

SPECIAL MEETING
BOARD OF DIRECTORS
DE BEQUE FIRE PROTECTION DISTRICT

DE BEQUE FIRE HOUSE
JANUARY 27TH AT 2:00 PM

MINUTES

CALL TO ORDER: Meeting was called to order by Annette at 2:05 PM. Directors present were Karen Latham, Marge Mackey & Annette Tanner. Joe Feeley could not make the meeting and had an excused absence. Fire District staff present were Nick Marx, Fire Chief, Mike Harvey, EMS Chief, and Shanelle Hansen, Secretary. Guests present were Shannon Currier, Accountant, Chris Endreson and Elyse Ackerman with DOLA. There were no public present.

ADDITIONS, CORRECTIONS OR DELETIONS TO THE AGENDA: Marge asked to add the discussion of purchases for the Crews Quarters for discussion.

APPROVAL ITEMS: None

PUBLIC COMMENTS: None

OLD BUSINESS:

- 1.) DOLA Program – Follow-Up on Workshop with Chris Endreson – Elyse Ackerman stated she understands the Fire District is interested in DOLA's grant programs. She asked the Board for an overview of what they want to accomplish and what their needs are. Karen stated they want to build a fire house and the financing the Fire District can get is \$5.4 - \$5.6 million. The floor plan drawing Elyse was handed when she came in is the basic design of what they would like to do. Basically the Fire District is looking for grants that will help them build the fire house or at least furnish it or whatever is out there that could help us out. Elyse asked how many people the fire district services. Nick answered a little over 1,500 people and covers just over 800 square miles. Elyse asked if the Fire District has reserves and how much of those would be available to help in the construction costs of the building. Shannon answered there are just over \$2 million in reserves, but not all of that money can be used for building costs. Some has to remain for operating costs, some for equipment replacement, etc. Elyse asked if those funds have been officially earmarked. Karen stated she is currently working on a draft of a Strategic Plan that will outline what those monies are to be used for. Elyse stated that will be a valuable tool and DOLA will find that very promising that you guys have put forth the effort to think ahead and put a plan together. That Strategic Plan should accompany any application you submit to DOLA.

Elyse stated she wants to give a big picture overview of their grant programs and we can talk specifically about each one of them.

The Energy Impact Grant is the program the Fire District would be looking to apply for. They have Community Development Grants as well but they are income based grants and she knows just by working with the Town of De Beque the Fire District would not qualify for those funds. They did some preliminary income surveys of the

residents in the area and the numbers just don't work out. So that is not an option of funding pots. With Energy Mineral Impact Grants there are 3 levels of funding.

The first level is Administrative Grants and those are intended to help communities and organizations get the preliminary work done such as cost estimates, preliminary engineering, schematic design work, etc. It sounds like the Fire District has already done this so she does not think this level would be money De Beque would be looking for, but can remember it for future projects.

The next 2 funding levels are intended for actual projects. One is a Tier 1 Grant. Tier 1 Grant applications would be asking for a grant up to \$200,000. The project could be more than that, but the highest dollar amount this grant can award is \$200,000. These are done and approved administratively. These move through the process faster.

The next Tier of grants is for projects ranging from \$201,000 up to \$1 million, with the most amount of money that can be awarded at \$1 million. They do look at phasing sometimes, but not all projects can be phased. They tend to do phasing on water/sewer plants or road projects. Karen asked if DOLA would recognize the fire station as a phased project if the bays and offices were built and then the living quarters added later. Elyse stated that would be possible if it was a reasonable phasing that makes sense. They would consider that. One thing with phasing there has to be logic behind it other than just trying to get additional funding. There has to be a progression of why you guys are phasing it the way you want to phase it, so we would have to talk through that but it is something that could be explored.

There are 3 application cycles a year. April 1st, August 1st and December 1st. In regards to explaining the timing she will use the April cycle since that one is coming up. If you submit April 1st for a Tier 2 request, it will go to a committee that hears applications that is made up of people from across the state. You would go in front of them for a 5 -7 minute presentation and there is Q & A back and forth. Those Q & A hearings happen in July and decisions are made as to what applications get funded usually by the end of July, beginning of August. They will have to then get under contract with the applicant so the very earliest an applicant would see the money is in September and that is if everything lines up just right. One very important thing to know is they cannot reimburse expenses already incurred. If you were to start construction on a project and we were not under contract with you on a grant they would not be able to count those dollars towards that project. It is a 4 to 5 month process from when you submit your application to when you will actually receive money from us. It is important from a timing standpoint.

The committee that hears the applications does not make the final decision on what grants get awarded and to whom. They make recommendations to the DOLA Executive Director. That being said, he relies very heavily on that committee and it would take some very extenuating circumstances for him to do anything outside of what the committee recommends. So, that committee process is very important.

