



**WORK SESSION MINUTES OF THE WHETSTONE FIRE DISTRICT
BOARD MEETING, March 26th, 2019 PERTAINING TO LEASE OR RENTING OPTIONS OF
THE WHETSTONE FIRE DISTRICT BUILDING LOCATED AT 2424 N CALLE SEGUNDO,
CURRENTLY OCCUPIED BY THE WHETSTONE WATER DISTRICT**

Call to Order/Pledge of Allegiance/Roll Call/Affirmation of Quorum:

Chairperson Michelle Bell called the meeting to order. The meeting was held in the Whetstone Fire District Station 321 classroom, 2422 N Firehouse Lane, Huachuca City, Arizona.

Members Present: Michelle Bell, Chairperson
Albert Suhajda, Clerk
Bobby Chapman, Board Member
Pamela Cohen, Board Member
Wanda Pike, Board Member

Staff Present: Chief Bidon

It was determined a quorum existed.

THIS IS A WORK SESSION AND NO DECISIONS WILL BE MADE

- Chief: 4/17/2002- Whetstone Fire District entered into a 20 year lease agreement with the Whetstone Water District. The lease was entered into illegally. The Fire Chief at the time and the president of the water district board were related.
- January 2008 Chief Bidon was assessing the district and its assets when he discovered the leasing agreement.
- After conversing with the Whetstone Fire District attorney, Chief Bidon made an attempt to end the illegal lease agreement with the Whetstone Water District and gave a notice to vacate. The Whetstone Water District threatened legal action at the request of vacating the premises. At this time the Whetstone Fire District board made the decision to let the lease come to term and revisit the matter at a later date. It was determined that this would be the most financially responsible decision.
- Recently it had been discovered by the Whetstone Water District that their lease would be ending in 2022 and it had been presented to the Whetstone Fire District to discuss future options.
- Chief explains that the current lease did not contain an "Out" clause. Essentially the lease out lived the the term of its deciding board members and now the current board members are being held to an agreement to which they had no input. He explains that that if a new lease were to be drafted, it would need to contain an "Out" clause.

- Michelle Bell questions about drafting a formal letter to the Whetstone Water District requesting their particular wants and needs pertaining to this building located at 2424 N Calle Segundo.
- Albert Suhajda states he believes the first consideration should be the wants and needs of the Whetstone Fire District.
- Bobby Chapman inquired about how the district would utilize the building and how much it would cost to make the necessary repairs needed.
- Pamela Cohen also inquired about how the district would utilize the building.
- The fire board attempted to make a pros and cons list for renewing the leasing agreement however some felt that at this time it seemed premature to make a decision. Some of what was discussed is as follows:

Pro: 1.) Whetstone Water District would not have to relocate

2.) Possible revenue for the district due to lease agreement.

Cons: 1.) Loss of building use for the fire district

- Chief stated that the Whetstone Water District's wants and needs pertaining to the above building should be obtained and evaluated prior to further discussion. He also goes on to list the legal obligations that come with future leasing agreements. Chief states that at the April board meeting the board can decide to remove the leasing discussion from its agenda and revisit at a later date.
- Bobby Chapman inquired about a possible joint work session meeting with the Whetstone Water District board. Michelle Bell stated that it could be scheduled closer to the term date of the lease.

Adjournment:

MOTION:	Adjourn the work session
RESULT:	Approved, all in favor none opposed
MOVED BY:	Bobby Chapman
SECONDED:	Wanda Pike



Michelle Bell, Chairperson

Cathy Dyer, Office Manager

Approved: _____