

MINUTES
CITY OF STEVENSON COUNCIL FIRE DISTRICT 2 JOINT MEETING
September 24, 2019
6:00 PM, City Hall

1. CALL TO ORDER: Mayor Anderson called the meeting to order at 6 p.m. and conducted roll call. Councilmember Robert Muth was called on the telephone to participate via speakerphone. Mayor Anderson asked those present to introduce themselves.

PRESENT

Councilmembers Amy Weissfeld, Paul Hendricks, Jenny Taylor, Matthew Knudsen.
Councilmember Robert Muth participated via telephone.

City Staff in attendance:

City Administrator Leana Kinley, Community Development Director Ben Shumaker

FD 2 members: Rob Farris, Chief; Karl Russell, Commissioner; Leonard Damian, Commissioner; Scott Griswold, Commissioner; Frances Heller, Secretary

a) Identification of Roles:

Decision Makers: Skamania County Fire District 2 Commissioners, Stevenson City Councilmembers

Advisers: Fire Chief, Fire Department Volunteers, City Staff

Recommenders: Fire Chief, Mayor

Execution Partners: City Staff

Mayor Anderson and Administrator Kinley briefly went through identifying the roles and decisions people were responsible for as laid out in the agenda packet. Administrator Kinley pointed to the list as a guide.

Administrator Kinley hopes to come back from tonight's meeting with information to help draw up an inter-local agreement between the City and the Fire District to clarify and establish project responsibilities, budgeting and funding, timelines and other agreements. It was agreed having all the players in the same room is helpful, as back and forth discussions are slowing decision making.

2. FIRE HALL PROJECT: The reason for the meeting is to take action.

a) Brief History on Process to Date.

A brief history of the project with sample designs were provided to City Council and Skamania County Fire District 2 members in the agenda packet. Attendees were referred

to information in their meeting packets regarding the issues and past discussions concerning the proposed Fire Hall and what items need to be agreed to and decided on.

b) Confirm Goals/Needs of the New Fire Hall:

Mayor Anderson asked Councilmember Muth to provide information he had regarding potential opportunities for cost savings with the proposed new Fire Hall.

Councilmember Muth related he knew three contractors with public works experience. He had provided details of the project with them in an informal setting. He shared ideas and suggestions made by them that could possibly lower construction costs.

Using micropiles or caissons may reduce excavation costs, as neither requires a full dig-out of the site. He has no specifics and would like to talk further with the contractors (separately) but there are some interesting options to explore. He would like to have someone from the City and Fire District 2 attend a meeting with him and the contractors sometime in the future.

Privatizing the project/doing a "lease-out" would result in it not being a public works project, removing the need to pay prevailing wage. Rob Farris, Fire Chief was interested but asked for more details regarding how the public-private partnership would work. One scenario discussed was to sell the land to a contractor, with the contractor then constructing the building and selling the property back to the city. It would remove the need for paying prevailing wage. Councilmember Taylor noted it would also avoid the appearance of gifting public funds or property. Another method may be to have a public-private partnership whereby a portion of the building could contain spaces rented to private entities or individuals.

Mayor Anderson stated that avoiding having to pay prevailing wage and reducing the cost of the foundation work were two big take-aways for him.

Councilmember Weissfeld asked what the time frame would be to learn more. Muth replied he would not have time for further discussions and/or meetings to discuss the particulars until end of October, beginning of November 2019. Councilmember Muth stated he shared the current estimated budget with one of the developers and was told in the developer's experience the soft costs and construction costs seemed too high. Initially the City was faced with a \$6.3M cost. The contractor suggested, (without seeing plans of the project) that in his experience \$3.1M (+/-) seemed more in line.

Mayor Anderson reminded everyone a Fire Hall is a convoluted and complicated building. Councilmember Muth compared stick built to metal frame pre-fab kits in determining cost savings. He suggested taking the specs to a metal building manufacturer and having them draw up the components. From there the construction is similar to a Lego kit.

Councilmember Muth will try to set up further meetings with these contractors to use their expertise to learn more. He suggested performing a value engineering approach to the project. Councilmember Muth ended the phone call at 6:10 p.m.

Chief Farris noted the pre-fab metal option initially developed had the \$6.3M price tag. There was quite a bit of over compensating of costs and soft costs included with the first design. Fire hazards were briefly discussed between stick built and steel pre-fab buildings.

Mayor Anderson and Administrator Kinley went through identifying the roles and decisions people were responsible for. Administrator Kinley pointed to the list on the agenda as a guide. She hopes to come back from tonight's meeting with information to help draw up an inter-local agreement between the City and the Fire District to clarify and establish project responsibilities, budgeting and funding, timelines and other agreements.

There were frustrations expressed with the timeline and the decision-making process. City Development Director Shumaker offered that a re-set was being attempted by holding the meeting to help remove confusion over the project. It was agreed having all the players in the same room is helpful, as back and forth discussions with separate agencies and committees are slowing decision-making.