It is a competitive grant cycle so there is rating criteria that applications are reviewed against. One of the criteria is Demonstration of Need. It could be both the need for the project itself and the financial need of the organization. She knows in talking to

Chris about De Beque's project the Fire District has equipment scattered around town, has there been a response you could not get to in time because of that logistical challenge. Those kinds of stories you can tell to demonstrate why you need to consolidate yourselves into one location. Is there something about the occupation of this building that is really forcing your hand to find another location. It is those kinds of things you need to talk about under the Demonstration/Urgency of Need.

Another criteria they look at is Measurable Outcomes. What benefits will you, the organization and the community see from this project. You must be able to describe what those will be, such as reduced call times, improved service levels (whatever those might be), etc. Fire Departments will a lot of times put in there the Insurance rating improvement that might be seen – that one you will really need to build your case around. It is a very common one and it is not easily measured. If you want to use it she wants to give a heads up they will want to know what you mean by that and provide specifics.

Another criteria is Local Commitment. This is your cash match. They require a minimum of 25% match. If this is a \$5.5 million project the most you would be able to ask DOLA for is \$1 million so the Fire District would have to come up with the balance. Or the Fire District could look at scaling back the project. Annette asked if it is 25% of the \$1 million grant or is it 25% of the entire project. Elyse answered it is 25% of the entire project. That is a minimum requirement. DOLA does not give out a lot of \$1 million requests – their average grant amount is around \$650,000. Because it is a competitive grant program a lot of time what happens is partial funding. This will be a challenging project you will have to build a really good application – a really strong case – hitting all of these criteria as much as you can. One of her jobs is to help you in building that argument and build that strong case if it is there. If it is not there then be honest and say it. She thinks the Fire District is fighting an uphill battle on this one, but she does not have all of the information yet to be able to make that opinion completely. The minimum match is 25% and if you can get to say 50% match it will really help the competitiveness of your application. This project you would have to have at least 50% so that will definitely help.

Community Goals is another criteria. The Fire District will have to show they are connected to Community Goals. This could be your own Strategic Plan, having this in place defining the goals of the organization are one of the things DOLA looks for. That an entity has the level of organization, vision and planning happening. If the Town of De Beque's Master Plan shows anything about the need for the project the Fire District wants to build will also help. Those are things to talk about in the application.

Readiness to Go is a new criteria that was added in 2008. This is new to DOLA as far as implementing it in the application process. In the past someone would come to DOLA and say they had a great idea and DOLA would agree they had a great idea and they would fund it. Then, when they would actually begin the planning work to put the great idea together they would find out that great idea in reality actually had to be this great idea. DOLA would put money into a project and it would take 6-8 years to spend that money. DOLA wants to spend the money and if one entity is not ready to spend the money right away, then someone else probably is ready and that is who

they will look at giving the money to. DOLA wants people to come to them when they are ready to spend the money.

Elyse asked if the Fire District had Architectural Drawings yet. Karen answered that is the next step. Elyse said DOLA will want to see, instead of people coming to them and saying they want a new fire station, will DOLA give them money to design and build it – DOLA wants to see, for example, the Fire District come to them in April with an application for the Administrative Grant of \$200,000 to help fund the Architect and get those drawings. Once the architecture is done or almost done then come back in to DOLA knowing exactly what you are going to build and exactly what it is going to cost. Now you can apply for the actual construction.

If the Fire District wants to apply for the Administrative Grant in April there are some things you will need to know. DOLA does require competitive bidding and the Fire District CANNOT go under contract with who they want to hire until they are under contract with DOLA. The Fire Board can put out the Request for Proposals and begin the interviewing process and can select who you want to work with – you just cannot sign with them until you sign with DOLA (assuming you get the grant). You can let the Architect know that receiving the grant will be a contingency.

Even if you have an Architect in mind you want to work with you will still be required to go out for competitive bids. When using state money you are required to go with the lowest RESPONSIBLE bid. You can determine what 'Responsible' means to you. Sometimes the low bid is not the most responsible bid due to some contractors being good at low bids but then will nail you with change orders later. This is due diligence the Fire Board will have to do. Marge asked how many bids will be required. Elyse asked if the Fire Board had previously adopted a Procurement Policy outlining what they will seek. Shanelle stated according to the SDA the Fire District must ask for at least 3 bids for services above a certain dollar amount. Elyse stated the Fire District must follow their own procurement rules, if you don't have any then the State does have guidelines to follow. If the Fire District does not have them, she recommended setting them as to what makes sense to the Fire Board. Shannon stated this would be a good time to do this. Chris Endreson recommended, for professional services, requesting at least 5 bids and then short list 3 bids and then do interviews with those 3 based off of criteria he has given. Elyse stated sometimes communities will often say under \$10,000 they will not solicit bids, they will just call 3 or 4 contractors and get bids themselves. Over \$10,000 they will put it out in the newspaper and solicit that way. She recommended for this kind of professional services the Fire Board do an official advertisement in the newspaper and official RFP. If there are specific architects you would like to see a bid from you can call them and solicit them directly. Please remember not to sign with an Architect until the Fire District has signed with DOLA on the grant or that money will not be able to be used for those costs. Karen stated she thinks it would be better to go forward with an Architect without the help from DOLA.

