

**MINUTES FOR REGULAR MEETING OF
THE NORTHERN ARIZONA CONSOLIDATED FIRE DISTRICT #1 GOVERNING BOARD
Thursday June 15, 2017**

The Governing Board of the Northern Arizona Consolidated Fire District #1 met in regular session this 15th day of June, 2017, at 2485 Northern Avenue, in North Kingman, (Kingman, AZ., 86409).

- 1. CALL TO ORDER** – The meeting was called to order by Chairperson Lewis at 6:01 P.M.
- 2. INVOCATION AND PLEDGE OF ALLEGIANCE** – Chairperson Lewis led in the reciting of the Pledge of Allegiance. Interim Fire Chief Eder requested a moment of silence for the terror victims in London and Washington, D.C.
- 3. ROLL CALL OF BOARD MEMBERS** – All Board Members except Director Mike Collins were present – Board Chair Lewis, Board Clerk Wilkin, Directors Jim Bailey, and Victor Riccardi. Also present was legal counsel, Bill Whittington.
- 4. CONSENT AGENDA**
 - A.** Approval of Minutes: Board Clerk Wilkin made a motion to approve the Regular Meeting Minutes of May18, 2017 Regular Meeting. Seconded by Director Bailey. Motion passes unanimously.
- 5. REPORTS AND CORRESPONDENCE:**
 - A.** Fire Chief's Report – Interim Chief Eder gave his report in accordance with his memorandum in the board packets.
 - B.** Financial and Claims Report – Board Chair Lewis asked, "Are we going to be in trouble due to being over budget?" Interim Chief Eder replied, "No, we don't see those bills throughout the year. The City looks for the bottom like and we're not over that." Director Bailey asked if the negative thirty-two thousand dollars on page three is debt. Interim Chief Eder stated he would contact our accountant and provide that information at a later time.
 - C.** Committee Reports – There were none.
 - D.** Correspondence and/or other information of importance – No correspondence or information was reported.
- 6. POSSIBLE VOTE TO GO INTO EXECUTIVE SESSION:**
 - A.** Legal advice pursuant to A.R.S §38-431.03(A)(3) re: use of District legal counsel
 - B.** Legal advice pursuant to A.R.S §38-431.03(A)(3) re: various District Policies and Procedures, including FLSA, and holiday pay.
 - C.** Legal advice pursuant to A.R.S §38-431.03(A)(3) re: accusations against Director Riccardi re: statutory training and possible conflicts of interest.
 - D.** Legal advice pursuant to A.R.S §38-431.03(A)(3) re: possible Open Meeting Law issues re: release of confidential information.
 - E.** Legal advice pursuant to A.R.S §38-431.03(A)(3) re: re: Fire Chief candidate selection process; possible reconsideration of Fire Chief application for Wayne Eder.
 - F.** Personnel matters pursuant to A.R.S §38-431.01(A)(1) re: possible interview of candidates for Fire Chief:
 - I.** Wayne Eder
 - G.** Legal advice pursuant to A.R.S §38-431.03(A)(3) re: use of credit card issue.

Legal counsel Bill Whittington advised the board they could vote to go into executive session for all of these items at one time. Board Chair Lewis made the motion to

discuss all of these items in executive session, Clerk Wilkins seconded. Motion passes unanimously.

Return from executive session at 7:28pm.

