal, of kind of clarifying and formalizing our bonding process. It started out with good intent, we've seen people use it and work in the gray areas to use it. So, what we're wanting to do is clarify and formalize the process, involve the homeowners at an earlier stage so that they're aware through the process.

We've seen that Homeowner A places a bond, sells it to Homeowner B... Homeowner B doesn't know anything about it, they go about planting their landscaping as they would just any other place. So bringing in the homeowner into play, attaching a notice to the property of...

"Hey, you have a partial compliance, it's not fully 100% approved" ...

but also increasing our education and information at permit and ahead of permit by placing the process that we do internally on our website, so that everybody knows that:

"All right if I'm bonding now and I think I'm a year and a half or two year and I'm going to fall during the winter months, this is the process that needs to be done".

And also it's out to legal, kind of for a review on the bonding amount. \$5,000 in 2017, it's not nothing but as we see everything increase and we see everything that's especially grown, going up on the North End of the county, we've seen people just use it as a way of...

"I don't have to worry about this now, I can pass it off onto the homeowner".

So just looping homeowners in on the discussion of what they're agreeing to and the process for that. So we don't have a finalized or formalized draft for you at this point, it's out to Rob with legal, kind of putting his eyes on it. But before next fire board or at next fire board we want to have the discussion of kind of...it's labeled as the **Wildland Urban Interface Enforcement Policy**. It allows for the bonding, the noticing is just that's the formalization process. We'll also have a document that outlines our internal process of the steps that need to be taken what's different from the pre-bonding process prior to this new proposed process and policy.

Councilman Farrell: Could we change it so they would not get occupancy until they had that completed?

Assistant Chief Neerings: That's what we wanted to stay away from. So, the notice of partial compliance allows them to occupy. So, we'll go out and do a pre-bond inspection prior to them bonding, to make sure existing vegetation isn't too close. So that it meets code, by placing a lean or not giving them occupancy is the same as us refusing to do an inspection during winter months, which would basically say nobody's getting occupancy from October to May. And we do allow for case by case that obviously up top of Timber Lakes on Elk Run for a run they're going to be able to bond at a sooner date when there's snow on the ground, then Red Ledge would for the planting season. So we want to have people be able to occupy their homes but we also want to safeguard the fire district liability-wise that the home is safe at bond and also work on notification. Basically, the internal process they'll be 24 months or two planting seasons to come into compliance through my city inspector that we use for our permitting process. It'll send out notifications every 90 to 100 days saying...

"Hey, you have a partial pass on this. Get with us."

And then once it gets to 18 months and 23 months when it comes to the forfeiture of the bond amount, we'll send out certified mail just so we can document we've reached out as many times as possible to remind them of their partial pass and that they need to take some additional steps. But it's gone through legal, at 24 months they will forfeit their bond and that bond goes

into the prevention budget to work on a chipping crew and just a maintenance and a prevention of wildfires and prevention altogether.

Councilman Farrell: How many homeowners have forfeited their bond?

Assistant Chief Neerings: We have not forfeited bonds any to date. We have some from 2017 on. We noticed them in 2020, and that's the clarification just making sure all of our ducks are in a row before we start forfeiting bonds. But we look to have between 50 to 125 that bond annually during the winter months.

Councilman Farrell: I see the need for doing this. But after you pass off on it, they let their landscaping go and we're right back to square one.

Assistant Chief Neerings: Correct. And that's where with...

Councilman Farrell: We don't know how to solve that problem.

Assistant Chief Neerings: The maintenance of the Wildland Urban interface is the problematic portion for myself and Battalion Chief Morgan. We were putting together a program to go out to the individual HOA's, bring them in on the maintenance and an enforcement of it because like you said if they pass it at final inspection but then and as we've seen going just do whatever they want it negates and it's a bigger risk to the neighbors the community as a whole so we have a process that we'll bring before you, before we roll it out. But we want to loop in the HOA's in their CCR's to assist in the protection and increasing the safety to the community so that we can...

Councilman Farrell: Yeah, but at that point it's so voluntary, and can't close the loop...