Elyse stated what she sees in the Fire District's idea is that it is going to be \$5.5 million project. You can potentially get up to \$1 million from the Energy Impact Grant and you have about \$1 million in your pocket – there is now a \$3.5 million short fall. To her that says one of a couple of things need to happen. Maybe it is phasing, maybe it is scaling back what the baseline needs are. What are the needs,

what are the wants and what are the really wants. You may have already done that, but that is what an architect can help you narrow that down. Maybe there are other construction methods that can be used. Fruita Fire Department received \$950,000 from DOLA last spring to do their expansion. They are adding apparatus bays and living quarters. They already had a facility they will be working around. It is a 13,000 sq. ft. addition. It is a \$1.8 million project. The City of Grand Junction has a grant from DOLA right now for Architectural Design on a smaller station that will be roughly a \$2 million project. It might be worthwhile calling them and talking to their Chief.

Annette asked if the 25% that will be required from the Fire District to invest, would that include the lease option money. Elyse stated that would count if you were borrowing the money on a loan or bond but may not as a lease purchase. The challenge with the lease purchase money, DOLA does require longevity in a project. Lease Purchasing is not considered a long term commitment since the nature of it is a future Board can chose to walk away. Financing is definitely something DOLA can work with, Lease Purchasing might not be. She stated they will have to talk about the specifics around that. One of the requirements for the DOLA program is when you invest their money into a project you will have to commit to occupying that space for 10 years at least. If you don't occupy that space for the full 10 years the Fire Board would have to pay that grant money back. If the Fire Board was not able to continue to fund the Lease Option or even a loan and that resulted in the loss of the building, the Fire District would have to pay DOLA back any grants received for the construction of the building. Shannon asked if it would be possible to have a portion of the building as an 'Owned' facility and another part as a 'Leased' portion. If that were a way to go would they have to be separate buildings or could they be attached in a 'dividable' way. Elyse said that might be one way to look at it – it may also be whether or not the lender would be willing to do that. She stated she is always surprised at what can sometimes happen with Lease Purchases. With her former employer she convinced a bank to do a Lease Purchase on a ski lift that was already built. That kind of an idea depends on a lender. Again that could go into phasing, could you build a Phase I off of the grant/combo with your money and then a Phase II with a Lease Purchase later. Chris asked if the Fire Board has done the analysis. He knows the Fire District already owns the land and now you are contemplating a lease purchase of a building on that land. Karen stated she thought Stifel Nicholas said they would tie up a portion of the land and fire station in the Lease Purchase, but they had no problem with the Fire District owning a separate portion. Marge stated then, if something happened with the Lease then they would take just one portion of the building – the other would remain the Fire Districts. The building would then have to be built to be able to be divided in such a way.

Elyse stated the reality is that a Lease Purchase with a local government entity is usually a pretty safe investment for a bank. Has the Fire Board talked with any of the Bond Council organizations that are out there? That would be a worthwhile phone call for the Fire Board. Shanelle stated she is not sure a Bond would be a way to go since it would have to go to Election. She does not think that measure would be approved. Elyse stated a lot of the Bond Councils get involved in Lease Purchases too. They are the experts in public financing. Bonding is not the only way, there are Certificates of Participation - these are basically fancy public lease purchases. Shannon stated she thinks Steve Jeffers has been talking to the Bond Council because

he said something about it. Annette stated she remembers the COP came up a lot in his discussions. Elyse stated sometimes a local bank will assist. Annette stated they have checked into that as well. Karen stated the Fire District's attorney spoke to the different banks and did an analysis on it and Stifel Nicolas has offered the best rates for the longest terms. Elyse stated now that she knows the Fire District is talking to Stifel Nicholas, they are on the Bond Council. She stated these people are definitely the people to be talking to. She thinks there is a way to make the Lease Option work, but it does present some challenges. DOLA would have to fully understand how it could all mesh together before they would Contact for grant dollars. This conversation can continue as we get into the details. The architectural process will definitely help sort some of those details out. Once you know exactly what you want to build you can then put a financing plan together. Elyse stated the Fire Board should stay in touch with her when putting that Financing Plan together to talk about how grant money works best within that plan. Shannon commented to also involve the Bond Council as well. Elyse stated yes – Bottom line it can work, it is just trickier because of that 10 year requirement

