



MINUTES
Chelan Fire and Rescue
Special Meeting
Monday, May 9, 2022, starting at 9:00 a.m.
232 East Wapato, Chelan, WA



Join Zoom Meeting link:

<https://us02web.zoom.us/j/83046753902>

Staff in attendance: Fire Chief Brandon Asher, Assistant Fire Chief Shawn Sherman, District Secretary Carol Kibler, and Administrative Assistant Karla Mendoza.

Others in Attendance: Barry Leahy and Larry Peabody.

Roll Call: Chairman Russ Jones, Commissioner Karyl Oules, and Commissioner Phil Moller.

Call to order: The meeting came to order at 9:00 a.m.

Flag Salute:

Chairman Jones stated he did check with WA Fire Commissioners Association about identifying people on zoom it is appropriate as they do ask for identification in other government agencies. No one was in attendance on zoom.

Old Business:

- Financing – Spartan Urban Engines

Chief Asher reviewed the proposals.

Option 1:

Lease the 2 - Spartan Engines at 1,620,000

No Down Payment: \$0.00

Annual Payment of: \$190,641.12

For 10 years at 3.08%

Pay tax and licensing of \$137,700 based off 1.62 from Cap Equip Account in 2023

Make extra payments through the years to pay the principal down.

Option 2: (Staff Recommends)

Lease the 2 - Spartan Engines at 1,620,000 / Trucks \$1,559,234 = \$60,766 (remaining)

Down Payment: \$400,000 (this year)

Finance: \$1,220,000

Annual Payment of: \$143,628.65

For 10 years at 3.08%

Funding balance remaining: \$60,766

Pay tax and licensing of \$137,700 based off 1.62 from Cap Equip Account in 2023 minus \$60,766 = \$76,934

- Tax and Licensing \$76,934 from General Account using uncommitted funds
- Or \$76,934 from the General Investment account leaving a balance of \$353,534.00
- \$200,000 from Capital "Equipment" leaving a balance of \$69,000 end of 2022
- \$200,000 from General Investment leaving a balance of \$430,468 end of 2022
- Make extra payments through the years to pay the principal down.



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Will there be any surprises on the ladder truck? No.
The truck is in line to be built and it should take 465 days.

NOTE

- Uncommitted funds could be used to decrease the principal amount.
- Although never guaranteed, if we were to receive additional state mobilization funds these could also be used to decrease the principal amount.
- The board will need to make a decision on whether to make the lease payment out of the annual transfer of \$250,000 to the capital equipment fund or to take it out of the uncommitted general funds.

Commissioner Oules thought the proposals given were clear.

Commissioner Jones would like to consider \$500,000 down, \$250,000 from General Investment, and \$250,000 out of the Capital "Equipment" account. That way the annual payment will be \$130,000. We would not be putting funds into these accounts until 2024 at roughly \$124,000 annually.

What does that do to the command vehicle replacement?

Chairman Jones we will have to scrape up money from somewhere.
The funds (\$60,000) for the command truck are in the 2022 budget.

Chairman Jones stated the rate is good, and the term is good. Paying cash upfront and getting the funding through someone else isn't worth it. He would like to see the annual payment down.

There is no penalty for refinancing or paying down the lease amount.

Chairman Jones stated we still have station 75 land and the money in our pocket, we could pull the trigger anytime to sell it, it's something to keep in mind.

Commissioner Moller is not in favor of selling property to buy equipment.

Commissioner Moller agrees with option 2. Overall spending \$500,000 to save \$13,000 and bringing the reserve down he isn't in favor of.

Chief Asher stated we still have the uncommitted funds.

Commissioner Oules, I don't want to use those funds.

Chief Asher, it is good to know we have those funds, situations will arise where we may need the funds. We are researching a resident program; we will need to do facility capital improvements to do a resident program. We have run out of room; we have 5 rooms when we hire 3 more and possibly bring back EMS. This is something we are in review and there is not a cheap way to do this.

Commissioner Moller if we were to do a residency program the stipend shift would go away.
Yes.



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More discussion regarding station 75 property and resident program options.

Chief Asher asked if the commissioners are in agreement on the \$400,000 or \$500,000 for the down payment.

Commissioner Oules doesn't care for debt; by paying the \$500,000 and getting the extra \$100,000 we would pay down the loan quicker. Anytime we can reduce debt that is what Commissioner Oules is going for. Yes, \$13,000 of savings will equal \$130,000 in ten years.

Commissioner Oules what is the downside to Chairman Jones's option?

Chief Asher we will have to find \$100,000 more in the budget.

Commissioner Moller MOTIONED to approve option 2 with a down payment of \$500,000. \$250,000 from General Investment and \$250,000 out of Capital "equipment" Fund. The MOTION was UNANIMOUS.

Chief Asher reported FF/EMT Sam Belsky and myself will fly back for the pre-plan meeting on June 6, 2022.

Chief Asher stated he spoke with Chief McBride regarding the resident program and should receive information this week.

Chief Asher discussed the extraction equipment as we need \$6,000 to complete the purchase. Putting down the \$500,000 toward the apparatus leasing leaves more funding in escrow. We can include the \$6,000 into the funds left in escrow. Would the board consider adding the \$6,000 and using the funds from escrow to pay for the extraction tool?

We will have funds leftover in escrow of around \$160,000 we can pay for the licensing and sales tax of around \$130,000 and still have \$30,000. Chief Asher is asking to use \$6,000 of the remaining in escrow.

Chief Asher said this is the biggest useful piece of equipment and it is an important part of the department.

Commissioner Oules personally feels we need the equipment but does not want to add to the lease funds to pay for it.

Commissioner Moller is opposed to purchasing the tool, we have the equipment and in surrounding districts. The other two commissioners can agree to purchase the equipment.

Chief Asher, we have the old equipment and it will get the job done. The new one is safer and faster.



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Commissioner Jones MOTION to purchase the equipment, Commissioner Oules second the MOTION. Commissioner Moller opposed it. The MOTION CARRIED.

Chief Asher reported updates on station 71 flooring. We are looking at laminate for all of the carpeted areas, crew quarter bedrooms will have carpet tiles and downstairs concrete. Commissioner Moller stated this has expanded he only wanted the carpet replacement in the day room, bedrooms, and hallway of the crew’s quarters. Was not talking about hallways and downstairs.

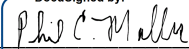
Chief Asher stated the downstairs carpet has been on the capital replacement for years. Going through Sourcewell will this eliminate the local store? No
Commissioner Moller is ok with doing this in phases, anything we are going to leave carpet that is a priority to tare carpet out. He would like to see the crew quarter done first and then do the main floor second.

Chief Asher updated the board regarding a new DNR grant funding for an LED sign for station 71. The old sign will be replaced with a LED sign. The grant is for \$26,000. Chief Asher met with Graybill signs last week and they quoted the LED sign at \$25,000. The City of Chelan has given a variance for us to install the sign. Chief Asher is going to go back to DNR and ask for more funds to cover the extra expense of installation and electrical.

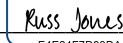
Commissioner Oules would like to be notified of any change order with a cost increase. Chief Asher stated he didn’t think there would be any significant changes. But if there is he will inform the board.

Adjournment: There being no more business before the board the meeting closed at 9:53 p.m.

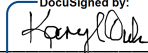
Chelan County Fire Protection District 7
Board of Commissioners:

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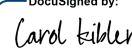
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Carol Kibler, District Secretary