



HIGHLANDS FIRE DISTRICT

BOARD OF DIRECTORS REGULAR MEETING MINUTES · 05/19/26

A regular meeting of the Fire Board was held on **Tuesday, May 19, 2026, at 5:00 PM** at Fire Station 23, Administration Board Room, 3350 Old Munds Hwy, Flagstaff, AZ. The meeting was also available through Zoom Video Conferencing.

1. **Call to Order.** Chairperson Smith called the meeting to order at 5:02 PM.
2. **Roll Call.** Chairperson Jay Smith*, Clerk Carl Nelson, Director Tom Hanecak, and Director Brad Bippus were present. Director Ira Allen joined at 5:05pm.

Fire Chief Todd Miller, Battalion Chief Josh Pond, Mrs. Erica Lyons, and Mr. Dominic Filosa* were present as well as several members of staff.

*Attendance through Video Conferencing.

3. **Pledge of Allegiance, Invocation, Mission and Vision Statements, and Board Responsibilities.**
The Pledge of Allegiance was recited, followed by a short invocation. The District's mission, vision, and Board responsibilities were reviewed.
4. **Welcome Visitors.** – There were no visitors in the meeting.
5. **Call to the Public.** There were no comments from the public.
6. **Approval of Minutes.** APRIL 19, 2026 REGULAR MEETING. The Board reviewed the minutes from the April 19, 2026 meeting. A **MOTION** was made by Clerk Nelson and was seconded by Director Bippus to approve of the minutes as presented; the motion was unanimously **APPROVED**. MAY 13, 2026 SPECIAL MEETING. The Board reviewed the minutes from the May 13, 2026, special meeting. A **MOTION** was made by Director Hanecak and was seconded by Director Allen to approve the minutes as presented; the motion was unanimously **APPROVED**.
7. **Approval of Financial Report presented by James Vincent Group.** Mr. Filosa presented the April Financial Report (see written report for full details). He reported that monthly revenue is under budget, driven by under collection of taxes, and that monthly expenditures are also under budget. He reported revenue and expenses year to date are under budget, resulting in an overall surplus. A **MOTION** was made by Director Allen and was seconded by Clerk Nelson to approve the Monthly Financial Report as presented. The motion was unanimously **APPROVED**.
8. **Summary Reports & Correspondence**
 - A. IAFF LOCAL CHAPTER 1505 SUMMARY REPORT – Captain Clayton Ahrendt reported that the Union is preparing for the upcoming pancake breakfast and noted that the event has been highly successful, with other districts expressing an interest in hosting a similar event. Director Allen asked when the event will be held and Captain Ahrendt stated the event is scheduled for Sunday, July 5th from 7-11am. He also stated the Union is working on finalizing a date for the Board BBQ.

HIGHLANDS FIRE DISTRICT

- B. BATTALION FIRE CHIEF'S SUMMARY REPORT – Battalion Chief Josh Pond presented the Battalion Chief's Report. He reported 61 calls for service in April, exceeding the average call volume of 50 calls for this time of year. He provided an overview of Battalion Chief activities, including crew support, incident response, training conducted with ARFF Battalion 9, the Engineer promotional testing process, and continued development of newer firefighters through water tender task book training. See written report for additional details.
- C. FIRE CHIEF'S SUMMARY REPORT – Fire Chief Miller presented the Fire Chief's Report. Acting Battalion Chief Casey Modrell was recognized for his 13-year work anniversary. Engineer Chris Sanchez was recognized for improvements made to the conference room with the addition of a framed American and Arizona state flag. Firefighters Louis Hawkins and Clayton Carrillo were recognized for successfully passing the Engineer promotional testing exam. Firefighters Riley Darnell, Jesse Finney, and Ian Titcomb were recognized for passing both their 9-month skills exam and written tests. He thanked the budget committee and the Board for approval of a FY 2027 budget draft. He provided updates regarding the Greater Flagstaff Region Community Wildfire Preparedness Plan (CWPP) revision process, including participation in a Core Team meeting and advocacy for Highlands Fire District's specific needs. Additionally, Fire Chief Miller shared that he graduated from the Flagstaff Leadership Program and supported the program's community project involving the installation of a wind phone at the Olivia White Hospice House. He concluded his report with no new injuries or accidents. See written report for additional details.
- D. FIRE BOARD CHAIRPERSON'S SUMMARY REPORT – Chairperson Smith had no additional comments.
- E. CORRESPONDENCE – There was no correspondence presented.