Assistant Chief Neerings: That's a little bit portion of the enforcement policy. But we want to bring in and work with the local HOA's to do it. Because we see anything in the Wildland Urban Interface, the cost of insurance doubles, triples or gets denied. So we want to be a help to them in decreasing their costs and evaluating the risk but in doing so, we want to be able to verify that we're not putting ourselves out there liability-wise, saying the structure's safe when it's not actually. So bringing partners in to assist with the maintenance.

Councilman Park: In a subdivision like Timberlakes, it seems like their landscaping plan...it shouldn't be called a landscape plan.

Assistant Chief Neerings: Correct.

Assistant Chief Neerings: What we've added into our internal process, that if the local HOA and CCR's don't allow landscaping and you finish during the winter months...there's no need to bond because as long as your local CCR's don't allow it and your landscape plan that's been

reviewed and approved reflects that, there's no need to have Homeowner A bond because they're not going to do anything.

Councilman Park: They're just trimming trees.

Assistant Chief Neerings: So that's part of the clarification the increase of the bond fee we want to balance it where we run both ends of the spectrum of landscaping like a Timber Lakes to a Red Ledges, Victory in the Mita area is completely opposite end so we want to have the fee commensurate to what they'll invest because like I said, a lot of...not a lot, some people have used it as...

"\$5,000?...I spend that on not even one of my trees"

So, it's been abused in the past.

Councilman Farrell: What about the idea of having that bond be a percentage of value.

Assistant Chief Neerings: So that's...we've talked about the percentage of the valuation of the home because as the home increases, the landscaping generally increases commensurate. We've also talked about doing part of the landscape. But, it's also verifying that we have an accurate bid from a landscape. It's hard to require a home in just the foothills to do a landscape architect or designer.

But, we want to...that's one of the bigger things we're working out with legal is...how do we verify that it's an accurate bid? But also not overcharge...but also create an incentive to come to compliance to get your bond back. But we see places like Hideout and a lot of other places, the HOA is charging a \$20,000 bond for their landscaping. Period. Until it's installed.

Councilman Farrell: But in some of the MIDA area on the west side, \$5,000 isn't even a drop in the bucket.

Assistant Chief Neerings: And that's why we're increasing the bond amount because that's, that's not even an afterthought that they'd...

Councilman Farrell: Do you have any opposition from MIDA on this? On the new bonding amount...will they adopt that? Or do they have to drop it?

Assistant Chief Neerings: In the discussions where we've been designated as the code enforcement authority for the landscaping and Wildland Urban Interface Area, it just needs to be adopted by our governing board and as the enforcement authority that's what we've been told needs to be done. But just being neighborly and professional courtesy, the plan is to take it to Heber, Hideout, Mida area to propose it. To date Mida has been very supportive of anything that we've done with the fire system...the ordinary hazard too, that we've looped them in. I don't personally foresee any opposition. But we will loop everybody in on the new process prior to actually rolling it out.

Councilman Rowland: Pardon my ignorance on this...why is your agency the enforcement authority for landscaping?

Councilman Crittendon: Instead of...instead of building?

Councilman Rowland: Yeah...is it because...it is related to fire protection?

Assistant Chief Neerings: Correct. So it's the defensible space, you're not allowed to have trees within 10 ft of the structure to keep the fire at bay, to keep a structure fire from spreading the wildland and a wildfire.

Councilman Rowland: OK, so it's not whether or not you have landscaping...it's the type of landscaping...

Assistant Chief Neerings: It's the proximity.

Councilman Rowland: Gotcha. Makes more sense.

Councilman Farrell: Yeah and it's only in the Urban Interface.

Assistant Chief Neerings: Yep. So our enforcement authority is split with the with the access, address, water flow, and the defensible space. We don't do anything with the material section of the Wildland Urban Interface.

Councilman Rowland: I thought you guys have been out there saying...
"Hey, this landscaping looks good or not."
And I'm like, why are you?

Assistant Chief Neerings: Yeah, we don't want to take my opinion on that, but we've been labeled as the tree haters.
"You have to move that, you have to cut that, you can't do that."
That's been our purview.

Councilman Farrell: So, if I want to complain about my neighbors thistles, I don't call you?

