



Agenda for the Board of Fire Commissioners

Regular Meeting

Conducted remotely via Zoom and with in-person attendance at Station 31
(1231 Franz ST SE, Lacey, WA 98503)

Click here to join the meeting:

<https://us06web.zoom.us/j/743870521>

Meeting ID: 743 870 521

November 7, 2024

5:30 pm

- I. CALL TO ORDER / FLAG SALUTE**
- II. APPROVAL OF THE AGENDA**
 - A. Additions / Deletions
- III. HEARING OF THE PUBLIC / MEMBERS PRESENT**
- IV. APPROVAL OF THE CONSENT AGENDA**
 - A. Draft Minutes of October 17, 2024 Board of Fire Commissioners Meeting
 - B. Draft Minutes of October 19, 2024 Board of Fire Commissioners Workshop
 - C. Warrants (AP 11A 2024):
 - General Fund 001 (Acct #6630): EFTs number 5458 through 5464; Checks numbered 24143 through 24158; for a total amount of \$77,733.59.
 - Reserve Fund 102: Check number 24159 for a total amount of \$615.00.
 - Equipment Repair and Replacement Fund 103: EFT number 5465 for a total amount of \$5,259.68.
 - Capital Projects Fund 301: Check number 24160 for a total amount of \$30,740.69.
 - D. Payroll 11A-2024 in the amount of \$652,477.32.
- V. COMMITTEE REPORTS**
 - A. Thurston County Medic One

Commissioner Kirkbride

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| B. Thurston 9-1-1 Communications (TCOMM) | Commissioner Roberts |
| C. City / District Liaison | Commissioner Kelling |
| D. Thurston County Fire Commissioners Association | Commissioner Kelling |
| E. Thurston Regional Planning Council | Commissioner Hetzler |
| F. Community Outreach | Staff |
| G. Capital Facilities and Equipment Activities | Staff |

VI. OLD BUSINESS

VII. NEW BUSINESS

- | | |
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| A. 2025 LFD3 Budget (see Appendix A) – Public Hearing | Board Discussion |
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VIII. ADMINISTRATIVE REPORT

IX. COMMISSIONER COMMENTS

X. OTHER INFORMATION

- A. Correspondence

XI. HEARING OF THE PUBLIC / MEMBERS PRESENT

XII. EXECUTIVE SESSION

- A. In Accordance with RCW 42.30.110(1) (g) To evaluate the qualifications of a candidate for public employment.
- B. In Accordance with RCW 42.30.110(1) (b) To consider the selection of a site or the acquisition of real estate.

XIII. ADJOURNMENT

THERE WILL BE NO WORKSHOP CONDUCTED THIS EVENING.

- ***Next Regular Meeting: November 21, 2024***

THURSTON COUNTY FIRE DISTRICT THREE

BOARD OF FIRE COMMISSIONERS

MINUTES OF THE MEETING

October 17th, 2024

The meeting was conducted remotely via Zoom and with in-person attendance at Station 31.
1231 Franz St SE, Lacey, WA 98516

Present:	Present (Virtual):	Excused:
Commissioner Kirkbride Commissioner Roberts Commissioner Hetzler Commissioner Gamble Commissioner Kelling		

I. CALL TO ORDER

Commissioner Kelling called the meeting to order at 5:30 PM, followed with a salute to our Nation's Flag.

II. APPROVAL OF THE AGENDA

MOTION: To approve the agenda as published.

Motion: Commissioner Gamble
Second: Commissioner Kirkbride
Carried: Unanimous

III. HEARING OF THE PUBLIC /MEMBERS PRESENT

None.

IV. APPROVAL OF THE CONSENT AGENDA

A. Draft minutes of the October 3rd, 2024, meeting of the Board of Fire Commissioners.

B. Warrants (AP 10B 2024):

- General Fund 001 (Acct #6630) EFTs numbered 5446 through 5455; checks numbered 24116 through 24141; drafts numbers 1428 through 1448 for a total amount of \$1,270,028.69.

- Equipment Repair and Replacement Fund 103: EFT number 5456; check number 24142 for a total amount of \$7,985.39.
- Capital Projects Fund 301: EFT number 5457 for a total amount of \$9,060.51.

C. Payroll 10B 2024 in the amount of \$1,715,295.28.

MOTION: To approve the consent agenda as published.