9. Topics of Discussion and Possible Legal Action

- A. CONSIDERATION TO APPROVE HEALTH INSURANCE WITH ELEVATE TRUST – Mrs. Lyons presented the group contract, stop loss insurance, and medical benefits proposal from Elevate Trust. Fire Chief Miller stated both Labor and management supported this decision. A **MOTION** was made by Director Allen and seconded by Clerk Nelson to approve health insurance with Elevate Trust. The motion was unanimously **APPROVED**.
- B. CONSIDERATION TO RENEW MENTAL HEALTH SERVICES IGA ADMINISTRATION & REDEMPTION COUNSELING – Fire Chief Miller presented the renewal agreement with Redemption Counseling and stated that Highlands Fire District has utilized these services for several years as part of an intergovernmental agreement with other greater Flagstaff regional districts. He reviewed the proposed agreement terms, which includes a 5% increase for the upcoming fiscal year. Director Allen asked for clarification regarding the increase and whether the benefit continued to include family member access. Fire Chief Miller stated the increase is attributed to a 2% adjustment for administrative fees and 3% adjustment for service costs. He also noted that the benefit continues to be available to eligible family members. A **MOTION** was made by Clerk Nelson and seconded by Director Allen to approve renewal of the Mental Health Services IGA Administration & Redemption Counseling. The motion was unanimously **APPROVED**.
- C. CONSIDERATION TO APPROVE SECURIS FY 2027 WORKERS' COMPENSATION RENEWAL – Mrs. Lyons presented the renewal contract for Securis Workers Compensation. She noted the estimated

HIGHLANDS FIRE DISTRICT

contribution for Fiscal Year 2027 is \$124,000, reflecting a decrease of approximately \$22,000 from the current fiscal year. Discussion surrounded the decrease in costs due to less personnel, the district's pooled mod rate structure, and available workers' compensation classification codes for administrative and suppression personnel. Mrs. Lyons recommended continuing the contract. A **MOTION** was made by Clerk Nelson and seconded by Director Allen to approve the Securis FY 2027 workers' compensation renewal. The motion was unanimously **APPROVED**.

- D. CONSIDERATION TO APPROVE TO POST AND PUBLISH THE FY 2027 BUDGET PER A.R.S. § 48-805.2(A) – Chairperson Smith referenced the FY 2027 tentative budget summary provided by Mr. Filosa. He thanked the budget committee for their work in preparing the proposed budget for the budget workshop and noted the statutory timeframe requirements associated with approving the budget for posting and publication. Director Allen reiterated concerns previously discussed during the budget workshop. A **MOTION** was made by Director Bippus and seconded by Clerk Nelson to approve to post and publish the FY 2027 budget. Chairperson Smith called for a vote. Director Hanacek, Director Bippus, Clerk Nelson, and Chairperson Smith voted aye. Director Allen voted nay. The motion was **APPROVED**.
- E. RECOMMENDATION ON CYBERSECURITY INSURANCE – Fire Chief Miller stated that, after further discussion and limited feedback from the Board, he recommends that Highlands Fire District not pursue additional cybersecurity insurance at this time, though he will continue gathering information for potential future consideration.
- F. CONSIDERATION TO APPROVE RESOLUTION AMMENDING THE DISTRICT BOUNDARY TO INCLUDE PARCEL 116-08-005A – Mrs. Lyons presented the resolution to the Board and stated that Sefton Engineering Consultants contacted the district signed by Kannan Balasubramanian regarding the development of approximately 13.44 acres proposed to be subdivided into 12 residential lots. Fire Chief Miller referred the Board to the supporting documents included in the packet, which demonstrated that the property is contiguous to the district boundaries. He stated that annexation of the property into the district would be beneficial to both the property owner and Highlands Fire District. Discussion occurred regarding the ownership structure of the property and the authority of the LLC to petition for annexation into the district. Director Hanecak expressed his approval of the district boundary resolution contingent upon proof the individual who submitted the request is the property owner, as the Coconino County Parcel Viewer listed Backs Projects LLC as the owner. Director Allen reviewed the Arizona Corporation Commission website and confirmed Kannan Balasubramanian as the statutory agent listed for the LLC. Board members asked questions related to the legal status of the entity, authorization to submit the petition, and potential liability to the district associated with the annexation request. A **MOTION** was made by Clerk Nelson and seconded by Director Bippus to approve the resolution to amend the district boundary to include parcel 116-08-005A. Chairperson Smith called for a vote. The motion was unanimously **APPROVED**.
- G. CONSIDERATION TO APPROVE RESOLUTION AUTHORIZING WITHDRAWAL FROM THE BEAR JAW FIRE AND FUELS MODULE INTERGOVERNMENTAL AGREEMENT – Fire Chief Miller reported that the district provided the Deputy County Attorney with the Bear Jaw governing documents and letters from Summit Fire District, dated 2019, and Pinewood Fire District, dated 2026, documenting their withdrawals from the Bear Jaw Intergovernmental Agreement (IGA), and requested legal counsel. He reported that the Deputy County Attorney advised that Highlands Fire District should first take formal Board action to withdraw from the agreement to ensure the district is no longer subject to

