



BUILDING COMMITTEE MEETING MINUTES FOREST LAKES FIRE DISTRICT OCT. 14, 2016



Note: Files presented at the meeting were mailed separately and are not included in the meeting minutes. They are available by request from Roxie.

1. The meeting was called to order by Building Committee Chairman John Hennessey at 1:00 pm.
2. Also in attendance were regular committee members Chief Rodriquez, Quentin Tolby and Tom Cummiskey. Regular committee member John Walstrom as absent. Acting Board Chairman John Nelson attended in his Ex-Officio capacity.
3. It was noted that the CUP was approved September 28, 2016. Notification letters have been to all property owners in a 500-foot radius. This action is considered closed.
4. The building committee status update as presented at STRAP Session #2 as reviewed with the objective to achieve consensus on content and update/modify to reflect the committee's baseline understanding. Relevant comments:
 - a) The original building estimate was \$850K.
 - b) The \$660K loan is a not to exceed amount.
 - c) We can prepay principal with no penalty.
 - d) The \$12,000 water meter hookup fee is a budgetary number, and will probably be lower than that amount.
 - e) The septic design fee is about \$2,300. There are prior payments to Arizona Wastewater Design that may reduce that amount.
 - f) We need clarification of what is included in site prep.
 - g) John Hennessey has an action item to contact Dan Smith re: permits required for demo of existing septic tanks.
 - h) We will also need permits to demo the white garage.
 - i) Bunger Steel is the preferred supplier for the steel building.
 - j) Chief Rodriquez has an action item to contact Dennis Justice re: potential revenue options for RV storage on Lot 299. It was noted there is a tremendous lack of RV storage space on the mountain top. Would we consider providing power?
 - k) The cost of steel is going up.
 - l) There is mixed reaction in the community to declaring Lot 299 surplus.
 - m) Keeping Lot 299 gives the board some added flexibility (ace in the hole). It would also provide a nice buffer to Lot 300. If we dispose of Lot 299 it would be for financial reasons.
 - n) It was a consensus there is no FEMA money available for vertical construction costs. There may be grants for enhancing existing space, triage areas, Emergency Operating Centers (EOCs), mounting exhausts in the new building, ...
 - o) Affordability is a key consideration.
 - p) On the issue of the design being frozen, Chief Rodriquez was not in agreement as stated.
 - Primary need is bay space and crew quarters. Unless a separate source of funding is identified, he feels admin/office space is a nice to have and we can consider scaling the project back.
 - Tom Cummiskey questioned this as a change in perspective. Chief stated this has always been his position, but he was over ruled. In discussions with Jon Waggoner Tom said this was not the case.
 - We need to find the best middle ground.



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- A phased approach was discussed that might allow us to add the admin/office module later. Build the admin/office wing exterior connecting points, build it out later.
- Include the admin/office wing, but don't build out the interior.
- Prep the site, build the slab/not build the slab?
- Lop off the admin/office wing altogether (worst case solution)
- From a CUP perspective it was stated it would be best keep the footprint and building appearance the same.
- We need to look at the long term picture, 40 to 50 years hence.
- How big are the cost savings we are talking about? Until we have a better feel for the overall costs we should keep on the current path, get the big picture, look at our options, change if needed.
 - If the all-in cost is \$850K that is one thing, if it is \$1,000K that is a different story.
- No one has an appetite to go through the CUP process again.
- Any significant delay puts the viability of a loan in question. Would we stand the risk that our 3% interest rate go up to 10%?
- **It was agreed by all present we would continue with the current approach:**
 - **Keep the current building design**
 - **Continue the pricing development with FCI**
 - **Integrate the cost into the 5/10-year plan, assess cost versus affordability**
 - **Explore cost reductions**
 - **Look seriously at all the cost elements in FCI's estimate**
 - **Identify those that are elective, discretionary, nice to have, ... (masonry veneer e.g.)**
 - **If we run into budget problems, consider options, including a phased approach whereby we build the bay space and crew quarters first.**
 - **Allow for the addition of the admin/office space later**
 - **Make a go-forward decision**
 - **If we decide to change direction, a schedule shift would be the least painful option to explore.**
- It was stated without objection that if we don't get the building dried in by this time next year, it would not be dried in until this time in 2018, at the earliest.
- q) At Chief Rodriguez's request, we briefly discussed the notion of revisiting the decision to build new versus modifying the 3300 building. Quentin stated the opinion we have reached the point of no return and should not entertain revisiting the decision. It would be a distraction and would put the Legacy campaign at risk. The committee will keep this in mind but it's consequences are so onerous no one would consider seriously entertaining the idea.
- r) Tom made the point that if we have to return Legacy funds we would have to issue 1099 forms to all who donated in 2015. That would not apply to those who made donations in 2016.
- s) The go-no go decision point for the loan application is mid-Feb 2017.



