

## **MINUTES**

### **BOARD OF FIRE COMMISSIONERS**

#### **DOUGLAS COUNTY FIRE DISTRICT NO. 2**

August 7, 2019  
East Wenatchee, WA

The meeting was called to order at 3:30 p.m. by Chairman Bob Black with Commissioners Dawn Collings and Rick McBride present.

District personnel in attendance were Fire Chief Dave Baker, Assistant Chief Kurt Blanchard, Captain Seth Ellis, Firefighters J.P. Sokolowski and Josh Barnes.

The purpose of the meeting was to conduct a workshop to review the updated financial forecast for the next seven years.

Chief Baker prepared and provided a narrative and spreadsheets to board members prior to the meeting. The spreadsheets were presented during the meeting overhead.

New construction costs were discussed. The bid received by Chelan County Fire District No. 1 for their new station came in at \$401/sq. ft. The new estimate for full build-out for Stations 3 and 4 was \$13.02 million based on \$400/sq. ft. The estimated payment per \$1 million in bonds was reduced to \$66,217 due to lowering interest rates. Application for the building permit for Station 4 was in process. When to solicit for bids would tie to when the permit was obtained. Timing of the bond issue was yet to be determined. The projections did not include grant funding. The debt limit rose by \$2 million since the previous presentation to \$18 million.

The first projection was 5% growth with a \$13.02 million bond issue, hiring six new employees in 2020 without a refresh of the levy lid lift. The new positions would be a Captain permanently on days and five firefighter recruits. The Financial Summary reflected a deficit of \$84,787 in 2025 to maintaining a 33% carry-over. It was noted that the actual growth rate in 2018 was 9% which was expected to continue, eliminating the forecasted deficit. In response to apparatus purchases planned for 2020, Commissioner McBride reiterated his concern with inflation and wanted to make the multiple purchases this year. He requested the interest rate on investments for comparison. Building/Project Reserves were adequate for purchasing property. Chief Baker reported some 10-acre parcels were available and planned to research. The expected reimbursed expenses included in the bond issue was estimated to be \$862,195. The first bond payment would be due in 2022.

The next projection was the same as the first, with the added impact of a successful refresh of the levy lid lift maintaining a tax levy of \$1.35. Revenue was expected to exceed the targeted 33% carry-over by \$2.9 million.

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Documents distributed to members were:

- Construction Documents Estimate by line item for Station 4 prepared by the Woolsey Company with the Administration Building included as an alternate.
- Estimated Square Foot Costs based on \$350, \$375 and \$400 for Station 3 and Station 4. Station 4 costs were provided for the station only, training room only and full-build out. Total cost for both station projects at \$400/sq. ft. with full build-out was \$13,020,756.
- Conceptual drawing changing the training room at Station 4 to offices.

In discussion, Chief Baker advised that cost estimates were expected to be below \$400. Timing the solicitation for construction bids during winter would likely be easier to get before contractors were committed in the spring. Along with having offices at Station 4, the training room at Station 1 could be retained. Station 1's kitchen and bathrooms would be remodeled.

Other items discussed:

- Chief Baker would be meeting with Jim Davis the following week to discuss the impact of the increased estimated construction costs.
- Estimated assessed valuation projections ranging from 5% to 9% were reviewed.
- Raw land costs were currently ranging \$2.50 to \$4.00/sq. ft. For 10 acres, cost was estimated between \$272,250 and \$1,742,400.
- In a request to update contact and financial information, FEMA indicated the SAFER grant had received a favorable peer review. A successful SAFER grant would bring in \$435,078 in 2020 and 2021, and \$202,570 in 2022.
- Road improvements plans at Station 4 would be changed to remove a left-hand turn lane. The District would be required to submit a request.

Commissioners expressed their appreciation for the information provided.

There being no other business, Chairman Black adjourned the meeting at 4:40 p.m.