7. DISCUSSION AND POSSIBLE ACTION:

- A. Possible action going forward re: Fire Chief selection process; possible appointment of Fire Chief. Board Chair Lewis stated that the board has learned there were five applicants for fire chief. They were unsatisfied with the first three and they will evaluate the second two. If those candidates are not acceptable they will put out another petition to get more applicants, so that's on hold. They interviewed Chief Eder during the Executive Session but there is another applicant in Colorado and we have to contact him for an interview because on the list of who was better, he was number four, Chief was number five. No motion or vote was recorded for this item.
- B. Authorization to repair/replace HVAC Systems at Stations 32 and 35. Board Chair Lewis asked Interim Chief Eder to explain about the HVAC system repair. Originally, station 32 had problematic Air Conditioning (mold). There were three bids to repair this issue for station 32. River Valley and Air Quality bid higher than All-Right for station 32. Then last week, the Air Conditioning at station 35 failed completely. All-Right will correct the issues at both stations for \$14,000. Motion made by Director Riccardi to use All-Right to correct both issues. Seconded by Clerk Wilkins. Motion passes unanimously.
- C. Authorization to repair motor on vehicle number B-315R. Interim Chief Eder suggested the Board table this item until such time as they discuss the budget. Approval of Resolution # 2017-011 re: PSPRS Amortization Plan. Interim Chief Eder advised this came to us on short notice. The PSPRS board offered an amortization plan but did not recommend it. Pros and cons were included in the packet. Legal counsel Whittington did not have a position on whether the board should do it; however if they are going to approve the resolution they should do a financial analysis first, but it must be tonight due to the effect on the budget and the timing. Director Bailey said it was a waste of money. The decision was made to not make the change to PSPRS amortization.
- E. Budget Workshop; possible date selection for hearing and approval of tentative budget (NOTE-A Budget Hearing may require a Special Meeting this month). Interim Chief Eder stated the budget committee hasn't been meeting in a timely fashion, so he created a draft budget, which is what he has presented to them. He stated we have to post a draft budget two weeks before the budget hearing, the county is asking us to have it to them on July 12, 2017, so we need to take some kind of action. We know there was going to be a tax increase, and the max as 3.25%, but he is presenting a balanced budget with only 3.12%. That allows us to staff station three and meet obligation to PSPRS. Capital items are not set in stone, but he had to put something in there. He recommended the Board accept the draft budget at 3.12%. Board Chair Lewis asked for comments. **Director Bailey** stated that one thing he'd take out of the budget is the water tender for \$240,000. "We just got evaluated for the ISO like within the last two or three years, so we really don't have to worry about that for like 7 more." Interim Chief Eder asked if the direction is to

disregard the shortfall in the water carrying capability. **Director Bailey:** "Well, yes, because actually you had justified buying two water tenders to keep the ISO rating." **Interim Chief Eder:** "I said that we needed one this year because of the one that's been out of service, and I have a memo in here for you on the next page dated June 13th about the reduction in water carrying capacity due to water tender 318 being out of service. So currently we're deficient on our water carrying capability and if we're audited or asked by ISO, we're short. We can't meet that. It's up to the Board to set the budget and it's up to me as the Fire Chief to do what you ask me." Director Bailey asked if there was a floor plan in regards to the \$600,000 for the station remodel or if it was just an estimate. Interim Chief Eder indicated the staff were not happy about the floor plan. Director Bailey asked if Brad was still working on it, and Interim Chief Eder responded that Brad was directed to stop. He reiterated that the Capital portion of the budget was not set in stone. Board Chair Lewis asked if he wanted to accept this budget or to wait. **Legal Counsel Whittington** stated "If you're going to have the final budget approval meeting on the 6th, that means you need to approve the tentative budget tonight and authorize its posting." Board Chair Lewis motioned to approve the tentative budget. Clerk Wilkins seconded. Motion passed unanimously. Interim Chief Eder said he would post the tentative budget tomorrow and will schedule the meeting for July 6.

- . **F.** Status and direction for 2600 Northern Ave. Interim Chief Eder asked for direction with this property. **Board Chair Lewis** stated, "I want you to get someone in there to tell us what has to be done. Someone that knows what they are talking about." Interim Chief Eder asked if the Board wanted a contractor or bids. Board Chair Lewis stated that we don't need an architect because the building is already there, and we can't change the number of stories on the structure, so we just need a contractor to tell us what needs to be done to make the living quarters downstairs and get the trucks in and get a budget. Interim Chief Eder clarified that the Board would like a plan and a budget for the building. Board Chair Lewis agreed. Director Bailey asked about a building committee. Interim Chief Eder stated that it was his impression that the building committee was the former Chief, Brad Shuffler, Travin Pennington, and Don Dallman. Interim Chief Eder stated he will work with the in-house committee and put that together. Legal Counsel Whittington stated that if the Board establishes a committee or direct Interim Chief Eder to establish a committee, that committee would have to comply with open meeting laws, so the Board may want to consider just directing Interim Chief Eder to look into seeking the appropriate information in order to make a recommendation regarding remodeling and let him decide whether he wants to put a committee together, and not you. **Board Chair Lewis** said, "Then that's what we're going to do, because we know Chief will give us information." Board Chair Lewis made a motion to have the Chief figure out what to do with 2600 Northern Avenue, give us an idea of what it's going to cost and come back and tell us. Director Bailey seconded the motion. Motion passed unanimously.
- G.** Accusations against Director Victor Riccardi re: statutory training; possible conflicts of interest. Legal Counsel Whittington advised Board Chair Lewis that the Board had received advice in Executive Session that if the Board wishes to, they can take no action on this item at all. If Director Riccardi would like to raise something in public he may do so, but there is no obligation on the board's part to speak on this issue. Board Chair Lewis asked Director Riccardi if he wished to speak on this issue.

