

Minutes East Grand Fire Protection District  
Board of Directors Meeting  
September 26th, 2018

Board Directors Present: President Frank Dominguez, Vice President Mark Pappas, Treasurer Steve Loo, Secretary Richard Kramer, Director Garth Hein.

Staff Present: Chief Todd Holzwarth, Assistant Chief Dennis Soles, Fire Technician Adam Gosey, Training Coordinator Steve Waldorf, Volunteer Coordinator Jed Henry, Office Manager Kristen Rybij.

Board of Pension Trustees Present: Trustee Jody Campbell, Trustee Brian Dolan.

Legal Counsel Present: Ms. Linda Glesne.

Public Present: Brad Holzwarth.

Director Frank Dominguez opened the Board of Directors meeting at 18:12 pm. There was a quorum of Directors present.

Frank welcomed Brian Dolan as our new Pension Trustee and administered his Oath of Office. Frank thanked all of us who attended the SDA Conference. Frank asked if there were any additions to the agenda. It was requested to put Linda's business ahead of Chief's report.

Frank asked if there was any public comment. There was no comment.

The August 22nd, 2018 minutes were reviewed with one sentence noted for revision. Mark requested Kristen change the sentence that starts with "There are over 200 subdivisions..." to "There are over 200 homes..." This change will be made.

- ❖ Director Steve Loo moved to approve the revised August minutes. Director Garth Hein seconded. The motion passed unanimously.

Discussion of Financials: Todd informed the Board that we are currently working on breaking down our current budget line items into more sub-accounts for the 2019 fiscal year. This will help better classify our District's expenses. The 2019 preliminary budget will be ready for the Board by October 15th.

- ❖ Director Mark Pappas moved to approve the bills. Director Steve Loo seconded. The motion passed unanimously.
- ❖ Director Rick Kramer moved to recess the Board of Directors meeting to open the Pension Board of Trustees meeting. Director Steve Loo seconded. The motion passed unanimously.

The Board of Directors meeting was recessed at 18:23 pm.

Director Frank Dominguez re-opened the Board of Directors meeting at 18:35 p.m.

Linda Glesne opened with discussion regarding the memo she had passed out. It was a summary of the 2019 statewide legislative bills concerning Gallagher and its many implications. Linda pointed out Bill 2, dubbed the "East Grand County FPD Bill". The summary of this bill is that it aims to create an actual definition for the "short-term rental unit" and would therefore change the assessment classification for short-term rental units. This would be based on a formula calculating the percentage of time that the unit is used as a short-term rental (less than 30 days) vs. a long-term rental / residence. Linda explained that our idea (Bill 2) was not widely accepted when she brought it up to the SDA Legislative Drafting Committee in August. She was surprised and happy to see it moving forward as Bill 2 within the Gallagher Amendment Interim Study Committee (the "Interim Committee"). Frank asked who opposed this idea. Second homeowners and realtors are the majority of those not in favor of Bill 2. Mark asked if there would be legal implications if Bill 2 moved forward as it seemed to him that it would be raising taxes on those units without the vote of the people. Frank commented that the Bill is aimed at re-classifying property for its actual use and thus taxed as it should be based how much time it is used for profit as a short-term rental. Linda agreed and explained that the first major problem with short-term

