

The FLFD Finance Committee met at 10am, Wednesday, April 4, 2018, at the Caliente Construction office.

In attendance were:  
Tom Cummiskey, Chair  
John Hennessey  
Dave Rodriguez  
John Nelson  
Jeff Schaffer (Caliente)  
Dean Read (Caliente)

Tom began with a cost summary. The District has raised \$1,225K to fund the construction of the new station but Caliente's latest estimate is \$1,305K or an \$80K overrun. The purpose of the meeting then is to understand exactly what has caused that overrun and to see if there are ways to eliminate or defer some of these overrun.

We discussed the extensive rework that has been needed, in part do the poor performance of Caliente's on site superintendent, Sandy. Jeff was emphatic that no rework costs have been passed on to the District and that in fact, Caliente's profit margin is down substantially from what was proposed due to Caliente absorbing all rework costs.

John Nelson brought up the topic of added costs caused by Coconino County's bureaucracy and inflexibility. After discussion, Jeff agreed to attempt to quantify those costs with the understanding that it would be his best estimate.

**Action:** Jeff to provide said estimate before April 20 when the Finance Committee will have its next meeting.

We moved to added costs driven by our civil engineering firm, SWI. It was agreed that SWI did not have the influence with the County that we all originally thought they would. That caused them to have to do their own rework. It was generally agreed that their overrun was about \$16K.

Next topic was HDA Architect added costs. These were primarily driven by our collective desire to complete the Admin wing within the overall project (originally we weren't sure we would raise enough money to be able to do so).

**Action:** John H to estimate added HDA costs over the original estimate and their cause. To be completed before April 20.

Continuing with the Admin Wing, it was noted and generally agreed that we did not get the same level of cost efficiency on it having built it outside the scope of the original project. Many subs had to essentially start over and make extra trips to Forest Lakes to do the Admin Wing build out. **Action:** Jeff to provide a best estimate of the Admin Wing costs, before April 20.

We did note that the District saved significant funds thanks to donations from our subs such as the masonry provided by G&G. **Action:** Jeff to provide a best estimate of donated materials and labor before April 20.

Dave brought up the outstanding issue of the fibers in the bay floor and that we will not be able to properly treat the floor until this matter is resolved. Jeff stated that this amounts to a rework issue and he will take the necessary steps to burnish the floor to eliminate the fiber problem.

In an effort to summarize, Jeff pointed out that Caliente has won a job to build a fire station in Tempe. It's estimated construction cost, even being "in town", will be about \$455/sq. ft. Our estimated cost will be about \$220/sq. ft. That significant difference is primarily attributable to Caliente's concerted efforts to control costs since several members of the Caliente staff have ties to the Forest Lakes community.

It is still required that Dave and John H. review soft costs for any items that can be deferred until the following fiscal year. A rough guess was about \$10K. **Action:** Dave and John H. On a related note Jeff took the action to work with Caliente management to defer at least \$30K until after June. **Action:** Jeff. While that still leaves us about \$40K overrun for this fiscal year, that only amounts to a 3% overrun compared to as much as 15% overruns on like projects.

The Finance Committee agreed to hold its next meeting on the afternoon of Friday, April 20, to review the above estimates and to go over the updated budget in preparation for the monthly Board meeting the following day.

**Action:** Tom to make arrangements with Roxie.

There being no further business, the meeting was adjourned at 11:25AM.

Respectfully submitted,



Tom Cummiskey

DRAFT

*TCummings*