The regular meeting of the Board of Directors of the Loveland Rural Fire Protection District was held at 410 East 5th Street, Loveland, Colorado on Wednesday, February 1st, 2012 at 5:30 p.m.

The following members were present: Dave Legits, Mike McKenna, Barry Gustafson, Leroy Anderson and Jeff Swanty.

Also present were:

- Greg White, Secretary, Loveland Rural Fire Protection District
- Chief Randy Mirowski, Loveland Fire and Rescue Department
- Merlin Green, Loveland Fire and Rescue Department
- Ned Sparks, Loveland Fire and Rescue Department
- Rick Davis, Loveland Fire and Rescue Department
- Renee Wheeler, Loveland Fire and Rescue Department
- Bill Lundquist, Big Thompson Canyon Volunteer Fire Department

President Legits called the meeting to order.

The minutes of the January 4, 2012 regular meeting were presented. Upon motion by Anderson, seconded by McKenna, and unanimously carried, the minutes were approved.

White presented the January 2012 bills. Upon motion by Swanty, seconded by Anderson, and unanimously carried, the following bills were approved.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>City of Loveland</td>
<td></td>
</tr>
<tr>
<td>Electricity (2a)</td>
<td>73.28 $</td>
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<tr>
<td>Electricity (2a)</td>
<td>14.08 $</td>
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<tr>
<td>Poudre Valley REA</td>
<td></td>
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<tr>
<td>Electricity (2a)</td>
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<tr>
<td>Qwest</td>
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<tr>
<td>Miscellaneous (5)</td>
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<tr>
<td>Colorado State Forest Service</td>
<td></td>
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<tr>
<td>Miscellaneous (5)</td>
<td>200.00 $</td>
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<tr>
<td>Full Circle Creative</td>
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<td>Contingent (12)</td>
<td>7,735.00 $</td>
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<tr>
<td>Gregory A. White</td>
<td></td>
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<tr>
<td>Legal Fees (11a)</td>
<td>4,230.00 $</td>
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<tr>
<td>Gregory A. White</td>
<td></td>
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<tr>
<td>Administrative Fee (11b)</td>
<td>1,000.00 $</td>
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<td>Board Secretary Fee (7a)</td>
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<td>Donna Holst</td>
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<td>Bookkeeper Fee (7c)</td>
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<tr>
<td>Dave Legits</td>
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<tr>
<td>Board Meeting (7b)</td>
<td>50.00 $</td>
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White presented the financial report. White stated that the report contains all of the financial data for 2011. White noted that tax revenues were approximately $40,000 over budget and that the refund/abatement adjustment was not made this year. White further noted that the expenditures were $66,000 less that were budgeted, including the $50,000 Contingency which was not used in 2011. The amount of excess revenues and the reduction in expenses represented an approximately $100,000 surplus to the Rural District for 2012 based upon the 2012 adopted budget. White noted further that the District had approximately $1,050,000 in reserves at the end of 2011. Of those reserves, approximately $340,500 are in the Self-Insurance Fund. The remaining amount of reserves is unrestricted.

Chief Mirowski presented the Chief’s Report. He provided the Board with the January 2012 Fire Chief’s Monthly Report.

Mirowski then briefed the Board on the presentation to the Loveland City Council by himself, Wheeler, White and Swanty at the Council Study Session of January 30, 2012. The presentation included the history of the last three years of the development of the Fire Authority IGA and Model One. Mirowski stated the following with regard to Model One:

- Model One contains basic staffing, facilities and apparatus upgrades for the Department for 2012 through 2019. The Model also includes a 3.5% annual increase in expenses.

- Station 2. The Department and the City Council have agreed on the option to move Station 2 to 29th and Wilson and subsequently build a west station (Station 10) as part of Model One. The move from the current location of Station 2 and building a new station results in $1.6 million less in capital costs and $1 million less in annual operation costs.

- Phase Process. Attached to these minutes is a hand out for Phases 1, 2, 3 and 4 of Model One. This chart indicates the cost to the City and the Rural District for each of the Phases.

Following the discussion between the Board and Staff, it was the consensus of the Board to transition from the conceptual phase of Model One to the management phase of Model One as presented.

In response to questions from the Board, Chief Green reported that call volume for 2010 was 4,524 City calls and 1,212 Rural District calls for a total of 5,736 calls; and in 2011 4,997 City calls and 1,268 Rural District calls for a total of 6,265 calls. This shows that the percentage of Rural District calls to City calls has declined from 21.1% in 2010 down to 20.2% in 2011.

White presented the Fire Authority By-laws. The IGA forming the Fire Authority between the City and the Rural District provides for the By-laws to be effective,
both the City and the Rural District must approve the By-laws. White stated that
the Fire Authority has approved the By-laws and the City has also approved the By-
laws. Upon motion by Gustafson, seconded by Swanty, and unanimously carried,
the Fire Authority By-laws as presented were approved by the Rural District.

Sparks presented a report on Station 6. Sparks provided schematics to the Board
of the remodel at Station 6 and discussed the amount and purpose of the remodel.
Currently, the project is moving into the design phase and production of actual
construction documents. It is anticipated that the cost of the remodel is
$930,000.