Back to the Readiness to Go criteria – part of that is having the Funding Package outlined on how it is going to be. Annette asked if the Fire Board signed paperwork next month with Stifel Nicolas on funding – would that be an issue with DOLA. Elyse stated that is preferable actually. If you have that funding figured out and it is committed then that will help out tremendously in the application process. If the Fire Board submitted to DOLA in April for an Administrative Grant for design, you could submit again in August for Construction if all of that is buttoned up. It could be in December if the plans are not ready by August 1st. Annette stated she does not think an architect can move that fast. Chris stated there would be a lot of meetings that would be required for that to happen.

Shanelle clarified the timeline that if the Grant is not even awarded until September and the Fire Board cannot go Under Contract with an architect until they are under contract with DOLA for that grant, then that architectural planning process is delayed until September. The December 1st date may still be too early. Chris Endreson stated that is correct, but in all honesty even if the Fire Board takes DOLA out of the picture – the process may still take that amount of time to be completed. You may be able to go under contract with an architect sooner than September, but generally to get everything started and figuring out site analysis and all the stuff they are going to do before doing the submittals, it will take some time. The design process up front takes the longest, the CD's (Construction Documents) portion takes a while, but it is quicker. Elyse stated talking about how much it is going to cost for architecture, if we look at what Chris put together for you at \$271,000 for professional fees. Her rule of thumb when calculating these things in her head is 10%. The design costs for architecture and such can run up to 10% of the total project cost. With a \$5.5 million project she would be looking at design fees up to \$500,000. She stated Chris knows even better than she does and is stating it could be only \$271,000. We can round up to \$300,000. When applying for the Admin Grant of \$200,000 as opposed to the Construction Grant, you could be moving as early as July instead of September. If you did a Tier 1 Administrative Grant of \$200,000, those decisions get made in early June. You could be contracting with DOLA in July which would get you moving on the architecture so you could submit a Construction Grant request on December 1st. Chris stated there is a good 6-8 months' worth of time to draw the plans up. You

will not be able to go for a Construction Grant until at least 50% of the CD's are completed. This will have the detail that what the Fire District can afford or cannot afford has been accounted for. This process will be done through design and the meetings you will have with the architect.

Elyse stated the architect should be able to help discuss possible Phasing and different ways it could be done. How much of this space do you need today vs. how much space is your 20 year plan. Can you shell in some of this space, but just not finish it. Can it be constructed in a way that it is easily expandable in the future when you really do need that space. There are so many ways of looking at it where you can roll this into something that is manageable. Annette clarified DOLA would look at shelling to be phasing. Elyse said yes they do. This comes in handy when a project can be shelled at \$1.10 p/sq. ft. now as opposed to \$1.90 p/sq. ft. later. (For Example).

Chris said that especially works well too in light of the high performance building criteria which is required underneath these Grant projects. For example the HVAC system, if it can be designed as a whole to meet the criteria that is required for sustainability vs. piece mailing it later when technologies get more expensive or don't work the same in the future. Elyse stated shelling works as long as there is a connection to the need. It goes back to that Demonstration of Need piece. If you can show the main portion of the building meets the need now and then provide a good argument that shelled space will not be needed until 5 -20 years from now. Anytime you have 25% or more State funds in a project you now have to not only meet LEED Silver criteria, but you have to get LEED Silver Certification. The Fire Board will have to look for an Architect who is LEED Certified and can do that work. If you guys are looking at a \$5.5 million project without scaling back then the \$1 million grant is not 25% so you would not have to meet those requirements. If you scale back and close that gap on the 25% then you will need to analyze the cost impacts of that both ways. Most people want to build to LEED Certifications since it saves money operationally over time. It is the cost of the Certification up front that usually limits what people can do. It would be imperative to have an architect who can help you with that analysis. Chris suggested putting in the RFP the architect will need to have LEED Certification to the Silver level. It will be hard to find someone who is NOT LEED Certified these days. Even if the architect is not they may have someone on their team who is, which is perfectly fine.

