REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE LOVELAND RURAL FIRE PROTECTION DISTRICT

The regular meeting of the Board of Directors of the Loveland Rural Fire Protection District was held at Station 1 on Wednesday, November 6th, 2013 at 5:30 P.M.

The following members were present:

Dave Legits, Mike McKenna, Leroy Anderson and Jeff Swanty.

Also present were:

Greg White, Secretary, Loveland Rural Fire Protection District
Randy Mirowski, Loveland Fire and Rescue Department
Ned Sparks, Loveland Fire and Rescue Department
Greg Ward, Loveland Fire and Rescue Department
Renee Wheeler, Loveland Fire and Rescue Department
Bill Lundquist, Big Thompson Canyon Volunteer Fire Department
Tim Brady, Big Thompson Canyon Volunteer Fire Department
Shawn Neal, Big Thompson Canyon Volunteer Fire Department
Bob Boggio, Citizen

President Legits called the meeting to order.

The minutes of the October 2nd, 2013 regular meeting were presented. Upon motion by Swanty, seconded by McKenna, and unanimously carried, the minutes were approved.

White presented the October 2013 bills. Upon motion by Anderson, seconded by Swanty, and carried with Director McKenna voting “No”, the following bills were approved:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loveland Fire Rescue Authority (1)</td>
<td>$ 188,976.00</td>
</tr>
<tr>
<td>Poudre Valley REA</td>
<td>49.41</td>
</tr>
<tr>
<td>Schrader Propane</td>
<td>10.92</td>
</tr>
<tr>
<td>Qwest</td>
<td>418.90</td>
</tr>
<tr>
<td>Prairie Mountain Publishing</td>
<td>346.98</td>
</tr>
<tr>
<td>Intuit</td>
<td>19.45</td>
</tr>
<tr>
<td>Office Supplies and Expenses (10)</td>
<td>103.91</td>
</tr>
<tr>
<td>Gregory A. White - Legal Fees (12a)</td>
<td>4,055.00</td>
</tr>
<tr>
<td>Gregory A. White - Administrative Fee (12b)</td>
<td>1,000.00</td>
</tr>
<tr>
<td>Board Secretary Fee (8a)</td>
<td>320.00</td>
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<tr>
<td>Donna Holst - Bookkeeper Fee (8c)</td>
<td>468.33</td>
</tr>
<tr>
<td>Dave Legits - Board Meeting (8b)</td>
<td>50.00</td>
</tr>
<tr>
<td>Name</td>
<td>Position</td>
</tr>
<tr>
<td>--------------</td>
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</tr>
<tr>
<td>Mike McKenna</td>
<td>Board Meeting (8b)</td>
</tr>
<tr>
<td>Leroy Anderson</td>
<td>Board Meeting (8b)</td>
</tr>
<tr>
<td>Jeff Swanty</td>
<td>Board Meeting (8b)</td>
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</tbody>
</table>

**TOTAL**  
$195,968.90

President Legits asked if Director McKenna would want to state why he voted “No” on the bills. Director McKenna said that he objected to White’s charges for work, which, in his opinion, should be the responsibility of the Fire Authority, including all the work White has done with regard to issues involving the Consolidated Pension. White state that the billing involves work on behalf of the Rural District with regard to the Consolidated Pension issues. White state that he does not provide legal advice to the Fire Authority as that is done through the City Attorney’s Office. Director Swanty and President Legits both stated that they felt White should continue to provide these services to the District.

White presented the Financial Report. He noted that the general property tax revenues for October were lagging behind projected 2013 budget figures. However, specific ownership tax is considerably higher than projected with the year-to-date through October of approximately $130,000.

Chief Mirowski gave the Chief’s Report. He noted that the City elections on November 5, 2013 re-elected Mayor Gutierrez and added one new Council member.

Mirowski noted that the Agenda for the Fire Authority meeting on November 14, 2013 was light. There will be a report from the Department concerning the Fire Authority Board’s request to move forward with a consultant to provide advice concerning policies involving the Consolidated Pension Fund.

Station No. 2, permits have been issued, bidding is in process with six contractors being interested in bidding. The bids should be returned next week. With regard to old Station No. 2, the Board of Directors of Thompson Valley Emergency Medical Service District has requested that negotiations continue for the acquisition of the Station by TVEMS.

Mirowski gave a report on possible accreditation of the Department. Accreditation would allow the Department to compare itself to national standards and best practices. Currently, the City of Loveland Police Department and Dispatching Department are accredited. Mirowski stated that he, Renee Wheeler, and Chief Ward attended a three day seminar which addressed accreditation. They will give a report to the Fire Authority Board in December concerning this matter.

Mirowski inquired if there were any questions concerning his monthly report. The Board had questions.

Director Renee Wheeler gave the Public Safety Administrator’s Report. She gave a brief summary of the following agenda items:

- 2014 Fire Authority Budget has been approved by the City Council.
- 2014 Fire Authority Fee schedule is the same as last year.
- 2014 Fire Authority Budget is a total of $10,732,450 is a $1,901,578 increase over 2013 which represents an 8.6% increase.