Chief Green reported on the Community Service Division. Green noted that the
2009 International Fire Code with local amendments had been approved by the
City of Loveland. He handed out the local amendments to the 2009 Fire Code.
Green stated that the local amendments were very similar to those amendments for
the 2006 Fire Code. There were no substantial changes between the 2009 local
amendments and the 2006 local amendments. Upon motion by Anderson,
seconded by Swanty, and unanimously carried, the Board approved the following
Resolution:

**RESOLUTION**

A Resolution of the Loveland Rural Fire Protection District adopting the 2006 edition of
the *International Fire Code*, regulating and governing the safeguarding of life and
property from fire and explosion hazards arising from the storage, handling and use of
hazardous substances, materials and devices, and from conditions hazardous to life or
property in the occupancy of buildings and premises in the Loveland Rural Fire
Protection District; providing for the issuance of permits and collection of fees therefore;
and repealing all other codes in conflict therewith.

The Board of Directors of the Loveland Rural Fire Protection District resolves as
follows:

Section 1. That a certain document, copies of which are on file in the office of the
Loveland Fire Prevention Bureau and the Loveland Rural Fire Protection District, being
marked and designated as the *International Fire Code*, 2009 Edition, issued and
published by the International Code Council, 4501 West Flossmoor Road, County Club
Hills, IL  60478-5795, including appendices B, C, D, I and J are hereby adopted by
reference as the Fire Code of the Loveland Rural Fire Protection District. The purpose
of this Fire Code is to provide minimum standards to safeguard life, limb, health,
property and the public welfare by regulating fire and explosion hazards arising from the
storage, handling and use of hazardous substances, materials and devices, and from conditions hazardous to life or property in the occupancy of buildings and premises;
and to provide for the issuance of permits and collection of fees therefore; and each
and all of the regulations, provisions, penalties, conditions and terms of said Fire Code
on file are hereby referred to, adopted, and made a part hereof, as if fully set out in this
Resolution, with the additions, insertions, deletions and changes, if any, described in
Section 2 of this Resolution.

Section 2. That the following sections are hereby revised:

See Amendments to 2009 International Fire Code attached.

Section 3. That if any section, subsection, sentence, clause or phrase of this
Resolution is, for any reason, held to be unconstitutional, such decision shall not affect
the validity of the remaining portions of this Resolution. The Board of Directors hereby
declares that it would have passed this Resolution and each section, subsection, clause
or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses and phrases be declared unconstitutional.

Section 4. That this Resolution and the rules, regulations, provisions, requirements, orders and matters established and adopted hereby shall take effect and be in full force and effect within the unincorporated portions of Larimer County located within the Loveland Rural Fire Protection District upon approval of the Board of County Commissioners of Larimer County, Colorado, and within the jurisdiction of the Town of Johnstown upon the approval by the governing body of the Town of Johnstown for the area of the Loveland Rural Fire Protection District located within the Town of Johnstown. Until such time as either Larimer County and/or the Town of Johnstown has approved the 2009 International Fire Code adopted by the Loveland Rural Fire Protection District within their respective jurisdictions, the 2006 Uniform Fire Code previously adopted and enforced within said jurisdiction shall remain in full force and effect.

Canyon Chief Lundquist gave the Canyon Department report. January was a slow month in the Canyon with only two incidents. Lundquist noted that the Firefighter I Academy is still ongoing.

White presented a report on the 2012 regular election of the District. White provided the Board mill levy increase scenario comparisons. This comparison is based on the Rural District’s responsibility for expenses of the Fire Authority and revenues available to the Rural District. The expenses are based upon Model I and the revenues based upon the current 2012 assessed valuation with a 2.5% increase assessed valuation in 2014 – 2015 and a 5% increase in assessed valuation in 2016 – 2019. White noted that the assessed valuation does not contain any increase in new construction for the entire eight year period. White noted that for the last four years the District has received between 2% to 6% increased valuation of new construction in each individual year. The five scenarios in the handout show the revenues from the increases in each individual year and either the excess of revenue over expenses at the end of 2019 or be deficit. The term “remaining gap” in the comparison indicate the total amount of deficit at the end of 2019 based upon the various scenarios.

White noted that the approximately $1 million of reserves available to the District at the end of 2011 were not reflected in the mill levy comparison, and that those reserves would be available to fill any funding gap during the covered period.

White reported that the Mill Levy Committee had reviewed the first four scenarios and recommended scenario 3. Following the Mill Levy Committee meeting, scenario 5 was developed by White, Mirowski and Wheeler as an alternative to scenario 3. Following discussion of the comparisons, it was the consensus of the Board that scenario 3 would be appropriate for the mill levy election. White stated that planning for the mill levy election will proceed with regard to scenario 3, but the Board will need to take official action on certifying the ballot issue prior to March 9, 2012.

White presented a proposal from Full Circle Creative for consulting services for the mill levy election and reconfiguration and updating the District’s website. White stated that some of the consulting services set forth in the proposal include, but not limited to, printing costs, mailing, etc. would be the responsibility of the Mill Levy Committee as those are campaign expenses and not appropriate expense by the Rural District. After discussion and review of the proposal, upon motion by McKenna, seconded by Gustafson, and unanimously carried, the Board approved the proposal from Full Circle Creative for both the consulting services for the mill levy election and the District website, messaging, design and implementation project. The motion also authorized White to execute any necessary documents with Full Circle with regard to the proposal.
White stated that it was necessary to appoint a person as Designated Election Official for the regular 2012 election on May 8, 2012. Upon motion by Gustafson, seconded by Swanty, and unanimously carried, Secretary/Assistant Treasurer White was appointed as the Designated Election Official for the 2012 regular election for the Rural District.

White stated that Directors McKenna and Gustafson terms were up in 2012. Both Directors McKenna and Gustafson expressed interest in running for a new four-year term as Directors at the regular 2012 election.

There being no further business, the meeting was adjourned.

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Gregory A. White, Secretary/
Assistant Treasurer

ATTEST:

______________________________President