

**Park City Fire Service District
Administrative Control Board – Work Session Meeting Minutes
Park City Fire District Administrative Office Building
October 4, 2022**

Meeting was held at the anchor location of the Park City Fire Service District Administrative Office Building, 736 West Bitner Rd., Park City, Utah, 84098, and electronically via Zoom

Administrative Control Board work session called to order: 5:32 p.m.

Board Members Present: Chair Michael Howard, Vice Chair Alex Butwinski (via Zoom), Treasurer Christina Miller, Board Member Jeremy Rubell (via Zoom), and Board Member John Hanrahan

District Personnel Present: Chief Bob Zanetti, Deputy Chief Pete Emery, Battalion Chief Ashley Lewis, Fire Marshal Mike Owens, Battalion Chief Darren Nelson, Captain Eric Gomm, Captain Chad Kramer, Paramedic Dirk Grow, CFO Del Barney, Logistics Officer Brett Colgan, Human Resources Officer Patti Berry, and Admin. Asst. Debbie Colgan

I. August Financial Review

CFO Barney said 67% of the year has gone by and the District is at 57.2% of its budget. This is due in large part to the delayed construction of Station 34. CFO Barney said the District is in good shape and the budget may not need to be adjusted at the end of the year. Revenues have been very good and include two wildland fire payments from previous years and a \$75K grant. There is an additional \$330K in insurance we do not have to pay at the end of the year because the insurance pool for Summit County is running very well right now. CFO Barney commented he has updated the projected budget on the detailed financial statement.

Vice Chair Butwinski asked if the District keeps the insurance money in a separate fund or if it is all in the general fund. HR Berry replied it is general fund money but it goes to the County, the District does not keep the premium money.

Board Member Hanrahan asked if the budget amounts on the statement of revenues, expenditures, and changes for are 12 months or through the end of August, and CFO Barney replied they are for 12 months.

II. Station 34 Update

Chief Zanetti said meetings are still being held with the contractor and architect every two weeks. A \$500K payment was made to the contractor. The delay has been around concrete and the District is finally the next in line to receive it, they will begin manufacturing our block tomorrow. FM Owens said it should be available to us the week of October 10. Chief Zanetti said the concrete unavailability has put the project behind by months but it is not the contractor's fault. The contractor believes we can at least get closed-in before the weather really turns bad. The contractor

is going to get the outside apron and inside flatwork completed before the weather turns, which is not what he really wants to do but is necessary given the time setback. Chief Zanetti said the original plan was to do the apron last so big trucks were not driving over it during construction, but we have to complete what we can now.

Chief Zanetti said last week he met with someone from Park City who runs the Mine Bench and explained our crew will be onsite longer than expected and discussed snow removal. Once the weather turns, we will most like have to move the ambulance to Station 38. After Park City moves their summer equipment in and moves their winter equipment out of their portion of the building, there is enough room to put the engine in the building. The City has been great to work with. In summary, it looks like the Station 34 crews will spend the bulk of the winter at the mine bench, and we are looking at a March move-in timeframe now. The City will be installing a gate to the area soon and our crews will have access to it.

Vice Chair Butwinski asked if the District is paying the contractor in installments or based on the work he has performed. CFO Barney replied we are paying for the work completed plus a retainer fee. Vice Chair Butwinski commented if the contractor is going to complete the inside flatwork now and intends to build on top of it, some money should be invested in protecting the floor. Chief Zanetti said that was something the contractor mentioned right away, and he is going to protect the floor with plywood.

III. Compensation Committee

Chief Zanetti introduced Captain Eric Gomm, Captain Chad Kramer, and Paramedic Dirk Grow from the Compensation Committee. Captain Kramer said he lives in South Jordan and has been with the District for 15 years, and Paramedic Grow said he has lived in Clinton for about 16 years and has also been with the district for about 15 years. Captain Gomm also lives in Clinton and said it takes him about an hour and 10 minutes to get to work. Chief Zanetti commented we have a wide range of areas our employees come from and it is important to keep them here.

Captain Gomm said the Committee developed compensation goals of maintaining PCFD's status as a top-tier department, staying competitive in the wage marketplace for all employees, and ensuring wages are adequate for recruitment and retention. The proposed increase the Committee is recommending is purely based on implementing a cost of living allowance (COLA). A market analysis was performed last year and increases in salaries were implemented in October 2022 and brought PCFD up to par with other agencies.