Upon motion by Anderson, seconded by Swanty, and unanimously carried, the Board approved the 2014 Fire Authority Fee Schedule as presented.
Upon motion by Swanty, seconded by Anderson, and passed with Director McKenna voting "No", the Rural Board approved the 2014 Fire Authority Budget as presented. Director Swanty expressed his concerns with the 13% increase in indirect expenses. He requested that Staff continue to monitor these indirect expenses.

Upon motion by Swanty, seconded by Anderson, and unanimously carried, the Board approved the Supplementary Budget Appropriation for the Fire Authority as presented.

Director Swanty expressed his concerns with the 13% increase in indirect expenses. He requested that Staff continue to monitor these indirect expenses.

Upon motion by Swanty, seconded by McKenna, and unanimously carried, the Board approved the Mutual Aid Agreement with Laramie County Fire Department.

Community Safety Division Chief Sparks gave the Community Safety Division Report. The Division has conducted an International Code Council Level 1 class with forty attendees. Three personnel in the Division are undergoing fire sprinkler classes. Sparks noted that Lisa Burkland has resigned from the Department to pursue a better employment opportunity. Currently, the Department is reviewing options with regard to filling this position.

Sparks reported on the situation concerning the Lincoln Hotel on the corner of SW 4th and Lincoln Avenue. The Division has declared the building unsafe. However, the building remains occupied. The Division is working with the owner of the property to correct safety violations.

The Division presented a report to the Loveland City Council concerning fire sprinklers in single- family and duplex residences. The Department is forming a steering committee to provide assistance and community education regarding residential fire sprinkler systems. White noted that any change in the requirements for residential fire sprinkler systems in the City will not be effective in the Rural District as the Rural District is still governed by the 2006 Fire Code. Larimer County has not adopted any fire code subsequent to the 2006 International Fire Code.

Operations Division Chief Ward gave the Operations Division Report. A contract has been awarded for restoration of the Training Center. Currently the Burn Building and Smokehouse are operational and training is ongoing. The other restoration work will be accomplished in approximately six weeks. The EPA is currently using the Training Center for temporary storage of hazmat materials.

The annual airport training exercise for certification has been completed. Currently, the Department is providing coverage for a portion of the Rist Canyon Volunteer Fire Department's response area. This is due to lack of access into this area for the Rist Canyon Department's assets. The Department continues to assist the EPA in hazmat operations in the Big Thompson Canyon.

Canyon Chief Lundquist gave the Canyon Chief's report. He introduced Shawn Neal, a member of the Canyon Department. He complimented Mr. Neal on his activities on Storm Mounting during the Flood incident. Mr. Neal has experience as a member of the United States Air Force, and provided excellent management of activities on Storm Mountain, especially with regard to evacuation of the area.

Canyon Chief Lundquist and Canyon Assistant Chief Brady noted that representatives of Kiewit Construction indicated that Highway 34 would be opened on November 25, 2013. Currently, some parts of the Canyon are open to resident access. However, there are still areas where response by the Department to any incident is severely limited.

Lundquist noted that the Storm Mountain access road is open from Storm Mountain down to County Road 43. Power and phone have been restored at Station No. 8.

White presented a recommendation by the Consolidated Fire Pension Board to increase the monthly retirement pension benefit for volunteers from $650 to $700 effective January 1, 2014. Upon motion by Swanty, seconded by Legits, and unanimously carried, with Directors Mckenna and Anderson abstaining from the vote on the increase
as they are current recipients of the volunteer pension benefit, the Board approved the increase in the monthly pension benefit from $650 to $700. Mirowski noted that this matter will be on the November 19, 2013 City Council Agenda.

White presented a report on the responses to the RFP for accounting services. The responses were from Haynie & Company, Kitty Peterson and Associates, PC, and Aliquam Financial Services. White reviewed the responses. White stated that his review indicated that all three firms would be competent to handle the Rural District’s accounting services. Based upon the lowest fee quoted by Haynie & Company, McKenna moved to accept the proposal from Haynie & Company for Rural District accounting services beginning in January, 2014. The motion was seconded by Swanty, and unanimously carried.

White presented a letter from Yanari, Watson McGaughey P.C. for auditing services for the District for 2014. White noted that the personnel who had provided the auditing services through Hiratsuka & Associates, LLP to the Rural District had become affiliated with this new firm. The letter dated October 7, 2013 stated that those individuals will be responsible for the Rural District’s audit. The fee quoted in the letter for the audit is $4,000. After discussion, it was the consensus of the Board that White send a RFP to appropriate firms for auditing services for 2014.

White stated that the Intergovernmental Agreement between the District and Pinewood Lake Fire Protection District expires at the end of 2013. White gave his historical perspective on the formation of the Pinewood Lake Fire Protection District and the continued relationship with the Rural District. White noted that on November 14, 2013, the Pinewood Lake Fire Protection District Board will meet at its semi-annual regular meeting. After discussion, it was consensus of the Board that White propose to the Pinewood Lake Fire Protection District that the current IGA be amended for another five year term with a 4% continuing annual increase in the fee paid by Pinewood Lake Fire Protection District to the Rural District for services.