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5. The requirements specification received from HD-Architects was reviewed with the objective to achieve consensus on content and update/modify to reflect the committee's baseline understanding. Relevant comments:
 - a) A spreadsheet created by Building Committee Chairman from PDF files/scanned images received from HD-Architects was reviewed.
 - b) There were some changes (indicated in red font).
 - Added the requirement to tie in the septic system from the current station into the new system
 - Added a requirement to include an empty conduit, for future use, to connect the two buildings.
 - Items 1F and 1H were intended to be built out using available space in the new station.
 - Chief Rodriguez took the action to review the requirements spec to make sure all elements are reflected in the current design.
 - Tom questioned the need for two kitchens.
 - Crew quarters are private areas.
 - E1211 dictated the depth of the bay space. If we go with a Type 3 replacement vehicle there will be added space that might be used for storage space that will be lost with the demo of the white garage.
 - We intend to explore the floor plan in detail at the site visit meeting on October 21st.
 - We will probably leave all the communications equipment in the 3300 building.
 - If we don't have to account for E1211 we may be able to reduce the apron size.
 - Action item: Chief Rodriguez to recommend the apron size.
 - c) Chief Rodriguez stated the ODS has contributed their expertise and guidance to the specification.
6. The proposed plans for repurposing the 3300 building were reviewed with the objective to achieve consensus on content and update/modify to reflect committee's baseline understanding. Relevant comments:
 - a) This is a downstream activity
 - b) The plan has been to incorporate an exercise area in the 3300 building.
 - c) Modifications to the 3300 building may trigger new requirements (sprinklers e.g.)
7. The proposed plans for housing plans E1211, R1211, R1212, AT1211, AT1212, T1211 and L1211 were reviewed with the objective to achieve consensus on content and update/modify to reflect the committee's baseline understanding. Relevant comments:
 - a) The rolling stock picture is under discussion in the STRAP meetings.
 - b) With B12 declared surplus we now have seven vehicles and seven slots.
 - c) If we replaced E1211 with a Type 3 apparatus, we could eliminate AT1212 and have room for a replacement battalion vehicle.
 - d) We may want to consider keeping E1211 in the 3300 building. Chief Rodriguez to evaluate the pros and cons of this approach and coordinate into his overall rolling stock plan. We need to develop a desired end state for our rolling stock and create a transition plan to get there that balances affordability with need and the availability of the new bay space.
8. The macro (big picture) issues for the new fire station were reviewed. Relevant comments:
 - a) The most current cost estimate we have from FCI is from April 2016.