This summer 14 other departments throughout the Wasatch region were studied to see what COLA they are proposing for their departments in 2023, and it ranges from a 4 to 14% increase. The CPI in the Mountain region from August 2021 to August 2022 was 9.6%. Other agencies around PCFD were also examined, and Basin Recreation, Mountain Regional Water, and Summit County are seeking COLAs of 8 to 10%. Park City Municipal is going to implement a 10% COLA plus bonuses. In 2022 the social security COLA was 5.9%, and they are predicting an 8.7% increase in 2023 with the potential of raising it to 10.1%.

Vice Chair Butwinski asked if the 9.6% inflation number indicated in the presentation is this month's number was annualized. He said it can't be the average since August of 2021, because it has not been anywhere near 9% for the course of the whole year. Captain Gomm replied that is correct. Vice Chair Butwinski commented the Committee should perhaps look at the past 2 months and project out what it might be going forward, and Captain Gomm acknowledged this.

Vice Chair Butwinski commented the information regarding a 4-14% COLA among the other studied agencies is interesting, because certainly the percentage of a big number can be lower than the percentage of a small number in order to get to the same place. Consequently, the way that information is presented can be taken a number of different ways. For example, if were to give an annual COLA of 14%, in 5 years that would be more than a 50% increase, so that is something to consider as we build the salary structure.

Vice Chair Butwinski asked if the social security increase will affect the employee contribution amount, and HR Berry replied it will not affect the contribution at all and will be a COLA on the benefit for social security recipients next year.

Vice Chair Butwinski said he thought part of the compensation goals was to make it so people could afford to live in Park City or Summit County, and he did not see that in the list of goals presented. He wonders if employees who live in areas such as South Jordan or Clinton would move to Summit County if they received a raise. If compensation is going to be determined on the basis or equalization of residence, perhaps going forward there should be a corresponding requirement for new firefighters that they must live in Summit County. Captain Gomm and Paramedic Grow replied right now they would struggle to even get in the county.

Board Member Hanrahan commented part of this also includes paying employees enough that they want to continue to drive an hour each way to work at PCFD. Captain Gomm added PCFD holds a high standard and employees drive past many other departments so they can work with others who hold that same standard of excellence.

Vice Chair Butwinski said he does not disagree with any of this, but if salaries are increased to a higher level, that changes the economics of whether someone can afford to live in Park City or Summit County. If you go for the highest percentages of what the study shows, that would result in significant increases in salary and it should probably only be applied to new firefighters. Basically, if we look at the higher increases, this is something we should continue to discuss and see if it makes sense. We need to look at projected revenues and match that with projected expenses.

Board Member Hanrahan commented the Compensation Committee is looking at a COLA increase only, and that by its very nature is just a cost of living increase. Consequently, it is not going to help at all with the cost of living in Park City or Summit County. As an example, Board Member Miller said if someone who makes \$50K a year gets a 10% COLA, that extra \$5K is not the difference between someone living in Summit County or not. Board Member Hanrahan agreed and said the employee is receiving the extra \$5K because it costs \$5K more to live where you are currently living.

Vice Chair Butwinski asked if the COLA will be reviewed every year; is this a one-time number or a repetitive number? Board Member Miller said a COLA is repetitive, because everyone deserves a cost of living increase every year. Vice Chair Butwinski asked if the COLA is going to be adjusted every year to reflect the actual CPI each year or does it go into a contract at a certain percentage for a specified number of years. Chair Howard replied PCFD employees are not on a contract, and HR Berry commented once the COLA is applied, that salary is the employee's new base and remains their new base until there is an additional COLA or salary structure increase.

Board Member Rubell commented the CPI can change annually, and in Park City an increase was made as a one-time COLA adjustment because of the hyper inflation occurring over the last 18 to 24 months. It is not meant to be the set-in-stone, yearly COLA adjustment moving forward, and he recommends following a similar approach at PCFD. Board Member Rubell said the increase is a "right-sizing" to get people up to where the market ran away from.

Treasurer Miller commented a COLA has been implemented almost every year she has been on the Board, other than when a salary adjustment was made, and it is never the same percentage. The Compensation Committee comes back every year with their data, so next year they will be back and recommend a different COLA percentage. Vice Chair Butwinski said this addresses his concern, and as long as there will be an annual hard look at the appropriate CPI and what other agencies including the County are doing, he is fine with this.