White presented the 2014 Budget. White reviewed the 2012 end-of-year figures in the Budget which are consistent with the Audit, the 2013 end-of-year revenues and expenditures, and the 2014 revenues and expenditures. White noted that due to supplemental appropriations approved by the Rural District for the Fire Authority Budget, that there will be a necessity to do a supplemental appropriation for the 2013 Budget to cover those additional expenses. Upon motion by McKenna, seconded by Swanty, and unanimously carried, the following Resolutions were adopted:

RESOLUTION

WHEREAS, the Board of Directors of the Loveland Rural Fire Protection District appointed Gregory A. White, Secretary-Assistant Treasurer, to prepare and submit a proposed Budget to said governing body at the proper time; and

WHEREAS, Gregory A. White, Secretary-Assistant Treasurer submitted a proposed Budget to this governing body for its consideration; and

WHEREAS, upon due and proper published notice, said Budget was open for inspection by the public at a designated place, a public hearing was held on November 6, 2013, and interested taxpayers were given the opportunity to file or register any objections to said proposed Budget; and

WHEREAS, whatever increase may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance as required by law.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LOVELAND RURAL FIRE PROTECTION DISTRICT;
Section 1. That estimated expenditures for each fund are as follows:

A. General Fund: $2,338,030
B. Vehicle Self-Insurance Fund: $343,000
TOTAL: $2,681,030

Section 2. That estimated revenues are as follows:

A. General Fund:
   From general property tax levy: $2,020,000
   From sources other than general property tax: $318,030
   TOTAL REVENUES: $2,338,030

B. Vehicle Self-Insurance Fund:
   From general property tax levy: $0
   From sources other than general property tax: $343,000
   TOTAL REVENUES: $343,000

Section 3. That the Budget is submitted and hereinabove summarized by fund, be, and the same hereby is, approved and adopted as the Budget of the Loveland Rural Fire Protection District for 2014.

RESOLUTION

WHEREAS, the Board of Directors of the Loveland Rural Fire Protection District adopted the annual Budget in accordance with the Local Government Budget Law on November 6, 2013; and

WHEREAS, the Board of Directors of the Loveland Rural Fire Protection District has made provisions therein for revenues in an amount equal to or greater than the total proposed expenditures set forth in said Budget; and

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the Budget to provide for the operations of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LOVELAND RURAL FIRE PROTECTION DISTRICT.

Section 1. The following sums are hereby appropriated from the revenues of each fund, to each fund, for the purpose stated therein:

General Fund: $2,338,030
Capital Outlay: $36,000
Contingent: $100,000
Current Operating Expenses: $2,133,932
TABOR Reserve: $68,098
Total: $2,338,030
Vehicle Self-Insurance Fund $343,000
Expenses: $333,000
TABOR Reserve: $10,000
Total: $343,000

RESOLUTION

WHEREAS, the Board of Directors of the Loveland Rural Fire Protection District has adopted the annual budget in accordance with the local government budget law on November 6, 2013; and

WHEREAS, the amount of money from real property tax assessments necessary to balance the budget for the general operation expense is $2,020,000 for the General Fund; and

WHEREAS, the 2013 valuation for the assessment for the Loveland Rural Fire Protection District is $238,701,179.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LOVELAND RURAL FIRE PROTECTION DISTRICT.

Section 1. For the purpose of meeting all general operating expenses for the Loveland Rural Fire Protection District during the 2014 Budget year, there is hereby levied a tax of 8.708 mills upon each dollar of the total valuation for assessment for all taxable property within the Loveland Rural Fire Protection District for the year 2013.

Section 2. The Secretary-Assistant Treasurer is hereby authorized and directed to certify to the County Commissioners of Larimer County, Colorado, the mill levy for the Loveland Rural Fire Protection District as herein above determined and set.

White presented a report concerning the District’s Public Assistance Application with the Federal Emergency Management Agency (FEMA). Presently, the only expenses identified by White that are reimbursable by FEMA is the deductible for the loss of Station No. 7. The septic system at Station No. 8 was flooded and the flood deposited approximately two feet of material on top of the system. The Canyon Department is reviewing options with regard to excavating the material and determining whether or not the septic system is operational. White stated that the District’s insurer, CIRSA, had provided him with copies of the insuring agreements which do not provide coverage for any loss of this system. However, if there is damage and/or loss to the system, FEMA will provide reimbursement for 75% of the District cost. The State of Colorado has agreed to provide one-half of the 25% of local match. Canyon Chief Lundquist has provided a spreadsheet of volunteer hours during the flood incident by the Canyon Department. These hours may be eligible to provide local match of the City of Loveland reimbursement from FEMA. White requested that the Canyon Department review any other out-of-pocket expenses that may be eligible for reimbursement.

There being no further business the meeting adjourned.

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Gregory A. White, Secretary/Assistant Treasurer