Motion: Commissioner Kirkbride

Second: Commissioner Hetzler

Carried: Unanimous

V. COMMITTEE REPORTS

A. Thurston County Medic One

No report; the next meeting will take place on October 24th. There is a committee meeting next Monday to review comments received on the draft.

B. Thurston 9-1-1 Communications (TCOMM)

No report; the next meeting will take place on November 6th.

C. City/District Liaison

No report; the next meeting is tentatively scheduled for November 7th.

D. Thurston County Fire Commissioners Association

Commissioner Kelling reported:

- There was a discussion on the county EMS Comprehensive Plan. That plan has not yet been formally released for comment. Commissioner Kelling clarified that the EMS Comprehensive Plan is on the schedule for next Thursday's meeting for approval by the counsel.
- Board officer elections are coming up with nominations to be taken at the next meeting in November. If anyone is interested in running for the president, vice president, or secretary/treasurer positions, Commissioner Kelling can put forth the names. Elections will be held in December.

E. Thurston Regional Planning Council

Commissioner Hetzler reported:

- There was a first review of the congestion management process plan. There is a requirement to develop a regional approach to managing congestion with the objectives of increased walking, biking, and transit; reducing congestion; improving travel times; reducing fatal and serious

injury crashes; maintaining existing assets such as roads and bridges; improving access to jobs and community destinations, with the focus areas being safety, traffic management, public transportation, and site mobility. This plan needs to be created every five years.

- There has been discussion about including 507, Rainier Road, and Old Highway 99 along with some other areas that have been identified. The plan will need to be monitored annually and updated every five years.
- There was a presentation on the call for projects. There are \$19.2 million to award, which is the most ever. They went through and presented the projects that have passed the first round of reviews. They will go back to the TPV subcommittee to review and rank and will come back to the TRPC for approval in December. If any of the commissioners are interested in the projects, Commissioner Hetzler can share the slide show presentation.
- There was a discussion about number assessment fees. There has been discussion about the assessment fee including a technology fee. The assessment is \$1000 per year (very minimal compared to many). The increased fee is only \$1,142 each year for the next five years. There are many different city municipalities that have large technology fees. This is a five-year assessment, and in five years, this will be revisited.
- There was a presentation on the legislative priorities for this year, which was approved. There is also a slideshow for this presentation which Commissioner Hetzler can share if desired.

F. Community Outreach

Chief Brooks shared:

- October is Fire Prevention Month. Dedicated crews are coming in each day and doing visits to the schools. Every elementary school and nearly all of the private schools are being visited by the crews. It has been a good change this year to have dedicated personnel for these visits rather than having to pull the crews out to make the visits.
- Chris DeBell has been heavily engaged in a lot of on-site outreach such as the car seat program.
- There has been an uptick in the room usage at each of the facilities. There will need to be a long-term discussion about the availability of the facilities. There will be limited period of use availability of Station 34's meeting room. That space will be allocated for the second battalion chief.
- Commissioner Kelling inquired about the visits for fire prevention month and whether this is for grades K – 2. Chief Brooks confirmed that this is correct. Commissioner Kelling asked what is driving that limitation on age range. Chief Schmidt responded that this is a national movement. The curriculum is not localized; it has been established nationally, and that is the age group that is focused on. With the invention of the CR&R division, there will probably be ideas on ways to expand and have dedicated staff that can get into the schools and offer more robust education for different age groups.

Commissioner Kelling asked if the dedicated crews are visiting each classroom. Chief Schmidt responded that it varies by school, but often, there will be a larger group assembly for the education component.

- Commissioner Kelling inquired if there have been any trends in requests for station visits. Chief Schmidt reported those asks are fairly consistent, and there is a good process in place for when those requests are made. Those are fairly frequent once the school year gets underway.

G. Capital Facilities and Equipment Activities

Chief Brooks shared:

- This will be covered in detail on the Saturday workshop. There is nothing acute that needs to be addressed at this moment.