Director Riccardi suggested we all just wait until legal counsel gets through with the investigation. Board Chair Lewis agreed.

- H. District Resident Arthur Garnica re: accusations against Chief by Fire Board members. **Mr. Garnica** stated, "First of all, I want to start by correcting what I said. I said you said he left two million in debt, but you said over a million dollars in debt."

Director Bailey: "Mhm."

Mr. Garnica: "And you told me to get the paperwork from her. I got the paperwork from her, and I don't see this million dollars, this over a million dollars."

Director Bailey: "Like I said, I'm not gonna argue with that, I'm just going to answer your questions. You said your name is, uh, Arthur?"

Board Chair Lewis: "Arthur Garnica."

Director Bailey: "You want me to call you Arthur?"

Mr. Garnica: "Yeah."

Director Bailey: "Ok. And you live at, what was it, thirty..."

Mr. Garnica: "3902."

Director Bailey: "3902, and this actually owned by Wayne? Correct? This is like the latest? Ok. Are you related to Wayne in any way?"

Mr. Garnica: "No."

Director Bailey: "No? OK. Actually, what I thought was interesting is that when I told you to go down and get a public records request, you didn't do that. Actually all the information that you gave us in this packet was put together by Wayne and Patti and you thanked Patti for the packet actually twice at our last meeting, which she acknowledged, so I'm just letting you know I'm aware that you are basically a, uh, kind of a mouthpiece for them if you will; you're bringing this information to us on behalf of Wayne and Patti, so that's fine."

Mr. Garnica: "No let me put you in your place real quick."

Director Bailey: "I don't need to be put in my place. I'm familiar with what's going on here."

Mr. Garnica: "I wasn't going to say nothing, until you sat forward like you were the king. Leaned forward. And because of your past, leaving us in debt, you said it. You're the one that opened the door. I wasn't going to say that. I was gonna say..."

Director Bailey: "I'm not going to argue with you."

Mr. Garnica: "Because you know I'm right."

Director Bailey: "No, actually you're not."

Mr. Garnica: "There's a recording, it's on a recording."

Director Bailey: "Well, I don't care."

Mr. Garnica: "So you said, you judged them. I can be a mouthpiece for whoever. I'm going to tell you like this: you said you judged him on him leaving in debt. He didn't leave no debt. Your buddy Pat Moore got everybody in debt. So. You guys went into debt and all this, but you wanna buy the building for five hundred thousand. Whose palms are getting greased here? Huh? Is it one of your friend's?"

Director Bailey: "Like I said, I'm not going to argue with you. Just like the whole board actually approved the purchase of the building across the street."

Mr. Garnica: "Yeah, they approved it, but you guys pushed them into it."

Director Bailey: "You're telling me I told someone – You're telling me I told Vic how to vote?"

Mr. Garnica: "Hold up. [unintelligible] you think you're slick and trying to pull the wool over our eyes. It's been five years. It's been five years, why ain't nothin' done?"

Director Bailey: "I don't know what you're talking about."

Mr. Garnica: "I'm telling you something, you tell me why ain't nothing been done in five years?"

Director Bailey: "We had to purchase a property; we had other, like..."

Mr. Garnica: "Wait wait wait. I'm saying you were in debt."

Legal Counsel Whittington: "Madam Chair, if I might. A discussion about that building was on the agenda a couple of agenda items ago. If you want to re-open that item for discussion, you may do so, but this particular agenda item doesn't list any of those things, so normally when you invite somebody to speak on an item that's not articulated with specificity on the judgement, you accept the information and then direct it to be placed on the next agenda with some specificity if you want to..."

Board Chair Lewis: "So you're telling me he should be able to talk and you gotta wait till next time."

Legal Counsel Whittington: "Yes."

Board Chair Lewis: "OK, Let's do that."

Mr. Garnica: "What I want to say is, what you're doing is illegal and you said you judged him differently than the other guys because of his past, when his past brought this company up. I gave you the paperwork to show you that he brought the company up. And I showed you the paperwork where you buddy Pat Moore brought it down. So can you tell me where this debt..."

Board Chair Lewis: "No, he can't tell you."