Chair Howard said the Compensation Committee has been meeting for a number of years because we wanted to ensure PCFD remained top-tier, so every year there has been an adjustment but the percentage changes based on annual data. Going forward we will continue to do this, and Treasurer Miller added no one should be under the impression that the raises and/or COLA are geared towards trying to get firefighters to be able to live in Summit County, because that is an unrealistic goal.

Chief Emery commented we are gaining traction on more employees living in Summit County. From the last two recruit camps we have more personnel living in the District and it is a result of them getting into affordable housing. Board Member Rubell added the City and County are looking into more affordable housing and this should hopefully open up more opportunities, but we are years off on having places for people to actually move into.

Board Member Rubell asked if the Committee is simply providing information this evening or if a recommendation is being made, and Captain Gomm replied the Committee's recommendation is a 10% COLA. Chief Zanetti said CFO Barney has examined our budget because if there is a 10% increase, we need to be able to sustain that increase in future years.

Vice Chair Butwinski asked if we are counting on new growth to cover an increase. CFO Barney replied we are not counting on new growth because the State Auditor's Office strongly suggests no one counts on new growth for ongoing perpetual expenses, and CFO Barney agrees with this. Vice Chair Butwinski then asked where the funds for an increase will come from, and CFO Barney said they will come from property tax and service charge increases. CFO Barney said we will have half a million in service charges through Fire Prevention that we have not had before, and that will

be ongoing revenue. Vice Chair Butwinski said he thought the service charge revenue was going to be used for new employees in Fire Prevention, and CFO Barney replied that will not cost half a million. CFO Barney said the discussion later this evening regarding the bond payoff will also help to understand how the increase will be covered. Even with projected staffing levels next year, the increase is sustainable.

Board Member Rubell asked if employees will be eligible for raises separate from the COLA, and Chief Emery replied it depends where employees are in their rank and position. For those that are topped-out in their position, they will not receive anything but the COLA. Board Member Rubell said the proposed COLA increase sounds reasonable, and the rest of the Board agreed.

The Board, Chief Zanetti, and Chief Emery thanked the Compensation Committee for the work they are doing.

IV. Plan Review and Inspection Fees

Chief Zanetti said based on the County's plan for charging for nightly rental inspections as previously discussed with the Board, FM Owens has been looking into how much it would cost for an extra position in Fire Prevention.

Chief Emery said Fire Prevention can be divided into two sides: construction and remodel, and annual inspections and prevention. There are fees already built into the construction side, but they were not sufficient to what the costs were. Fire Prevention's budget is roughly \$850K annually. Chief Emery and FM Owens examined the amount of annual inspections and prevention activities we perform and how long they take. The costs for those activities were set aside and \$610K is roughly what it costs Fire Prevention to manage new construction and remodels.

FM Owens said regarding the construction side of things, people are responsible for paying for improvements to their property. Plan review fees currently range from \$25 to \$100, and inspection fees are typically set at \$50 but some are as high as \$75. It has been this way for many years. As of a couple months ago we had run approximately \$60K in fees for plan reviews and inspections this year, which is much less than what we spend to perform them. We are looking at an increase for inspections and plan reviews to \$160, which will bring us up to what it actually costs but will still be lower than what some other agencies charge. The fee increase will be presented to the Board next month for approval.

FM Owens said the District has started charging fees for business license and nightly rental inspections. As a result, we have not been going on as many re-inspections as we have in the past, and he anticipates seeing the same thing with construction inspections. Contractors will need to pay for re-inspections. The people who are receiving the benefit will be charged instead of spreading the cost to everyone else.

FM Owens is still trying to hire one more fire inspector and that cost is included in all of this. If the County moves forward with having PCFD perform nightly rental inspections, the cost for

performing those inspections will pay for the additional inspector we will need to hire to perform them.

Vice Chair Butwinski asked if someone who is building a 2,500-room hotel is only going to pay \$160 for a plan review, and FM Owens said that is correct. However, FM Owens said it will balance out because of multiple re-inspections PCFD responds to for such projects, and they will now be charged for those. In the end we will be landing in about the right spot.

FM Owens will provide an update on the chipping program and other fire prevention activities at a later meeting.