Assistant Chief Neerings: No, I believe that would be Quinton Lewis with the Weed Department. I do have his number saved because we do get that on occasion.

Councilman Farrell: Any other questions for Clint?

Councilman Crittendon: No.

Assistant Chief Neerings: Thank you.

2024 Q2 Financials

Kiersten: We'll talk money. You want to talk money before you start talking about what you want to do with the money, is that the case?

Okay so for our second quarter financial statements that are in your pocket, I'm just going to touch on a few things. There are notes at the back that will give you more detail than what I'm going to cover, but if you have questions feel free to ask away. I'm just going to highlight a few things with the revenue side of things for our general fund. If you look at percentages this time of year, you're going to look at it and go...

"Oh, we have no money"...

Because we're only like 8% of our revenue and that's normal because our property taxes come in at the end of the year, November/December and then we pull in everything that comes in to January and February. So, that's normal, nothing there unusual to be concerned about.

Sales tax revenue, we got our first check in July. So just start seeing those when we do our next quarter report. You're going to start seeing that revenue coming in for sales tax. Right now it's zero, but you'll see that coming in. We do have additional grant revenues that we haven't projected for and that's an EMS grant so that's good news and we do have a lot of interest income. We'll see that's already at 72% and the majority of that's coming off of the bond funds that are sitting in PTF earning interest. So...and right now the interest rate is pretty good.

Councilman Rowland: So when those sales tax numbers are reported, will you or is it common practice to include whether or not those numbers are on track with, with expectations?

Kiersten: Right. So they're budgeted in here, we have a budget amount, what we expect.

Councilman Rowland: So that'll be divulged?

Kiersten: It'll be on here...where we're thinking.

Councilman Farrell: Can you give us a rough idea what a quarter will provide?

Kiersten: The first month's check was about 400,000?

Councilman Farrell: And that's for the month?

Kiersten: That was for...

Chief Hales: No, that was for the first quarter.

Councilman Farrell: First quarter.

Kiersten: I expect the other ones will be higher cause the very first piece of that, like the first month it was like \$1.16 or something like that.

Chief Hales: \$1.16 and then the last, third month was \$330,000. So it should be on par with that.

Councilman Farrell: So we should be looking at \$1 million six in revenue.

Kiersten: Yeah, I'm expecting to get more closer to a million a quarter. And then same... we'll have that period of availability so we'll end up pulling stuff back into the year.

We budgeted for \$4.5M of the expected. Which was five?

Chief Hales: A little over five.

Kiersten: A little over \$5M? Yeah. Which is great because, um, one thing that we will be looking at when we get closer to looking at budgets, etc will be uh, considering proposing that we open a *debt service reserve fund* and being able to put some funds into that to be able to have money set aside to use to pay the CIB in addition to impact fees and then also to be able to um, have a place so that our general fund isn't... is meeting state requirements that we don't have excess in there. So we have a place we can put it in capital projects, we can put it in debt service, we'll have places to keep that money and be able to use it in the future.

On the expense side, our salary and benefits are right in line. However, when we do look at our budget for the year, we will need to amend this because there's a new GASB requirement that came into effect this year that requires us, when we accrue.... and you won't see it necessarily on the fund level, but you're going to see it on the government wide level. When we accrue leave time, so vacation sick leave, we now also have to accrue the benefits that go along with that. So it's going to almost double the amount that we're...that are liability becomes, because you're accruing the URS and all that that goes along with it. So just keep that in mind that on the government-wide statements that we do at the end of the year, you're going to see a perfect liability.

Councilman Farrell: I thought that went into effect a number of years ago?

Kiersten: There was a portion of it that did have to do with the taxes on that...and now they're bringing everything else.

Councilman Farrell: As a liability to the entity.

Kiersten: Uh huh.

Um, on the operating revenue side we're at 37 just a little over 37% and it just fluctuates on where we're at. Some things are a little high because timing our liability insurance is all paid at once. So, that's a little high. Um, some things are just time of year, a lot of traveling was done for fire schools, etc so some of that is just timing we're doing really well there.

For the capital project spend, our impact fees were about 63% of our budget already, which just shows you what's happening with growth in the area so we're doing really well there. Also income...our interest income there is already at 105% of what we budgeted so...