Director Bailey: "No, I can't discuss this with you because this is your hear...this is your..."

Mr. Garnica: "Alright, so this debt you said is there you say you acquired so your judgement against this man right here, this is Doctor Eder, how is he at the bottom of your list? That's all I gotta say, like, how is he at the bottom? You guys do this statement of this and that, and you guys picked these other guys and put them above him, but he never left you in debt."

Director Bailey: "Hm."

Mr. Garnica: "Hm?"

Director Bailey: "I didn't see you at the meeting. That's interesting."

Mr. Garnica: "So what it is now you're telling me that I'm related to him?"

Director Bailey: "No, I just thought it was interesting when you do a, um, search on the property that Wayne owns it and you live there."

Mr. Garnica: "Why you searching my property where I stay at?"

Director Bailey: "It doesn't matter, it's public information."

Mr. Garnica: "Public information? What's that about? I don't anything about know where you live at."

Director Bailey: "You can. Public record."

Mr. Garnica: "What you like me or something, you wanna stalk me? You wanna come to my house and harass me or something?"

Director Bailey: "Sit down. Sit down, fool."

Mr. Garnica: "Fool?"

Director Bailey: "Yeah. Whatever. You're not going to sit here and try to attack me and like, belittle me and stuff, just either make your point or sit down."

Mr. Garnica: "I'll make my point. My point is you judged him illegally..."

Member of the audience: "Your two minutes is up."

Director Bailey: "I didn't judge anybody illegally."

Mr. Garnica: "I ain't got no two minutes. I'm on the agenda, I can talk as long as I want."

Director Bailey: "You can try...I'm not intimidated by you the slightest bit, so you sit there and you call me whatever name you want to, you can belittle me as much as you want to, I'm telling you, you're not affecting me one little bit."

Mr. Garnica: "So how did you judge him then? You're saying you judged him different for his past but..."

Director Bailey: "What I said is, 'I did not score him the same.'"

Mr. Garnica: "Why wouldn't you score him the same?"

Director Bailey: "Because I didn't interact with anybody else when I went over the application."

Mr. Garnica: "You said..."

Director Bailey: "My numbers were my numbers and everybody else had their numbers."

Mr. Garnica: "I gave you the same papers you told me to go get."

Legal Counsel Whittington: "Mr. Bailey..."

Director Bailey: "I'm not going to argue with him anymore."

Legal Counsel Whittington: "Keep in mind that this particular topic is not on this part of the agenda. You'd have to reopen another part of the agenda if you really wanted to get into it."

Director Bailey: "And then Mike Collins actually is... been working on the budget committee, he understands all the audits and that stuff, so come in next meeting and I'm sure he'll enlighten you..."

Mr. Garnica: "Why isn't he here today?"

Director Bailey: "I think we're gonna...It doesn't matter why he's not here."

Mr. Garnica: "What's more important than this board meeting, that you guys got going on?"

Director Bailey: "Sit down. You're done."

Mr. Garnica: "Don't tell me what to do. Don't ever tell me what to do."

Director Bailey: "You're done."

Mr. Garnica: "I'm not done."

Director Bailey: "I'm not going to talk to you anymore." (to Board Chair Lewis:) "What's that?"

Board Chair Lewis: "Do you want me to open the other thing?"

Director Bailey: "I don't care, it's up to you."

Board Chair Lewis: "No, it's up to you; you're the one that [unintelligible]"

Director Bailey: "I'm not allowed to talk, so if he's done, I guess he's done. It doesn't matter to me."

Board Chair Lewis: "You got more to say?"

Director Bailey: "Are you done?"

Mr. Garnica: "I'm done for now."

Director Bailey: "Cool. I guess I get to answer this next time then? Is that true? Put it on the agenda for next time so I can answer?"

Legal Counsel Whittington: "You need to specify the topic."

Director Bailey: "OK, well put this, uh, accusations..."

Board Chair Lewis: "Accusations against Chief by board members."

Legal Counsel Whittington: "Yes, well you need to...you can specify the topic, not just 'accusations' but which accusations, so you can talk about the building or the fire chief or the chief search issue. You can do all that; list them any way you want, as long as the topic is identified enough so the public knows what..."

Director Bailey: "OK, so I could answer to the accusations of the scoring differently, what the financial papers you said that we weren't in debt, and we are, so I could answer that or Mike and I can both answer that for you."

Mr. Garnica: "You were in debt after Wayne had gone three years."