Work Session Concluded: 6:30 p.m.

**Park City Fire Service District
Administrative Control Board – Regular Meeting Minutes
Fire District Administrative Office Building
October 4, 2022**

Meeting was held at the anchor location of the Park City Fire Service District Administrative Office Building, 736 West Bitner Rd., Park City, Utah, 84098, and electronically via Zoom

Administrative Control Board regular meeting called to order: 6:30 p.m.

Board Members Present: Chair Michael Howard, Vice Chair Alex Butwinski (via Zoom), Treasurer Christina Miller, Board Member Jeremy Rubell (via Zoom), and Board Member John Hanrahan

District Personnel Present: Chief Bob Zanetti, Deputy Chief Pete Emery, Battalion Chief Ashley Lewis, Fire Marshal Mike Owens, Battalion Chief Darren Nelson, CFO Del Barney, Logistics Officer Brett Colgan, Human Resources Officer Patti Berry, and Admin. Asst. Debbie Colgan

I. Roll Call

Chair Howard began the meeting by conducting a roll call.

II. Approval of September 6, 2022, Meeting Minutes

Treasurer Miller made a motion to approve the minutes of the September 6, 2022, Administrative Control Board meeting and it was seconded by Board Member Hanrahan. Those in favor were Chair Howard, Vice Chair Butwinski, Treasurer Miller, Board Member Rubell, and Board Member Hanrahan; the motion passed unanimously, 5-0.

III. Public Input

There was no public input.

IV. Commission Reports and Business

A. Correspondence

There were no comments on the correspondence.

B. Financial

There was no discussion of the financial reports.

V. Old Business

A. Zions First National Bank Bond Payoff

CFO Barney said PCFD will not be paying off the Zions First National Bank bond early because there would have been \$252K in fees attached to an early payoff. He said he had been taking the bond payment out of the general fund every year, but from now on the payment will come out of impact fees, as they can be used to retire debt. This will keep more money in the general fund to cover other items, such as wage increases.

VI. New Business

There was not any new business.

VII. Staff Reports and Input

Chair Howard thanked everyone for their reports.

VIII. Discussion of Possible Future Agenda Items/Additional Comments

Board Member Rubell thanked PCFD for their participation in the recent city evacuation drill, he said the District did a good job of taking it seriously. Chief Emery added Chief Max Doshier did an excellent job organizing PCFD's participation.

CFO Barney will discuss the 2023 budget at the November meeting. FM Owens will present a fee schedule increase to the Board for approval, and a policy will be presented for approval regarding this.

IX. Closed Meeting

Treasurer Miller made a motion to close the regular meeting of the Administrative Control Board and convene a closed meeting; the motion was seconded by Vice Chair Butwinski. Those in favor were Chair Howard, Vice Chair Butwinski, Treasurer Miller, Board Member Rubell, and Board Member Hanrahan; the motion passed unanimously, 5-0.

The Administrative Control Board met in closed session to discuss collective bargaining issues from 6:35 to 7:18 p.m. Those in attendance were Chair Howard, Vice Chair Butwinski, Treasurer Miller, Board Member Rubell, Board Member Hanrahan, Chief Bob Zanetti, and Chief Pete Emery.

Board Member Hanrahan made a motion to dismiss from closed session and reconvene the regular meeting; the motion was seconded by Treasurer Miller. Those in favor were Chair Howard, Vice Chair Butwinski, Treasurer Miller, Board Member Rubell, and Board Member Hanrahan; the motion passed unanimously, 5-0.

Those attending the remainder of the regular meeting were Chair Howard, Vice Chair Butwinski, Treasurer Miller, Board Member Rubell, Board Member Hanrahan, Chief Bob Zanetti, and Chief Pete Emery.

X. Adjournment

Treasurer Miller made a motion to adjourn the regular meeting and it was seconded by Board Member Hanrahan. Those in favor were Chair Howard, Vice Chair Butwinski, Treasurer Miller, Board Member Rubell, and Board Member Hanrahan; the motion passed unanimously, 5-0. The regular meeting of the Park City Fire District Administrative Control Board adjourned at 7:18 p.m.

The next regularly scheduled meeting of the Park City Fire District Administrative Control Board will be November 1, 2022, beginning at 6:30 p.m. in the PCFD Administrative Offices, 736 West Bitner Road, Park City, UT 84098.