

TANGENT RURAL FIRE PROTECTION DISTRICT
Board of Directors
Budget Work Session & Awarding of Contracts
Minutes – March 19, 2014

Board Members Present: John Dunn, Bruce Riley, Paul Strombeck, Stan Lathrom
Board Member Absent: Mel Brush
Staff Present: Chief Casebolt, Asst. Chief Vonasek, OA Duckworth

Chair Dunn called the meeting to order at 7:00 p.m. Chief Casebolt asked that another item be added to the agenda (consideration of architectural bids for project management for new classroom project).

I. CONSIDERATION OF ARCHITECTURAL BIDS FOR PROJECT MANAGEMENT FOR NEW CLASSROOM PROJECT:

The Chief informed the Board that he had contacted three architects to bid for project management of the new classroom project. This contractor will be responsible for documenting existing conditions, drawing up the specs w/drawings and providing sets to potential bidders, acting as the Department's rep during building permit review, preparing bid documents, assisting with review of bids, and providing construction administration and coordination services (including weekly jobsite meetings w/contractor), etc., all as listed on the attached. Two bidders responded w/quotes: 1) Charles R. Gerke - \$4,500; and 2) Lonny Deffenbaugh - \$8,245. The third bidder did not show up for the walk-through appointment and did not reply to any further attempts to contact him.

The Board was concerned about the large disparity in the bids; however, Casebolt said both had been on site to review and discuss the project and both bids listed the same services. One contractor is from Salem and the other is local, so travel time could be a large factor.

Action: Riley moved to award the project management contract for the new classroom project to the low bidder – Architect Charles R. Gerke for \$4,500. Strombeck seconded the motion and it passed 4-0 (Brush was absent).

II. CONSIDERATION OF BIDS FOR LIGHTING/SECURITY PROJECTS (FUNDED PARTIALLY BY SDAO GRANT):

Casebolt reported that he had received 3 bids for each project. Bids for the outdoor lighting project were: 1) M&W Electric - \$2,500; 2) EC Electrical - \$4,689.55; and 3) Gene's Electric - \$3,448.75. Bids for the new surveillance system were: 1) Security Alarm Corporation - \$5,827; 2) Gene's Electric - \$4,385; and 3) 5-Star Security - \$8,414. Again, he wasn't quite sure why the large disparities; all contractors did a walk-through of the project and all bid for the same materials and labor (with the exception that 5-Star bid a 6TByte recorder vs. a 1TB). Some of the Board's brief discussion centered around comparison of material manufacturers, lumens vs. wattage, time length of surveillance video needed, knowledge of contractors' work and reputation, financial stability of company (if known), and spending District dollars wisely. Union Shop wages could be the difference in some of the bids. It is difficult to compare bids unless identical materials/manufacturers are

quoted. It was noted that Gene's Electric had low bid on the surveillance system and 2nd lowest bid on the lighting project. It might be beneficial to see if he would be willing to offer a discount if he were awarded both contracts; working with just one contractor would be beneficial for the District. The Board is not obligated to take low bid; they can take all information into consideration when making the best decision for the District.

Action: Riley moved to accept the bid of \$3,448.75 from Gene's Electric for the lighting project and \$4,385 from Gene's Electric for the surveillance project with direction to staff to ask the company if they would be willing to offer a discount for being awarded both jobs. Lathrom seconded the motion and it passed 4-0 (Brush was absent).

The SDAO grant for these projects is for \$3,000 matching, so the District's financial responsibility for the two will be \$4,833.75 (\$1,833.75 over the \$3,000 match). These monies are available in the Capital Outlay category of the current budget.

