



# City of Stevenson

Leana Kinley, City Administrator

Phone (509)427-5970  
FAX (509) 427-8202

7121 E Loop Road, PO Box 371  
Stevenson, Washington 98648

To: City Council and Skamania County Fire District 2 Commissioners  
From: Leana Kinley, City Administrator  
RE: Fire Hall Project- Direction on Path Forward  
Meeting Date: November 20, 2019

## Executive Summary:

The current Fire Hall in Stevenson is jointly owned by Skamania County Fire District 2 and the City of Stevenson on a 50/50 split. The City of Stevenson purchased the property on Rock Creek Drive for the new Fire Hall. The details around ownership, cost sharing, decision making and funding need to be decided to move forward on the project. This meeting is a continuation of the September 24<sup>th</sup> joint meeting held on the topic.

## Overview of Items:

A list of items and decisions that need to be made to assist with moving the Fire Hall project forward are below.

- Public/Private Partnerships
  - In talking with a developer, one financing structure would be to have them build the building and lease it back to us in a design-build process. A lease rate can be from \$84k to \$250k per year. City = \$58,800-\$175,000 and FD2 = \$25,200-\$75,000. The lease would be for 10-years with an option to purchase at 3-years. Anywhere along the process the city or the developer can back out if it is not working. The question outstanding is what financing options are available to pay for the lease buy-out. Because the facility will be 100% Fire Hall (government), prevailing wages still have to be paid. If the facility were combined with other private development options (i.e. mixed-use with non-government offices) then the prevailing wage requirement may not apply.
  - This option may bring the project in at a substantially lower cost. It will also reduce the availability of grants or other low-interest loans.
  - If this route is to be explored, a decision on what design option to use will need to be made. They will be provided with a copy of the design and locations for the Fire Hall from the needs assessment based on that design.
  - Voter-approved bond measure
    - \$1M bond = est. levy rate of \$.25 per thousand for both taxing districts, average annual cost of \$75 for a \$300k home.
  - Fundraising options-raffles, dunk tanks, breakfasts, boot drives, etc.
- Cost Sharing Options for Construction and O&M: Decided on 9/24 to split the costs 70% City and 30% Fire District 2 based on the current assessed valuation with the percentage being reevaluated every three years.

- Project Budget
  - What happens if the cost for the needs of the department do not match up to the maximum amount of funds?
  
- Project Timeline
  - Partially driven by funding options
  - Keep in mind the bandwidth of staff to manage the project
  
- Communication Plan
  - Who are the key points of contact for the project (who will be delivering what information to whom)?
  - Who are the key audiences?
  - How often are updates provided?
  
- Key Decision Points/Project Milestones
  - Draft design and budget approval
  - Final design and budget approval
  - Contractor Procurement
  - Change Orders
  - Others
  
- Surplussing of current Fire Hall property

**Action Needed:**

Provide direction on items below and any other matters for staff to draft an Interlocal Agreement.

- Public Private Partnership (P3)
- Project Budget
- Project Timeline
- Communication Plan
- Key Decision Points
- Surplussing of current Fire Hall property