Administrator Kinley provided some calculations regarding payments of loans and what funding options were possible. City Development Director Shumaker reminded everyone the project when first initiated had four entities contributing to the cost but over time only two remain.

A number of items were discussed:

Chief Farris asked about revising the project with the recent changes made with input from the needs committee. It was noted drawings were relatively inexpensive, but accurate cost estimating is a challenge. Without valid numbers uncertainty will continue. The question before Council was about pursuing the options offered by Councilmember Muth. Checking with the developers he has talked with may result in firmer numbers. Administrator Kinley has other contacts that have had experience with public-private partnerships she will talk with.

Councilmember Knudsen pointed out what we wind up cutting depends on the district's ability to pay. If district is only bringing in \$70k/yr, how much can be put in savings, or is the FD willing to go to voters to raise revenue for lease payments? Chief Farris stated he believed the levy lid lift could be done without a tax increase. It is lower than provided for under current state tax provisions. A question was raised about county funds that could be used. The Fire District does have some reserves. There is approximately \$250K in FD funds to put towards the project.

Councilmember Weissfeld asked if the 70/30 split became a fixed arrangement to agree to reassess every three years. It would have to be adjusted but the 3-year window would save having to revisit annually.

Administrator Kinley asked about setting a project budget and if the Council was willing to have the city make up the difference on the lease/loan if FD is cannot come up with its portion. Councilmember Knudsen asked do we want to stay with the current payments as presented. For a \$3M project the annual payments were determined to be \$67,500. That is without the FD putting any money into the project, which would reduce the payments by some. It would also mean the district would have to essentially double its current levy rate to bring in enough revenue to cover payments.

Administrator Kinley asked if \$3M is decided to be the project amount, can we make it work? Do we set a firm amount and then work within that budget, or do we come up with whatever funding we can and make that work? Councilmember Hendricks asked if that implied a \$3M price tag. It was suggested the amount could be far less, meaning both the city and the FD would have to recalculate. Who would we go to come up with numbers? Mayor Anderson again stated that meeting with the contractors Councilmember Muth suggested would be helpful. Chief Farris said we need to know how much we can afford, what minimal operating costs are, and does a lower cost building meet the needs over time? He suggested thinking of this building as a 50-year building. Mayor Anderson asked about eventual revisions and additions.

Councilmember Taylor asked why the City was not going directly to developers by issuing an RFP regarding the building of a fire hall. Drawings are in place. Have them come back with costs. She said the Council should take a lesson learned from the WWTP project. She stated the cost is the cost, and delays are adding to the costs. This kind of commercial construction is expensive. Karl Russell suggested looking at a steel building, determining square footage and any modules needed and seeing what the cost is. If a steel building, who would finish the inside? Administrator Kinley reminded everyone if an RFP is issued it likely means paying prevailing wages as it would not be a lease option. She will check on prevailing wage requirements.

Administrator Kinley asked if the decision is made to not build a new building could the existing building could be retrofitted? Will it still function? What would that cost be? No decision has been made as to whether the building will be built on a new site or remain on the site purchased. Mayor Anderson stated some of the decisions were waiting on the final footprint to see how the site could be tailored. The current plan is showing a 7500' ft. building. Mayor Anderson again stated that meeting with the contractors Councilmember Muth suggested would be helpful, because the numbers he suggested are a big unknown.

Mayor Anderson shared he preferred option #1 of the two design options presented in the packet, but #2 was acceptable as well. Chief Farris noted he has changed his mind regarding the drive-through bays as not all equipment goes out on a call, so drive-through access is not always needed. Six slots with three doors is now part of the

design. He did note that he believes the parking area and driveway would have to be engineered because fire apparatus will be driven over it.

ACTIONS AGREED TO: It was agreed to wait for any additional information Councilmember Muth could provide on a lease-out. Mayor Anderson also asked for information regarding what the 70/30 split might mean in regards to lifting the levy lid for FD2. Administrator Kinley will check with other public agencies regarding their experience with public-private partnerships. Mayor Anderson and Community Development Director Shumaker will also research similar public-private projects. They will include Councilmember Muth.

Both the Site Committee and Funding Committee will convene to review site needs and funding options. USDA representatives will be contacted regarding some funding possibilities. Community Development Director Shumaker will reach out to BNSF for possible grant funds. Chief Farris spoke in support of a flagpole for the firehall, and a suggestion was made to ask the public for donations. Administrator Kinley noted the affordability study being done for the wastewater treatment plant project could possibly help with the USDA applications.

Next meeting will be used to address other points (timeline, surplussing, decision points, communication plan) not discussed on the agenda from tonight.

November 20th, 2019 @ 6 p.m. was set for the next meeting.

- c) **Determine Outline** for an Interlocal Agreement between Skamania County Fire District 2 and the City of Stevenson on the Fire Hall Project was not discussed.

3. ADJOURNMENT Mayor Anderson thanked everyone for attending and participating. He declared the meeting adjourned at 7:15 p.m.

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Approved _____; Approved with revisions _____

Name Date

Minutes by Johanna Roe