Elyse said these high performance building standards are relatively new so there are not a lot of people yet who have much experience going through DOLA's process that the State of Colorado's architect has designed. DOLA can help facilitate that discussion and can provide technical assistance to the Fire Board's architect to help figure out what needs to happen. LEEDs is an extra cost to know about. It is more money up front but will save you money in the long run. The standards are set to hopefully recoup the upfront expense by monthly savings over the first 15 years. Sometimes with the construction methods used, Gunnison is building a new police department, their anticipated payback is only 5 years. Karen asked why. Elyse said it is because the building is that efficient. After that 1st 5 years they will actually see cost savings. Annette suggested the Fire Board could consider putting solar panels in on top of the bays. Elyse said that is where the Board could define part of the LEEDS Silver certification. Karen stated the bay doors could also be partially glass so there would be the passive solar helping to heat them in the winter. Elyse said the LEED

Silver certification is only required in the living/office areas of the building, the bays are not required to have it. Chris said that does not mean you cannot put the systems on that portion of the building to help keep the costs down – you are just not going to be required to.

Shannon asked, going back to approving the finance package next month, it has been a concern of hers of whether that is the right thing to do or not. Since that money is going to sit there for a year or longer the Fire District will have to pay interest on it. Annette stated if they don't lock in the financing now and continue to wait, Steve Jeffers stated he is seeing the interest rates going up. Then the Fire District may be out more money in the long run with having to pay a higher interest rate. Elyse said that is something she would recommend the Fire Board talk to their attorney and the Bond Council as to what the best strategy may be.

Elyse stated having the funds secured is a Pro and can be included in the Readiness to Go criteria on a grant application, the Con is once the construction drawings (CD's) are complete – what if you are \$100,000 too short or what if there is a change order that adds a lot of money to the project. Contingency Budgets are usually built in to give some cushion for these types of events, but they are not always enough. Your project is straight forward enough you are probably OK. Shannon said it is hard to know right now how much money the Fire District is even going to need to Lease Purchase when no one knows how much money can be received from DOLA or other resources. Elyse stated a question for Stifel Nicolas can be, "What if we get financing approval for \$4 million, but we end up only needing \$3 million. What happens then?" That is the question she would ask them. Chris said the Fire Board can look at the amount they will be financing as the end all-be all amount to shoot for. Any grants you get can supplement that amount. The architect will have to work within that Budget. They will work backwards from that Budget number.

Elyse said another question for the Bond Council is "Do we really need to go through the architectural design process so we know what we are building?" , "Will a 9 month delay make that much of a difference in the interest rates?" They know the market better than we do and they may say that it would be better to get the funding now and here is why because in 9 months it may end up costing you this much more. That would be a worth-while conversation to have with Steve Jeffers and the Bond Council. Annette stated even if the interest rates go up only 1%, that does not seem like that much, but over a 20 year term – that 1% will add up to a lot of money on \$5.5 million dollars. It would be way more than the 1st year's payment we would be trying to save. Karen and Shannon agreed. Elyse again recommended talking to the attorney and Bond Council.

Shannon said the Fire Board may want to ask to borrow less since they want to try and get some of the building costs through grant funds. Annette said she does not think DOLA will say the Fire District does not need a grant since they have the funds already secured in a Lease Option. Will they? Elyse said partial funding happens a lot because it is competitive. Annette said the extra money granted from DOLA would help to pay for all of the extra LEED stuff. Elyse said the application process is a juggling act. The Local Commitment part of the criteria states if the Fire District has the funds available to build their project then they will be expected to use them. When the Fire District comes to DOLA and asks for \$1 million and then DOLA sees

in the fund balances the Fire District has \$2 million sitting in their assets they will ask what the \$2 million is for. If \$1 million is to help towards the construction then what is the other \$1 million for. Do you have policies in place stating the Fire District wants to have at least 90 days operating expenses reserved? Are there replacement plans in place for certain pieces of equipment? Shannon stated the other piece to the reserve funds is having money set aside in case the revenues drop enough the annual budget cannot cover the payments on the lease. She would like to have money set aside for that contingency. Elyse stated that is just fine -- it just has to be reserved by policy. If there is any money sitting in your assets that is not reserved, say it is \$400,000, it could result in the Fire District only getting \$600,000 instead of the full \$1 million. That is how it works. Annette said all of the Fire District's money needs to be allocated to specific future needs. Elyse said yes, but at the same time show that you are putting all that you can into this project as well.

In the grand scheme of things, the questions that are going to get asked are "Do you really need this much? For only 1,100 people in the District do you really need a \$5.5 million fire station?" Be ready to justify the project. Be ready to plead your case as to why the current facility is no longer sufficient and why the new facility is designed the way it is. Try to have all your reasons lined up to answer those types of questions. Annette said about 80% of the calls the crews go out on are on the freeway. That has nothing to do with the 1,100 people who live here. Elyse said that is a great reason to plead your case to the Application Review Committee. Anything like that will be great. If the Review Committee does not ask any questions -- that is a good thing. If they start asking questions it's because there were holes in your application. Chris said the Fire District could plead their case by stating they are in 2 counties, have x amount of miles of Interstate traffic, covers over 800 square miles of hard terrain, etc. Elyse said another question might be "Why do you have so much equipment you need to house?" Be ready to explain the various reasons each piece of equipment is needed. On a per capita basis this is a lot of fire station so you will need to argue why it is needed. Maybe call CDOT and see if you can get an estimate of the number of vehicles that drive through your District each day. Anything the Board can do to tie your reasons to real data will improve your case.

