

Moab Valley Fire Protection District Commission Meeting

45 South 100 East, Moab Utah 84532

November 4, 2024 - 4:00 p.m.

A. Call to Order:

1. The meeting was called to order by Chairman Archie Walker at 4:00 p.m.
2. Commissioners Present: Chairman Archie Walker, Commissioner Jim McGann, Commissioner Charlie Harrison
3. Staff Present: Chief TJ Brewer, Battalion Chief Brandon McGuffee, Administrator Cathy Bonde
4. Others Present: Mike Kelso, Engine Captain Mark Marcum, Captain Shea Walker, Andrew Christiansen of the Moab Times Independent

B. General Business:

1. Approval of Minutes – Commissioner McGann motioned to approve the minutes from the September 30, 2024 Annexation Public Hearing meeting. Commissioner Walker seconded the motion, and it passed unanimously.
2. Citizens to Be Heard – None present wishing to speak
3. Approval of Bills – Commissioners chose to return to approval of bills later in the meeting.

Commissioner McGann asked about the invoice from Curtis for \$31,202.10. Cathy stated the bill is for some of the equipment for the new engine and added there is still some equipment outstanding. Commissioner McGann also asked about a charge for hose, and Chief Brewer said it is hose specific for the smooth bore nozzles.

Commissioner Harrison motioned to approve bills. Commissioner McGann seconded, and the motion passed unanimously.

C. Old Business

1. Procurement Policy – No update
2. Salary Survey – Cathy informed commissioners that she and Chief Brewer participated in a conference call with Mike Swallow. A large part of the discussion was on how to incrementally increase compensation over a few years in order to get our compensation to be competitive. The salary survey resulted in a large increase in compensation in order to be competitive, and the department cannot afford implementing the results at once. Chief Brewer said it was a helpful conversation about ways the department can implement the results of the salary survey as presented to the commissioners at a previous meeting.

E. Action Items:

1. Annexation: Asset ILA with Grand County – Cathy stated that she, along with Brandon McGuffee and Clark Maughan, attended the Grand County Commission meeting in which the asset ILA was discussed. Moab Fire received the updated draft about a half hour prior to that meeting. The Grand County Commissioners approved the ILA and were very enthusiastic about it. Cathy stated there is some fine tuning that will need to happen in relation to the document; mostly with defining the mechanisms of how the assets can be transferred. Cathy added the ILA can be amended once approved if agreed to by both parties.

Cathy informed the commissioners that she provided the county with feedback on the document from our attorney as well as a list of Thompson assets based on the county's asset list. Feedback from Thompson fire chief Mark Marcum resulted in the addition of 3 assets to the list. Cathy also provided the county with a list of Moab Fire's engines, land and buildings held by Grand County's building authority. The ILA draft failed to include the two engines, and they have since been added to the list. The engine additions are also on record from the county's meeting as Stephen Stocks relayed that information to the county commissioners.

Cathy drew the commissioners to the fourth page of the ILA to point out an addition to the draft. She said that the way section d. Integration was stated would nullify the previous MOU we signed with Grand County, so a statement was added to this section that insures the MOU is still valid.

Cathy informed the commissioners that the Thompson parcel will be transferred to Moab Fire deed restricted for use as a fire station. We had a discuss at the Grand County Commission meeting to agree the deed restriction would not preclude other uses as long as it remains a fire station. Moab Fire would have the ability to go to the Grand County commission in the future for approval if we wanted to sell that property in order to reinvest in the fire department in a different way.

Commissioner Harrison asked if we were aware of any easements on the Thompson property. Mark Marcum stated there is an easement along one of the boundaries, but he was not sure if it encroached on the parcel or not. There was a general agreement to look into the issue further.

Commissioner Walker informed the commission that Steven Stocks made it clear at the county meeting that Grand County will retain some responsibility including, but not limited to, the fire warden and wildland fire mitigation.

Commissioner McGann motioned to approve the ILA between Grand County and Moab Valley Fire Protection District. Commissioner Harrison seconded, and the motion passes unanimously.