PTIF has done really well for us this year. Other than that we do have a budget here... a transfer between general and capital projects which like I said is something we'll look at when we get a little closer to the end of year and see how much money we want to be able to move around and for what purposes and will make those decisions then.

And do you have other questions that I can answer for you?

Councilman Farrell: I have a dumb question.

Kiersten: OK

Councilman Farrell: We increase the liability by having to account for the sick leave and vacation help...how do we account for that and have a balanced budget at the end of the year?

Kiersten: That's one of the advantages of having it be in government-wide statements and not in your general fund. So on the general fund statement, the only part of an accrued leave you actually recognize is anything you can actually pay out. And so most of that is not going to be paid out. It's not expected to be paid out. So you only end up seeing it on the government-wide statement and it won't affect the budget. It ends up being a big number when you're looking at the government-wide statement.

Councilman Farrell: So we don't have to zero it out?

Kiersten: Yeah, you won't have to zero it out for budget wise.

Councilman Farrell: Any other questions? Hearing none, I entertain a motion to approve the 2nd Qtr financials.

A motion was made by Councilman Park to approve the Quarter 2 financials. The motion was seconded by Councilman Rowland. The motion passed all in favor.

Capital Facilities Plan

Chief Hales: I believe you do, but I will try to make this as painless as possible. So one of the documents in your packet is what we put together as a capital facilities plan. We wanted to look ahead in the future, basically for the next 10 years. What do we need to do to not only play catch up but to kind of help manage the growth of this area to provide the needed coverage for our community.

Um, with that we've identified four additional fire stations that we need to build over the next 10 years. Um, those being...and we've talked a lot about Hideout, we've already put a temporary station in there as we're getting ready to secure that permanent location. The next station is proposed out on Highway 32 near Benloch/Victory Ranch, Prospera area. Then a station on Fitzgerald Road, which would cover the north end of Heber.. And the last one on this capital facilities plan would be in the Lake Creek area towards Timber Lakes and the girls camp.

And that's just over the next 10 years. We have additional areas as well that we need to provide coverage for. But as we look at this, we kind of try to sit down with Kierstan and our staff...and how do we best fund this? We realize that the last thing I want to do is go before the voters again and try to bond for this. We know that they provided the support financially to us with this EMS sales tax. So, how do we best manage that moving forward?

As we do so, our ultimate goal is to use this capital facilities fund to help fund these stations moving forward. We've identified a timeline that over the next 10 years, , we want to get most of these stations done.

Councilman Rowland: Wouldn't most of your funding for your stations be paid for with impact fees?

Chief Hales: That is... is the intent however, as...as we put those impact fee studies together, our impact fee... current impact fee study includes three stations but they were estimated at about \$3 million dollars, each.

Councilman Rowland: And you're reflecting in the budgets, the ongoing, um, for lack of a better term maintenance to maintain.

Chief Hales: Yes.

Councilman Rowland: Run it. So with each station, I guess, there's kind of uh, number that you already know that to keep it...as a station in the long term.

Chief Hales: Yes. Yeah, those ongoing costs are because we do have the set fee of what the station is going to cost, but each year it's going to be incremental, you know, a million plus dollars a year to staff those.

Councilman Rowland: Yeah.

Chief Hales: When you get to the fringe and everything. And yes, as our projections show that we can... we're going to be able to sustain that, again without increasing the Mill Levy. We feel very fortunate we were in a very good position to do that. So, timing... if we start in 2025 or the 2025/2026 year, we're going to be able to have that Hideout station complete and staffed.

Our goal was then to move that trailer and that temporary facility over into the Victory Ranch/Benloch/Prospera area and that you know, and then start moving forward with that.

Apparatus Purchase Plan

A little over a year ago, we came to you and said a ladder truck is 48 months out, an engine is over 36 months out, and ambulances are about 16 months out to be delivered.

So one of the asks today also, is that we would like to move forward with securing another fire engine. . With ordering today the we will not take delivery of it until 2027. The same with an ambulance, if we order an ambulance today, we may not see it until December of 2025. And we've been trying to get an ambulance about every year to help with our fleet. So, one ask will be um, can we move forward in pursuing um, with our vendors you know, securing another fire engine. But again, won't be here for at least 3 years and another ambulance that we won't see for util the end of 2025.