rentals and taxation is that we do not have an adequate definition for “short-term rentals.” Currently, in this category, there are hotel / motel or residential classifications. Dennis raised concern over the corporate entities that buy up whole complexes and new condos for nightly rental use and their place in the game. Linda explained that the Legislature is aware of who these entities are and that they are very much a part of their on-going discussion. Frank commented on the fact that places in NY have outlawed nightly rentals all together for the hardship it causes to the hotel /motel business. Linda moved back to the memo explaining the pitfalls of Bill 4, pointing out that depending on backfill from an already very tight state budget is not a good idea. Mark asked if any other Districts have proposed the same idea as we have as described in Bill 2. Linda replied that to the best of her knowledge this idea was unique to our District. Linda continued discussion of the bills and pointed out that Bill 7 could also negatively impact our District if passed with the current DOLA regions in place. We would be in the same region as Pitkin County and thus our tax revenue would decrease. Garth commented on how the Gallagher lecture at the SDA conference was not optimistic of the passing of these bills and urged Districts to not depend on them to fix their Gallagher issues. The speaker stated that Districts needed to take responsibility for working with Gallagher implications into their own hands by way of introducing various revenue stabilization ballot questions. Garth asked Linda what she thought the predicted success of a ballot question like this would be and if she thought it to be a viable solution for our District. Garth also asked if it would be a waste of money and election time if the ballot passed AND legislation passed something to change or nullify Gallagher. Linda replied that passing a revenue stabilization ballot question would essentially allow the District to permanently collect the same amount of revenue that it did in the year the ballot was passed. This would be done by floating the mill levy and basically capping the RAR and revenue, depending on how the question was phrased. This could lead to positive and negative consequences and will be explored in depth over the next year by East Grand and our legal counsel. Linda explained that there are somewhere around 30 Gallagher type ballot questions for this November election and she will keep us abreast of the results. Garth noted that he would like to start educating our community on these issues now, so that we are prepared for a 2019 ballot question. Some hurdles of passing such a ballot measure are the impact it would have on our commercial community and the complications of how the community might view the amount of our financial reserves. The bottom line is that we have increased our call volume by 49% over the last four years and this will continue to grow with our growing community. We cannot continue to offer the same protection with less and less revenues. We need the community to understand the connection between our service to them and our current revenue complications with TABOR / Gallagher. We need to make it clear that although our reserves seem substantial, they are essentially spoken for by replacement equipment needs and expanding services. Frank pointed out that we will quickly go through these reserves and will thus be forced to come to the community to support bond issues. Ideas of how we might start educating the public about the future of our revenue needs alongside the TABOR / Gallagher discord were discussed. Steve Loo commented that he would like to re-visit strategic planning as well. It is agreed upon that Linda will come back up in November to discuss the results of the Interim Committees meeting regarding these current bills and to help us plan for a possible ballot question election in November of 2019.

**Chief’s Report:** Todd updated the Board on the Sunset Ridge hydrant project. It is moving along; and we have a contractual letter in place for them to sign before we pay them what was agreed upon. Todd discussed the new Pictometry mapping project that the County is undergoing and how it will improve map imaging and “real-time” notifications of new development.

**Fire Prevention Report:** Dennis thanked everyone for the help while he was on vacation with inspections and 450. He commented that new construction continues to be our bread and butter. Inspections continue to stay busy this month.

**Training Coordinator Report:** Steve ran down the trainings that were put on this past month. The residences at headquarters are full and we are looking to add some new residents to the Tabernash Station. The District has one new EMT with 4 more due to take the written portion of the exam. 481 and 475’s replacements are moving forward. Our new mechanic is great and continues to catch up on maintenance needs. The District is trying out 3 new Kenwood DTR radio demos. They are cheaper than the Motorolas we currently use but Steve is licensed to program all of the Motorola radios through the state and the price of changing to the new programming process / software / and hardware may outweigh the savings Kenwood radios could bring. Our current radios are 10 years old and there is no current software for them thus they are becoming obsolete. It will be a big issue if they all fail at once, so we are trying to stagger in new radios. DTR radios can cost up to ~ \$3400 for the whole package (radio kit, software, cables, programming and training). Garth asked if any other departments use Kenwood radios for a reference point. Steve does not know but is gathering more information on them and

other departments reviews of them. Garth asked who carries DTR radios. It is explained that Officers do and there are two in each truck, one for the headquarters residence, and two in the office. Frank asked if they had re-sale value. It would be nominal. Steve asked if IAmResponding can take the place of pagers. No, it is not as reliable for dispatch and is not a public safety grade form of communication. The program makes a great back up though. Garth asked if everyone on the fire ground has a radio. Yes, they do, but many only have VHF radios as DTR radios are for command and control while VHF radios are tactical radios. Everyone receives a VHF radio when off probation. Garth asked if we will move everyone from VHF to DTR. No, not in the near future because everyone in the county uses a tactical channel, such as the Forest Service and Mutual Aid. They are important for direct communication. Steve reminded everyone that the Awards Ceremony is October 26<sup>th</sup> at the Arapahoe Lodge. Steve thanked everyone for helping when the Chiefs were out of town.

Frank asked if there was any public comment. There was none.

Board Business: The new website was introduced. Todd made sure everyone was aware that he had sent the recent Certification of Values.

- ❖ Director Steve Loo moved to adjourn the Board meeting. Director Garth Hein seconded. The motion passed unanimously.

The Board meeting was adjourned at 19:59 pm.

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Frank Dominguez

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Rick Kramer

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Garth Hein

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Mark Pappas

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Steve Loo