Elyse stated the Fire Board doesn't have to kill themselves writing the perfect application. They need to write the application for her. The more she knows about the project as the Board puts the details together while they are meeting and talking together, the better. She will take the application and she will summarize it into a Pro/Con statement so it will be really good for her to be intimately familiar with the project. That will allow her to write a really good Pro/Con Statement. That statement is what the Committee reads. The Fire Board's job is to build a really good case for needing/wanting this project -- her job is to know what some of those hurdles are going to be so a case can be built around those hurdles and get it ready to present to the Committee. Marge stated potential gambling would be a really good reason. Shanelle stated this measure is progressing and if the House and Senate pass the Bill to allow the measure to be placed on the ballots we will know in the November election whether or not the people of the State of Colorado says yes. This will be before the December 1st deadline and can really benefit our case to DOLA. Annette said if it does pass we may need a bigger station!

Elyse summarized and recommended the Fire Board figure out what they really need to build and what they can afford to build. She feels it will be highly unlikely the full \$1 million grant will be awarded to one entity. Ask for the full \$1 million, but in your minds plan financially for around \$750,000. Anything in between is a bonus. Chris suggested the Fire Board run scenarios on using DOLA funding and then run them without using DOLA funding. Weight the two scenarios and see the cost benefits either way for your selves. It is possible DOLA funding may not be a better option. Also keep in mind you may not even get \$750,000 – it may even be less, depending on how many other applications there are.

Annette asked if the DOLA grant would be affected by the Fire District seeking and receiving other grants. Do they want to know if the Fire District has applied for other grants, how much they are and what has actually been received. Elyse said yes, there might be something out there in the Emergency Management world grant wise. She is not aware of any funds out there right now that have not been heavily tapped into. A lot of that funding was available in better days. Annette explained to Elyse the situation with the tax revenues the Fire District had to pay back to Garfield County and that the District has applied for Mineral Lease Grants and have not received anything. Elyse stated she would be surprised you would receive any monies from them. She knows there is a portion of the Fire District that is located in Garfield County, but the new station will not be and that may be what matters to them. At the end of the day she considers what money is coming into the Fire District to be the Fire District's money, it does not matter where it is coming from. It could come from financing, a grant from the F & L District, it could be a donation from an energy company. All she is looking for is money that is committed to the project. If for some reason you apply for a \$500,000 and that is included in the Application, all she will be looking for from the Fire District is to be prepared to pay that \$500,000 out of their own monies if that grant does not get awarded. That is what matters to her.

Elyse said the Application can be found on the website but she can email the link if that is easier. Chris said he sent Karen the link to the Application. Elyse said put the application together and send it to her so she can review it prior to submitting it. You don't have to. If you don't what happens is when Denver gets the application they will copy her on it. In between when your application is submitted and the Pro/Con Statement is written Elyse will come and sit down with the Fire Board to learn how to strengthen the application. She will also point out any pit falls she can see that is in it so they can be addressed.

Karen said the Fire Board is working on a Strategic Plan, it appears to her they really need to get going on it. A lot of the information needed in the grant application could be provided through the Strategic Plan process. Shannon said the Board could adopt it and allocate the reserves. Elyse said yes, that will strengthen the application a lot, it is definitely something to do. If the Board cannot get the Plan done prior to submitting the Administrative Grant on April 1st you can say you are working on it and will be completed shortly. A draft copy of the Plan would be good to include. She is a big proponent of Strategic Plans, she likes to say "Keep it Simple". It is the discussion and the process of Strategic Planning that is valuable more than the document. It will help the Board keep the winds from blowing them this way and that. It will keep everyone on the same page. Chris said regarding the design of the building. Once the architect has been paid and the designs are completed they can sit

for as long as you need them to. If there is a delay in building for whatever reason those design plans once completed can wait until the funding is available.

Elyse asked about the current building – what happens to it. The Board told her the Town of De Beque owns the building and will use it for their purposes once the Fire District moves out. Elyse suggested to be sure and put in the application that the Fire District does not own the current building and that building is not adequate for operations nor can it be modified to make it adequate. If the Town of De Beque has a vision for the current fire station where they are going to re-purpose it, that can also help the application. Talking about the second generation of this building's use can definitely help. Don't hesitate to talk about wild land fires as well.