III. INFORMAL DISCUSSION OF FY 2014-15 BUDGET (no actions allowed).

According to Oregon Budget Law, the Board can informally discuss the proposed budget with the Budget Officer in open meetings prior to the formal Budget Committee meeting, the purpose for such discussions to hear the Budget Officer's priorities for the District and for the Board to share theirs. To this end, Budget Officer Chief Casebolt communicated the following considerations he weighed heavily when developing the proposed budget: 1) to continue to increase the District's unappropriated ending fund balance in order to ensure enough cash carryover to start the new fiscal year until property taxes are received; 2) to increase the appropriation to the Equipment Reserve Fund in order to meet the goals of the District's 5-year plan (specifically, purchase of a pumper tender within 3 years); 3) to increase Contingency dollars to a pre-2013-14 level; 4) to update the District's communications technology (especially for 911 responses) so we can function quickly and effectively; 5) to support and encourage our volunteers with increased funding for education, conferences, classes and increased funding for updated PPE, uniforms, and equipment; and 6) to complete the major building projects for the District.

The line items listed below are only: 1) those that were new/added to this year's budget; or 2) those whose dollars were significantly increased or decreased from the previous budget; or 3) those that generated discussion.

GENERAL FUND:

Revenue

1001 Beginning Cash on Hand - A detailed explanation of how this figure was calculated is given in the "explanations/justifications" document included with the proposed budget. It is subject to change based on projected expenditures/income for the remainder of the current fiscal year.

1002 Fire District Current Tax - This line item was increased a full 10% over last year's budget after reviewing historical data for the past five years, Oregon Dept. of Revenue SAL reports for the past five years, and percentage of actual levied taxes collected by Linn County for the past several years. The updated projection for this line item for our current fiscal year is about \$615,000 (although only \$570,000 was budgeted), so a 2.5% increase over this new projection brings this line item to \$630,000 for the proposed 2014-15 budget.

Expenses

2010 Clothing/Uniforms - This line item was doubled to allow clothing purchases for an additional staff member should our FEMA grant be approved.

2040 PERS - There will be a significant reduction in this line item as we now have firm percentages (dictated by the PERS Board) to use for the 2014-15 fiscal year.

3001 911 Communications - This increase is due to the addition of Active 911 technology and the Incident View Licensing for the MDT units in the rigs (which will be much less next year).

3015 Dues & Education - The doubling of this section is because of our increased volunteer base and the fact that many of them are very interested in furthering their emergency services education with additional classes and conferences. Also, a line item (3019) was added for subscriptions to appropriate fire publications and another line item (3020) was added for medical licensing of our volunteers (which previously was included with "classes" or "volunteer expenses").

3040 Elections & Budget - This decrease better reflects actual past expenditures.

3055 Station/Office Maintenance - Much of this increase is to purchase 24/7 IT support for the tablets in the rigs as well as staff computers. We have not had this support in the past. The Chief has contacted three companies (PEAK Internet, another firm down south, and LCSO) for this service and is in the process of collecting their bids at this time. If LCSO is chosen for this service, we will be able to eliminate some of our costs with Comcast as LCSO will assume some of these services.

3070 Apparatus Maintenance - There is year-to-year vacillation in this line item due to the service requirement schedule on certain pieces of equipment. Also, \$4,000 was added to 3074 - Tires.

3072 Compliance Testing - The pump testing previously found within this item has now been moved to be a part of 3071 - Annual PMS Checks.

3085 Professional Services - The increase in this line item is due to the addition of two new services: 1) the contracting for professional engineering services for the upstairs remodeling project; and 2) the enrollment in Lexipol (a national policy management database) to assist the District with initiating and revising operational/management policies that align with Oregon law and have been approved by legal counsel. Lexipol also provides a method for testing our volunteers on these policies.

3110 Medical Supplies (consumables) – This line item has been reduced by 50% as it has been divided into 3110 and 4016 (Medical Equipment) to better reflect those purchases that are consumables vs. those that are capital outlay.

3130 Volunteer Expenses – The large increase in this line item is due to: 1) doubling the annual grant to the Volunteers Assn. (which hasn't been increased since the 1990s); 2) continuing with disbursement of received LOSAP forfeiture funds to current eligible volunteers; 3) distributing Board-approved LOSAP contributions (\$5,000 total) to current eligible volunteers because of a 2006-08 District lapse in those contributions; and 4) starting a fitness program for our volunteers (evaluations @ \$200 each).