HIGHLANDS FIRE DISTRICT

any obligations or responsibilities that may remain under the agreement. Chairperson Smith expressed concern, as the remaining sole participant in the Bear Jaw Intergovernmental Agreement, that Highlands Fire District could incur ongoing costs and liabilities under the agreement, including insurance expenses for apparatus that is not in use. Director Allen asked whether the IGA impacts the division of assets. Fire Chief Miller explained that the IGA does not provide specific direction regarding the distribution of assets and that Pinewood Fire District and Highlands Fire District may negotiate the division of assets. He further noted that asset distribution cannot proceed until the IGA has been formally dissolved. A **MOTION** was made by Clerk Nelson and seconded by Director Bippus to approve the resolution authorizing withdrawal from the Bear Jaw Fire and Fuels Module Intergovernmental Agreement. Chairperson Smith called for a vote. The motion was unanimously **APPROVED**.

- H. **NEXT STEPS FOR BEAR JAW (FUELS MANAGEMENT PROGRAM)** – Fire Chief Miller reported that guidance from the Deputy County Attorney indicates that Highlands Fire District and Pinewood Fire District may negotiate the division of Bear Jaw assets. The Deputy County Attorney also advised that, if the Boards are unable to reach an agreement regarding the division of assets, one of the districts would need to retain outside legal counsel due to the County Attorney’s conflict in representing both entities. Fire Chief Miller stated that he and Chief Tope are compiling a comprehensive inventory and valuation of Bear Jaw assets will require additional time to ensure accuracy. He noted that, while the asset inventory is being completed, the Boards may wish to consider discussions regarding the distribution of cash reserves, as any agreed-upon allocations could be incorporated into each district’s FY 2027 budget planning. He noted that these discussions could proceed independently of the asset inventory process and that no immediate decisions are required. He suggested that two Board members from each district could meet with the Fire Chiefs to review the cash reserves and inventory and discuss potential asset distribution. The Board agreed and Chairperson Smith suggested that he, Director Allen, and Fire Chief Miller meet in advance to review the inventory prior to meeting with representatives of the Pinewood Fire District Board.
- I. **REVIEW FIRE BOARD TASK CALENDAR.** The Board reviewed the Board Task Calendar.
- 10. Board Members Comment.** Director Hanecak noted he will not be attending the June Board meeting. Director Allen initiated a discussion regarding the District’s role in wildland fire response. Chairperson Smith requested that Fire Chief Miller provide information regarding the District’s current capabilities and operational capacity for wildland response to help inform future Board discussions on the topic. Chairperson Smith expressed thanks for the county going into Stage 1 fire restrictions.
- 11. Adjournment.** A **MOTION** was made by Director Allen and was seconded by Clerk Nelson to adjourn; the motion was unanimously **APPROVED**. The meeting adjourned at 6:38 PM.

Respectfully submitted,

Erica Lyons
Administrative Assistant III