Chris and Elyse left their contact information and bid the Board farewell. The Board gave many thanks and appreciation for their time and information.

Shannon said she saw Frank Wagner the other day. He and his partner John Galloway did the architectural work on the new fire station in Palisade. They also did Plateau Valley Hospital District. They would be interested in being included in the RFP process. Shanelle said she sent the Board their website information back in August 2013 the last time the Board had been talking about hiring an architect. They were recommended by Richard Sales. Shannon said they are located in Palisade.

- 2.) Fire Station Building Plans – Karen said Joe wanted to bring up the idea of possibly finding a fire station that would meet our needs that has been recently built and then asking that entity if they would give or sell their plans to us. This may save a lot of money as well as time. Shannon said Chris stated when he was here the last time – even if we were to do that an architect would still have to take those plans and make changes needed to make that station work at this location. Annette stated those plans would have their name and their stamps all over them. The County would not take those plans if we tried to submit the plans to them to build the building. They would want the plans to have been made for the De Beque Fire District specifically. They would have to have our name and be stamped by the architect. Marge asked if it would save time since they are already there and done – put a new name and stamp on it. Annette said that would work only if the Fire District were to use the same architect that originally made the plans. He would more than likely have them still in his computer and could change the name.

NEW BUSINESS:

- 1.) Process on Hiring an Architect – RFP Review – Marge said Chris suggested soliciting at least 5 companies with the RFP and then narrow them down to 3 for interviews. The Board discussed having the RFP & RFQ 's submitted together to save time.

Annette asked if the other Board members remember that the guys from FCI were steering away from LEEDS Certification. Karen stated if the Board gets a DOLA grant they will have to have LEEDS Silver Certification. Shannon stated she remembers the FCI guys saying the Fire District can build to LEEDS standards to help save operating money, but not to go for the Certification since that drives the costs up. Shanelle said that is probably why Elyse recommended the Board run the

numbers involving DOLA and then run the numbers not involving DOLA to see how they come out – which way is most beneficial to the Fire District. Karen stated in the long run, whether we get the LEEDS Certification or not the Fire Board needs to look at sustainable methods over 20-30 years of saving money. Annette said the way public facilities can recoup their monies is because they stay in those buildings over the long terms. Individual residents normally don't stay in their homes more than 3-5 years and that is why it does not make sense to spend that kind of money up front. That is not always true, sometimes they can recoup their costs when they re-sell the home. It can be a large selling point to new owners. Shanelle stated it is a selling point, but it is not a straight across investment to sale value. If you paid \$70,000 in solar panels it does not mean the value of your home just went up \$70,000. The value of the home may go up \$20,000 because of the panels but not the full \$70,000.

Annette stated the Fire District could use the example RFP she sent out a little while ago. Shannon said the PV Hospital District at first did the RFQ's (Request for Qualifications) and once they got those in they narrowed them down to a select few they then requested RFP's (Request for Proposals) from. Then they reviewed the RFP's and did interviews of them. Annette said some of the RFP's already contain the RFQ's into one document. Karen said requesting them at the same time could save some time. She said it seems this issue has just drug out forever and it seems it is going to go on for another 8 months. If we can short step some of it we should. There was some discussion on how they should be sent – separately or one at a time. Karen suggested using the example Annette gave in the last meeting as a template to send out. The Board can review it at the February meeting and then vote to send it out.

- 2.) Order Full Survey at 4580 I-70 Frontage Rd. (Crews Quarters) – Shanelle said the architect will need a full survey so she wanted to know if the Board wants her to get it ordered so it can already be done. Karen said Chris told them in the workshop the architect will need a survey as well as the soils test. Annette asked if the soils test was done around the house. Shanelle said the test holes were drilled out in the field in the area where the building will actually be built. Karen said there were several holes drilled out there that she saw. Karen said we can use the same company that did the survey on the Newpark property. Shanelle could not remember the name of that company but she said she could look it up. Marge motioned to have the company that did the Newpark survey (Name to be submitted when known) do the survey on 4580 I-70 Frontage Rd. Karen seconded. Annette – Yes, Karen – Yes, Marge – Yes. Motion passed.

***Shanelle looked up that name and it was QED Surveying in Grand Junction, CO.

ACCOUNTANT'S REPORT – By Shannon Currier – None

FIRE CHIEF'S REPORT – None

PUBLIC/BOARD COMMENTS: Marge said she would like to discuss purchasing items for the crew's quarters at 4580 Frontage Rd. After some discussion this is what was decided to buy:

Marge & Shanelle will go to town and purchase the miscellaneous small household items to outfit the kitchen and bathrooms as needed. Marge will purchase a new 42" TV for

under \$400. She will go to a couple of places in Grand Junction and see who has the twin mattresses in extra-long in stock and then go from there. She suggested having one of the guys lay on the mattress and see what they think. Karen said she would not like to short the money on mattresses, those need to be good quality. No dollar amount was set for mattresses. Washer \$799 and dryer \$700 – Speed Queen, commercial quality. They are home laundry models but made for commercial use. She talked to Nick about them being big enough and he said they would be. Dressers and nightstands they can look at used furniture stores first and then if none are available that will work they can look at regular furniture stores. Annette said American Furniture Warehouse would be a good place to get those.