VI. OLD BUSINESS

A. Station 34 Stormwater Retention Pond Easement

Staff Report

- Chief Brooks thanked Chief Cerovski for being proactive in requesting follow up with the city manager and for meeting with him in person. Also, appreciation to the city manager for his timeliness in going back and fulfilling his promise to talk to staff and reach back out.
- Chief Cerovski reported on his meeting with the city manager and provided a memo to the commissioners summarizing the meeting.
- Commissioner Kirkbride thanked Chief Cerovski for an outstanding job researching the situation and communicating all of the concerns to the city. Thanks to Chief Cerovski for his pursuit of this issue. It appears that this has been taken as far as it can go. The city has indicated their position very clearly, and the only other recourse would be to go to court, but at this point, it appears better to move on from this.
- Commissioner Kelling expressed appreciation of the discussion on the case of acute emergency and that it would come down to whoever had the accident or created the emergency. This clarification is helpful. Thanks to Chief Cerovski for all the good work on this issue.

VII. NEW BUSINESS

A. 2025 Draft Budget

Staff Report

Director Kirkwood presented the 2025 draft budget.

- The preliminary assessed value: \$21,945,920,893 (up 7.49% from 2024). This is capped at 6% per statute.
- The projected property tax revenue is \$32,461,510 (up \$1.84 million from 2024). This includes new construction of approximately \$400 million.
- 4% COLA – all staff.
- 6% match of deferred compensation – all staff.
- Adding 8 new firefighter positions.

- Adding 4 new battalion chief positions (April 2025).
- Promoting 4 lieutenants – backfill new battalion chiefs.
- Adding 4 lieutenants – Station 32.
- Adding administrative support positions including HR generalist, business analyst, & CRR staffing. Positions to be phased in throughout 2025.
- Medical insurance rates up by 6.9%.
- Adding Enterprise Lease of smaller fleet vehicles.
- Continuing interfund transfers to meet apparatus replacement schedule and reserve needs.

B. ALS Contract Amendment No. 4

Staff Report & Board Action

Chief Brooks reported:

- This discussion has been ongoing for several years. The most recent recruit academy had the addition of an EMT class. This is a standardized way of training paramedics regardless of their background.
- The agency is asking to have the funding support of Medic One, as this is not an inexpensive venture. Funding has to be provided for the number of medics in the class as well as backfill for the instruction.
- This amendment is being affording to all three ALS agencies as a mechanism to amend the existing contract. It will be rolled into the new contract when it is negotiated next year.
- 2025 is expected to be the beta test, with the first of these academies scheduled to begin in January.
- The ask from staff is to authorize the fire chief to sign this agreement with Medic One.

MOTION: To allow the fire chief to approve the Intergovernmental EMS Contract ALS Funding Amendment No. 4.

Motion: Commissioner Kirkbride

Second: Commissioner Hetzler

Carried: Unanimous

VIII. ADMINISTRATIVE REPORT

A. District Monthly Financial Report

Director Kirkwood provided the Financial Status Report as of September 2024.

- The summarized statement of activities was shown and reviewed. For the General Fund, total expenditures year to date are \$26.3 million (about 67% of the budget) with a net excess (deficit) of \$3,331,656.
- In Donation Fund 101, the net excess (deficit) is \$24,615.
- In Reserve Fund 102, the next excess (deficit) is \$874,656.
- In Equipment Repair and Replacement Fund 103, the net excess (deficit) is \$1,728,666.
- General Fund Summary: the net excess (deficit) is \$5,959,593.

- Bond Fund 201: the net excess (deficit) is \$55,074.
- Bond 2017 Fund 202: the net excess (deficit) is \$515,028.
- Capital Projects Fund 301: the net excess (deficit) is \$914,990.
- Capital Projects CFEP Funds 307: the net excess (deficit) is \$876,221.

B. Chief Brooks' Administrative Report

Chief Brooks reported:

- Deputy Chief Cerovski, Chief Schmidt, and Chief Brooks met with Mr. Wolf, the attorney representing the Nisqually Tribe, along with one of their contractors from Acorn Environmental who did all of the environmental assessment work and is developing preliminary impact statements that are being circulated for comment. The consultant went through an abridged version of the project, overviewing the two separate elements, outlining the gaming proposal, which went through its initial environmental impact statement scoping back in August. What is now being made available is the environment assessment for the mixed use commercial and retail element.
- It is a two-step process for the gaming side because there has to be both the authorization for the property itself and then the authorization for gaming. The tribe is not certain how that will be handled. They are prepared for either acceptance or rejection of the gaming option. They have secondary options if the gaming side were to be declined. They are scoping that work so that it would not have to go back through the entire process. This would help keep the two projects in a similar time frame. It is a more scrutinizing process for the gaming side, so it is running more slowly and will have a more detailed report forthcoming around the first quarter of next year.
- Chief Brooks attached the proposed draft letter that was shared with their attorney for his review. He had no concerns or comments back.
- Chief Brooks had a conversation earlier today with the city manager. The city is finalizing their draft document that will go forward tomorrow. The content of both was discussed to ensure alignment and no conflict. The city wants to include in their document a need for public safety services to be addressed and their willingness to do that jointly if it makes sense with the fire district and the tribe.
- It was agreed with the tribe that over the course of the year, LFD3 can put together some fairly high level scoping of what it would likely take from a financial standpoint to provide the level of service believed to be necessary.