Councilman Rowland: And those just require down payments?

Chief Hales: They do not require any payments. Payment is just at the end... basically we go into our agreement, and we don't pay anything until delivery.

Councilman Rowland: Ok.

Chief Hales: And that is on the fire engine side. I will verify with the ambulance manufacturer there are times that they require 50% down.

Councilman Rowland: When you were giving the numbers for the number of calls uh, that is a record month, was that matching your growth projections when it came to kind of outlays for what to expect in the years to come? And how does that correlate with a 10-year plan? Do you reassess that every year to make sure we're on track in order to avoid surprises or overruns?

Chief Hales: Yeah, the last big study they did was in 2019 with the or 2018? 2018 with the SCI report and our numbers from what they projected we're already ahead of those.

And it ebbs and flows as far as how many calls we go on...um, per month. It was surprising to me, to see us, you know, I would have thought we would have been approaching 400... but to see us exceed it by at least 50 calls in July, shocked me a little bit.

Councilman Rowland: I bring that up because 10 years feels like an eternity when you're dealing with rapid growth like we are cause things could change in 2 years.

Chief Hales: It is and that's why we do have this projection now and some of these stations are stations that we've needed, you know years ago like you know there's we have some staff that was hired for a Victory Ranch station in 2008. But because of the economic downturn it never occurred.

These just to provide the coverage we need today we need these stations. I wish we could do them all at the same time, not that I want to build all the stations at the same time.

Councilman Rowland: Yeah, yeah.

Chief Hales: I think we have a pretty good plan moving forward, you know and financially with the projections that we have and with the growth that we can do it...so. It's really what I wanted to talk between, you know and I don't know what if we need a formal motion from you...

Councilman Rowland: You need to buy a fire truck.

Chief Hales: ...As Well as, an ambulance.

Councilman Rowland: And an ambulance.

Chief Hales: You know, at least to start those conversations and go in with those contracts so we can get in the build order. And then, the other thing I would like to do is with this Hideout station, and I know we didn't budget for it this year. Um, but I'd like to get the architect to start working on the design set of drawings, because we have to make a presentation to UDOT and kind of show them, you know, access and egress off of Highway 248.

Councilman Rowland: Okay

Chief Hales: We'd like to move forward with the plot of land that Hideout is allocated for us and start at that design so we can... so when we're ready to build, we have the permitting process.

Councilman Rowland: So do we need to amend the budget to include that cost?

Chief Hales: We would at the end of the year.

Councilman Rowland: Okay.

Chief Hales: I know we have... we have sufficient in capital to cover something like that.

Councilman Rowland: Okay.

Chief Hales: A station...station like this would be around \$300,000 completely for that architectural fee. Would we all incur all that this year? Absolutely not. That would be over the life of it. But just moving forward with our architect, we have the preliminary drawings, we have some concepts out there. But to actually get a civil bid set of drawings that we can go to bid with... that's what we're looking at.

Councilman Parks: I'd like to make a motion that we go ahead and approve the Chief to go ahead and order those two vehicles, the ambulance, and the fire truck. And to approve the Chief to go ahead and work on the conceptual drawings for the architect for the Hideout station.

A motion was made by Councilman Parks to approve the apparatus purchase plan and architect design for the Hideout station. The motion was seconded by Councilman Crittendon. The motion passed all in favor.

Councilman Farrell: Next?

Chief Hales: Should we go to close session to discuss property.

Councilman Farrell: We need to go into closed session for property acquisition. So I'll entertain a motion to go to closed session.

A motion was made by Councilman Farrell to go to a closed session. The motion was seconded by Councilman Crittendon. The motion passed all in favor.

Councilman Farrell: We are now in closed session to discuss property acquisition.

Chief Hales: I think we're good.

Councilman Farrell: Alright, I'll entertain a motion to adjourn.

A motion was made by Councilman Searle to adjourn. The motion was seconded by Councilman McMillan. The motion passed all in favor.