2..Resolution 2024-003 Declaring Annexation – Cathy pointed commissioners to a statement in the resolution following the legal description. The statement reads “The annexation does not change the relationship between Moab Valley Fire Protection District and State and Federal Land agencies. Moab Valley Fire Protection District will adhere to all agreements between the responsible parties.” After meetings with the State, and confusion on the part of some parties as to any annexation impacts to Grand County or

Moab Fire, we included this statement to be clear that relationships will continue as they have and agreements will be adhered to with state and federal land agencies. Cathy said she ran the statement by our attorney, and he agreed we should keep it in the resolution.

Commissioner Walker made a motion to adopt Resolution 2024-003, a resolution declaring annexation of portions of Grand County. Commissioner McGann seconded the motion, and it passed unanimously.

Cathy stated she would have the annexation petition filed with the Lt. Governor's office by the end of the week for their review and approval.

Commissioner Walker stated he appreciated all the work Chief Brewer and staff put into annexation. He added it has been a long and tedious process as well as endless hours devoted, and it would not have happened without that as support was not coming from other places to accomplish annexation. Commissioner all thanked staff for the work put in.

3. Loan Package-BME Engine – Cathy stated that after discussion and consideration, she and Chief Brewer concluded that the department could make a 10 year loan work as opposed to the 15 year loan previously discussed. Cathy said her previous concern with the 10 year loan was making the larger annual loan payment. The payment is about \$18,000.00 more per year if we go with a 10 year loan, and the lower 15 year loan payment has already been worked into the proposed budget. Each year we budget \$100,000.00 for capital equipment, and we could choose to draw the additional \$18,000.00 for the 10 year loan payment from that set aside for capital equipment if needed.

Cathy stated that Zions Bank usually offers 10 year loans, but they could do a 15 year loan with special approval and increased paperwork.

Commissioner McGann asked about interest based on length of loan, and Cathy conveyed that Zions Bank has a policy of an increased interest rate for any loan under \$500,000.00, and by putting \$150,000.00, the loan drops just below that threshold. With \$150,000.00 down, it is only a net increase of about \$2,000.00 through the course of the entire loan, but it does give us lower annual payments; allowing us more financial flexibility in future years.

Commissioner Walker said he felt we should look at the 10 year loan. Commissioner McGann asked for confirmation we had the \$150,000.00 for the down payment. Cathy stated that with approval of annexation, those funds are more readily available. Chief Brewer stated that we also hope to see a decrease in our repairs and maintenance costs for major repairs as old equipment is replaced with newer equipment.

Commissioner Harrison made a motion to approve the 10 year loan with a down payment of \$150,000.00. Commissioner McGann seconded, and the motion passed unanimously.

4. Meeting Schedule for 2025 – Commissioners agreed the current meeting schedule is working. Commissioner Walker motioned to meet on the third Tuesday of the month at 4:00 p.m. for 2025. Commissioner Harrison seconded, and the motion passed unanimously.

F. New Business:

1. Review of Draft 2024 Amended General Budget – Cathy drew attention to column 3 which is the draft budget with annexation. She went over highlighted line items. For income, the WRI grant line item was cut in half for 2024 as the grant goes into 2025, and it

is anticipated most of the work will be done in 2025. Those funds were moved into the draft 2025 budget. We received a \$200.00 donation since the last commission meeting, so that line item was increased to reflect actual. Income from State of Utah Wildland was increase as we surpassed the originally budgeted amount. Cathy provided commissioners with a breakdown of wildland income and expenses showing net income for the program for 2024. Further discussion was had on the wildland program. For expenses in the draft 2024 budget, a seasonal employee was added for December who will become a full time employee in 2025. The employee benefit line item was decreased with room left in the event a laid off seasonal employee files for unemployment. Cathy informed commissioners that in 2025 our unemployment insurance account will change from a reimbursement account to a contributory account meaning instead of being required to pay the full unemployment benefit of an employee, we will pay a percentage on our payroll into insurance that pays any unemployment claim. With our staffing, and particularly having seasonal employees, the contributory account will most likely be more cost effective for us. Cathy stated the PPE expense line item has been increased. She added that the amended 2024 budget has a net income balance which can be rolled into our fund balance or moved to our capital projects fund. We did spend down our capital projects fund this year, so the possibility of building that back up is an advantage to us.