3140 Addressing System – Many individual address signs and/or posts are in need of replacement throughout the District.

4001 Buildings, Grounds & Additions – This item includes funds for an awning to be placed over the front door (for protection from the weather) and partial funds for the upstairs remodeling project (other dollars for this project will come from the Building Reserve Fund).

4011 Personal Protective Clothing – Due to an increase in the number of volunteers and bringing our turnouts into NFPA compliance, the District is in need of several sets. The Chief and Asst. Chief are developing a replacement schedule for all PPE so that replacements are more evenly distributed in budgets for the following years. This item also includes the purchase of winter safety jackets for the entire volunteer base (we have never had them before).

4013 Rescue – The main expense in this line item is the purchase of a battery-powered rescue tool to be carried in the command rig. This rig is the first responder to an incident, and having this device would allow quicker rescue for victims instead of having to wait for the main engine to arrive.

4015 Miscellaneous Equipment – This includes the purchase of an additional thermal imaging camera to be carried in the command rig. It is quite valuable at car accidents when trying to find a person who has been ejected, and the command rig is the first rescue vehicle to arrive on the scene. Funding for a utility trailer is also included in this line item, but it may be purchased this current fiscal year if funds are remaining. Also, because SCBA compliance rules are changing, we will be purchasing replacements for our SCBA packs and cylinders.

4030 Office Equipment – Both the Chief's and Asst. Chief's office layouts/furniture need to be changed to allow for more updated work stations. The Asst. Chief's office doesn't even have a desk; he is working on the old radio room countertop. And the Chief's office has an old desk, a small metal table, and a file cabinet with a wood worktop. The Board only asked that the purchases be made with local vendors if possible and several were mentioned as possibilities.

4035 Building Equipment – This line item has been increased to allow for equipment to finish off the upstairs remodeling project when it is completed. (Ex. beds, appliances, lockers, etc.).

4040 Water Resources Development -- As the District now has enough water tanks to supply our water needs, this line item only needs to provide for minor maintenance; thus, the large decrease in funding needs.

5000 Building Reserve Fund -- No money is appropriated for this fund as all the major building projects will have been completed. In subsequent years, appropriations will be budgeted, but they will be much smaller than they have been in the past.

5010 Equipment Reserve Fund -- The appropriation for this fund has been significantly increased to continue to build reserves to allow for major apparatus purchases as outlined in the District's 5-year plan.

5020 Contingency -- This line item was increased to bring it up to the level it was before the 2013-14 budget.

7000 Unappropriated Ending Balance -- The budget for this item has doubled as the District is continuing to build this balance over the next few years to ensure enough funds to carry the District for the first five months of the fiscal year until property taxes are received in November.

BUILDING RESERVE FUND:

There will be no added revenue to this fund as the major building projects for the District will have been completed with the end of the 2014-15 fiscal year. However, \$30,000 is appropriated for helping with the upstairs remodeling project. This expense should leave the fund with an almost \$19,000 balance.

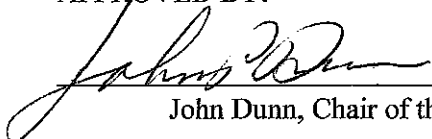
EQUIPMENT RESERVE FUND:

As of this date in the proposed budget, \$62,270 will be transferred in from the General Fund to the ERF to allow for cash buildup for future large purchases. While \$20,000 has been appropriated for capital outlay expenditures, this would only be used in the case of an unexpected major emergency repair; no purchase of new apparatus is planned for this budget.

Chair Dunn adjourned the meeting at 8:50 p.m.

Minutes submitted by Karen Duckworth
Office Administrator

APPROVED BY:



John Dunn, Chair of the Board

4-07-2014

Date