Karen motioned to purchase the TV, Washer and Dryer and Mattresses (Including Box Springs). Marge seconded. Annette – Yes, Karen – Yes & Marge – Yes. Motion passed. Since these items may add up to larger values that will go over the \$1,000 spending limit that is why this motion was made. Other smaller items will fall under the \$1,000 and do not need a vote to approve. Shanelle asked Marge to let her know when she orders the large items and she will pay for them with the Fire District's Credit/Debit card.

Marge asked if the Board has to motion to approve getting Dish Network. Karen stated she does not think they can expect the guys to not have TV. A TV stand will also need to be bought. Marge motioned to get Dish Network with the basic package. Karen seconded. Annette – Yes, Karen – Yes, Marge – Yes. Motion passed.

Marge asked about window blinds. Shanelle said she can get the measurements of the windows before she and Marge goes to town. Patrick said they can be bought from Wal Mart. Annette said they can be cut to fit, Home Depot has them as well. Karen motioned to buy blinds for the crew's quarters. Marge seconded. Annette – Yes, Karen – Yes, Marge – Yes. Motion passed.

Karen said the storm doors Nick stated were needed on 4 doors. She suggested buying heavy duty ones since the wind whips the light ones pretty good. Marge said they need to be the kind where the glass part of the door can go up and down. Annette said she thought Nick wanted a certain type of door so let's table this until next meeting.

Since there are plenty of dishes currently at the fire station Marge and Shanelle will get only pots and pans, utensils, silverware, shower curtains, bedding, towels, etc.

Purchasing a garbage disposal was discussed but Annette stated it is not good to put a lot of food down into the septic system. Having a garbage disposal may encourage this where otherwise the guys can just scrape their plates into the trash. Karen asked if there was already a disposal at the home, if there isn't one then let's not buy one.

SECRETARIAL ITEMS: By Shanelle Hansen –

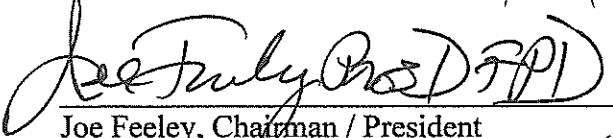
Karen asked Shanelle if she had heard from Schlumberger regarding hooking into the sewer lift station. Shanelle said she spoke to Brett the other day and he said the powers that be are suggesting the Fire District take over the annual maintenance of the lift station in exchange for the up-front reimbursement costs. Shanelle told Brett the Fire Board would want to know what the cost of the annual maintenance would be as well as who would bear the expense if the lift station actually needed to be repaired. Also they would want to know the term of how long

the Fire District would be responsible for the maintenance, for 5-10 years or indefinitely. Shanelle asked Brett to go back to the powers that be and see if they can put together a proposal that can be submitted to the Fire Board for review. Brett said he will try and get someone up to do the annual maintenance on the lift station so they will know what it is going to take and how much it will cost. This will help in defining the details of the proposal. This is now what we are waiting on.

The costs for hooking into the sewer lift station system cannot be figured until the architect completes the building plans well enough to know how much usage (EQR's) the station will need. In talking to the Town of De Beque the original reimbursement agreement between them and Schlumberger was that any developer or entity that asked to tie into that line down the road would pay a percentage of use against the original cost of the sewer line installation. Brett said the cost of the installation was just over \$2 million. Guy explained it to Shanelle that if the Fire District were to have 1% use of the total capacity of that sewer line then the reimbursement costs would then be 1% of the \$2 million. He stated that is why it is important to know the exact usage (also known as EQR's in municipal language) of the building so those numbers can be better defined. No one will know those numbers until the architect as completed the building plans. The usage is based on how many toilets, how many showers, how many sinks, etc. Essentially it boils down to how many drains are in the building.

ADJOURNMENT: Marge motioned to adjourn the meeting. Karen seconded. Karen – Yes, Annette – Yes, Marge – Yes. Motion passed. Meeting adjourned.

Approved by the De Beque Fire Protection
Board of Directors on FEB. 10th, 2014.


Joe Feeley, Chairman / President

Minutes Transcribed & Typed by:


Shanelle Hansen, District Secretary