Commissioner Walker asked how Thompson affects our PPE expense line item. Chief Brewer stated now that commissioners have approved annexation, he and Cathy will revisit some line items to consider whether the budgeted amounts are sufficient or if changes should be made.

Commissioner McGann asked about PPE for Thompson being included in the funds the department will receive with the ILA. Cathy advised those funds will become available to us in 2025, and are reflected in the 2025 budgets. She added that currently, the funds from the ILA are reflected in the 2025 capital projects fund, but some if it will move into the general budget as some items like PPE are not considered an asset for the purposes of depreciation.

2. Draft 2024 Amended and 2025 Proposed Capital Projects Budgets – Cathy explained how the auditors divide interest earned in a year between the general budget, capital projects budget, and debt service. The interest share for the capital project budget is reflected in the amended 2024 budget. She went over the remaining line items including the \$420,000.00 for the ILA with Grand County. Cathy explained this is the \$450,000.00 in the agreement less \$30,000.00 that the county will hold in escrow to cover any bills from 2024 that come in in early 2025. Any balance remaining in the escrow account in April 2025 will be given to Moab Fire.

3. Draft 2025 General Budget – Cathy stated column 3 is the budget with annexation. The current version of the budget has a net income of approximately \$6,000.00, but she added there are expense line items that could use more funds. Now that annexation is approved, we will revisit the ILA funds in relation to Thompson operating costs, PPE and other expenses defined. As stated earlier, some of those funds will move from the capital projects fund budget to the general fund budget.

Commissioner McGann asked about the wildland supply line item and whether \$3000.00 was going to be enough. Chief Brewer stated the CWDG grant will cover some wildland expenses. Cathy added there is a separate expense line item for fuels mitigation expenses.

Cathy moved the conversation to the general tax revenue line item. She pointed out that we expect to see about \$185,000.00 in tax revenue from annexation. That amount is currently in the general tax revenue line item, but some of that will come from centrally assessed taxpayers and we usually put that revenue in our miscellaneous tax line item. Since we don't have exact numbers, the full \$185,000.00 is accounted for in the general tax revenue line item, and taxes that would fall into our miscellaneous category will be adjusted in an amended budget next year. Cathy conveyed that the general tax line item reflects all that is owed to the district, but some taxpayers will not pay so we do not see the full amount reflected in the line item.

Commissioner Harrison pointed out that the money from Grand County in relation to annexation is one time funding, so we may need to cut expenses in 2026. Cathy stated some of that funding is going for capital improvements such as HVAC and grading at Thompson, so they will be one time expenses.

G. Annexation:

1. Cathy asked to briefly return to the annexation discussion. She pointed out that letters of protest were included in the meeting packet, but she wanted to ensure they were acknowledged in the meeting record. There were seven protest letters. Three were in the Green River area, one was in Willow Basin, two were in the Glade Park area, and one was from a person with property in various areas of the proposed annexation. The taxable value of all parcels represented in the protests was a very small percentage of the total, so they did not come close to the 50% required to prevent us from annexing.

H. Approval of Bills:

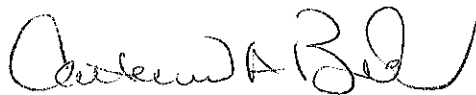
1. Commissioner Harrison motioned to approve bills. Commissioner McGann seconded, and the motion passed unanimously.

I. Adjourn:

1. Chair Walker adjourned the meeting at 4:51 p.m.

 _____ Date 9 December 2024

Archie Walker, Chair

Attest:  _____

Cathy Bonde, Clerk