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- b) The recommended approach to address the expansive soil condition, overexcavate/haul away and replace with hauled in engineered material, will cost \$82,400. The April 2016 estimate allowed for \$70,000 for site prep. The Building Committee did not expect the site prep to be this much, and had considered this to be a buffer in our cost projections. With the new estimate from FCI, this buffer is gone. FCI promised three separate cost estimates (the other two were treat on site with lime slurry and post-tension slab). We would like to see details of the other two or the decision process for selecting the preferred option. Action item—FCI.
 - c) The steel building quote from Bunker Steel, the preferred supplier, is \$137,293. The April 2016 estimate allowed for \$146,000. See the spreadsheet for details.
 - d) The four overhead doors are estimated at \$18,000 based on the April 2016 numbers. The estimate is for rollup doors.
 - e) We had talked previously about using heavy duty insulated panels for the building exterior. Does the proposed design utilize that concept? Action item for FCI, to be addressed at the October 21st meeting.
 - f) Does the \$18,000 estimate for painting include the interior?
 - g) The estimate includes sprinklers.
 - h) There may be residents who will be able to assist with sprinklers and HVAC costs. Action item for Chief Rodriguez to coordinate.
 - i) We need to clearly identify soft versus hard costs.
 - j) Some of the costs included in the original soft cost target are included in the hard cost breakdown (FCI fee of 6% e.g.).
 - k) Need to document what's in and what's out. Action item for John Hennessey.
 - l) If we can identify specific, targeted needs members of the community may step up to assist financially.
 - m) We need to plan ahead for the "Recognition Wall" promised by the Legacy Committee. Perhaps we can replace the wall concept with ceiling panels in the drop down ceiling of the bay space.
 - n) Soft costs were discussed:
 - a. HD-A at 5% of \$700K, or \$35,000, already under separate contract
 - b. HD-A additional services, \$20,300
 - c. FCI, pre-construction at \$5,000, separate contract
 - d. FCI, CM@R, 6% of \$700K, or \$42,000—direct select?
 - o) High level schedule related issues were discussed:
 - a. The go-no go decision date for loan application is February 15, 2017
 - b. Septic construction is April/May 2017
 - c. Steel building delivery and assembly in June 2017
 - d. Dried in structure October 2017
 - p) Chief Rodriguez took an action to coordinate the attendance of the Hells-Gate Finance Manager, ODS Chris Lecher's wife, at the October 21st meeting to provide lessons learned with their station at Tonto Village.
9. We reviewed potential agenda topics for the October 21st site visit. Relevant comments:
- a) John Hennessey and John Walstrom took an action item to contact Bill Whittington to explore FLFD procurement issues re: direct selection of FCI for the follow-on construction contract. The potential issue is related to costs that would not be competed (FCI's fees, G&A, ...).



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They exceed \$50K. It doesn't make any sense to compete this part of the effort. The bulk of the costs (subs/materials) will be competed by FCI under the CM@R provisions of the contract.

- b) The concern is that we may be challenged down the road by a contractor who was not selected. We can choose FCI on the basis of being best value—doesn't have to be lowest cost, even though their fee is some 2% below their typical fee.
 - c) Chief Rodriguez took an action to stake out the corners of the building.
 - d) Potential cost reduction approaches.
10. Building financing was discussed at length. Relevant comments:
- a) **We need to have a loan. Otherwise the building approach is not feasible. Some in the community believe there are options. Saving up front is not an option. There are no grants for vertical construction. We need to communicate this clearly. There some members of the community that do not like the idea of a loan. That won't change. The projected debt service is a small percentage of our budget. We will go for the smallest loan possible. A loan allows for generational equity sharing. It is entirely reasonable to ask future homeowners to participate in the cost of a new station, which will be a benefit 40 to 50 years into the future. The recent survey showed favorable response to a loan. Interest rates are at generational lows. If questioned, we will address the issue as discussed.**
 - b) A loan has been in the plan since day 1. However, some people don't read the plan.
 - c) With the current plan, the financial impact to the district is manageable--\$100K transfer from capital reserves and ~\$37K annual debt service.
 - d) Once costs are finalized we will publish a response to the public via the Blast.
 - e) We understand you must have staff. But you also need secure, conditioned air storage for our apparatus. Freezing temperatures and water based pumping and storage systems are not compatible with each other. Equipment in the snow is a non-starter.
 - f) We need to be careful about vocal minorities. Over 300 people have voted for the new station with their money. Consider all viewpoints and make an objective assessment. We are a representative democracy.
 - g) Chief Rodriguez made the point he is continually being questioned about operational costs, staffing costs, taxes, ... Why should the new building be any different?
 - h) Chief Rodriguez said some in the community have approached him to go back to the all-volunteer department. Our response is the public, via the annual survey, places 24 X 7 X 365 ALS + 1 coverage as their very highest priority. ALS + 1 is the bedrock of our service delivery model.
 - i) Safety of our personnel and equipment is paramount.
11. The meeting was adjourned at 3:20 pm.