Legal Counsel Whittington: "As an example, Mr. Bailey, you might be on the agenda next month for 'Response to accusations relating to chief search process...'"

Director Bailey: "OK"

Legal Counsel Whittington: "...the 2600 North Avenue building, previous budget adoptions and analysis, you can...as long as you pick the topic you don't have to put it on the agenda with great specificity as to what you're going to say, but you need to at least do something to identify the topic."

Director Bailey: "OK, we'll address it with the fact that you've proposed it to the board, we'll answer those questions, also we have audits from 07-08 and 08-09 and also the grants, I believe is one of your topics, so we can answer the grants."

Mr. Garnica: "Yeah, why didn't you guys use the grants exactly? He left you in debt for over a million but he got you over a million in grants?"

Director Bailey: "I think that's in the majority of the financials."

Legal Counsel Whittington: "Mr. Bailey, if something comes to mind after this meeting you can pick up the phone and call administration and tell her what you want on the agenda."

Director Bailey: "OK. Fair enough."

Board Chair Lewis: "OK. Are you through talking?"

Mr. Garnica: "Yeah, I'm done, thank you for your time."

I. USE OF LEGAL COUNSEL

Legal Counsel Whittington advised that the Board received advice on this in Executive Session on this issue and said that this was the time, if the Board wished, to take action on the issue. The current resolution directs that the administration, the management, and the board may contact legal counsel and they are obliged to let the board know when they do so for cost control purposes. **Board Chair Lewis** stated, "We want it in advance." Legal counsel said she would have to entertain a motion to that effect. Board Chair Lewis made that motion to have administration, management and board members contact the board prior to contacting legal counsel. It was not seconded. Motion failed. Clerk Wilkins clarified that the status quo has been to advise the board after contacting legal counsel, but they haven't been doing that, and they need to start doing it. Legal Counsel Whittington agreed.

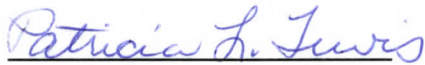
8. **CALL TO THE PUBLIC** – Board Chair Lewis made a call to the public and District Resident Rick Veradt of Valle Vista requested to speak. He stated that he has written a letter to the editor of the Kingman Daily Miner in defense of Director Riccardi because he is upset with their coverage. He was just going to send it to the Miner, but would like to read it to the board so they were aware of what he was going to be sending. Mr. Veradt read the letter. Board Chair Lewis asked if anyone else would like to speak. District Resident Arthur Garnica stated that he thinks they are picking on Vic because they can't control his vote, so they want him out so they can vote another person in so they can make that person do what they want. Two members of the public agreed. Mr. Garnica told Director Riccardi that he's sorry he's been put in this position. There were calls from the audience that he shouldn't be. Mr. Garnica stated they should all be working together but there are two people here that don't want you here because you're not helping them. Board Chair Lewis asked if anyone else had something to say. A member

of the public asked about item 7A (Fire Chief selection). Board Chair Lewis advised that the Board has to interview another candidate so administration will contact him to get him in here to interview. Mr. Garnica asked why they were bringing in another candidate when Dr. Eder was illegally judged. Legal Counsel Whittington advised that the Board would have to reopen that agenda item to discuss it.

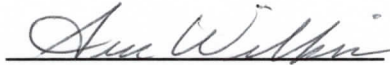
- 9. FUTURE AGENDA ITEMS AND STAFF TASKS** – Director Bailey asked Legal Counsel Whittington if he would be at the next board meeting, and if he would educate the public about the scoring process. Legal counsel Whittington advised that he would do what the board directed, but to be cautious about asking him to do that because he doesn't pull any punches. Interim Chief Eder told Director Bailey that he will work with him to get his agenda items gathered and sent to counsel. There will be an agenda for the budget hearing on July 6th, which is a special meeting, and that will be the only item on the agenda. The regularly scheduled board meeting is on July 20th. He asked if the Board wanted to interview the fourth Fire Chief candidate at the budget meeting. Clerk Wilkins asked if they did the interview at the executive meeting, they could then make a final selection at the next regular board meeting? Legal Counsel Whittington said yes.

- 10. ADJOURNMENT** – There being no further business, a motion to adjourn was made by Director Bailey at 9:09 p.m., and seconded by Director Collins.

These minutes were prepared by Nikki Berry this 21st day of June, 2017.



Patricia Lewis, Board Chair



Sue Wilkin, Board Clerk