MOTION: To authorize Chief Brooks to submit the letter that he presented to the commissioners this evening.

Motion: Commissioner Hetzler

Second: Commissioner Roberts

Carried: Unanimous

IX. COMMISSIONER COMMENTS

Commissioner Roberts – thank you to Director Kirkwood for all the work on the budget. Will not be able to attend the November 7th meeting in person but will attend via Zoom.

Commissioner Kirkbride – will be unable to attend the workshop on Saturday. Thanks to Director Kirkwood for his outstanding job on the monthly reports and the annual budget.

Commissioner Gamble – thanks to Director Kirkwood for all the hard work and time and effort.

Commissioner Hetzler – thanks to Director Kirkwood for his presentation of the budget and how easy it was to follow.

Commissioner Kelling – a reminder that at some point Chief Brooks will be talking about member recognition and the recognition ceremony. If the commissioners are encouraged, if they have not yet done so, to review the comprehensive plan that Commissioner Kirkbride shared. It was very well written and easy to follow.

X. CORRESPONDENCE

None.

XI. HEARING OF THE PUBLIC / MEMBERS PRESENT

None.

XII. ADJOURNMENT

The meeting adjourned as of 6:50 PM.

*Next Regular Meeting: November 7th, 2024– 5:30 p.m.
Available via remote meeting.*

Chair

Vice Chair

Commissioner

Commissioner

Commissioner

ATTEST: District Secretary

THURSTON COUNTY FIRE DISTRICT THREE

BOARD OF FIRE COMMISSIONERS

COMMISSIONER WORKSHOP

MINUTES OF THE MEETING

October 19th, 2024

The meeting was conducted remotely via Zoom and with in-person attendance at Station 31.
1231 Franz St SE, Lacey, WA 98516

Present:	Present (Virtual):	Excused:
Commissioner Kelling Commissioner Roberts Commissioner Hetzler Commissioner Gamble		Commissioner Kirkbride

I. CALL TO ORDER

Commissioner Roberts called the meeting to order at 5:30 PM, followed with a salute to our Nation's Flag.

II. APPROVAL OF THE AGENDA

The agenda was amended such that the Board Handbook Development Process will be addressed first followed by Capital Facilities and Equipment Planning Updates.

MOTION: To approve the agenda as published.

Motion: Commissioner Gamble

Second: Commissioner Roberts

Carried: Unanimous

III. HEARING OF THE PUBLIC /MEMBERS PRESENT

None.

IV. WORKSHOP DISCUSSION ITEMS

A. Board Handbook Development Process

Chief Brooks assigned this project to Deputy Chief Cerovski, who has already done some background work. The commissioners have a two-page document outlining how this project

might look. The district does not currently have a guide that pulls everything together for fire commissioners and executive staff. First, there will be a discussion of whether this document is needed, and secondly, clarification of the purpose of the document.

- Commissioner Hetzler commented that this has been under discussion for a few years. This document would have been helpful as a new commissioner. It will help the commissioners as a tool to hold themselves accountable and to serve as an introductory guide for new commissioners as they enter.
- Commissioner Roberts commented that at this time, it would be a strong positive to have this document in place. There will be turnover among commissioners and staff over time, and it will be helpful to have a guide in place. It could also serve to clearly outline the expectations; not just a calendar of events to pay attention to, but ethical policies for the board. A question that will need to be clarified is whether this is a standalone document, or is it connected to board policy? Does it go within the section of the board policy that relates to commissioners?
- Commissioner Kelling mentioned that other documents the commissioners have in front of them are the table of contents from the Lacey City Council Procedures and Policy Manual. This was included just as an example of what Lacey City Council uses. There is also a document from Central Whidbey Fire and Rescue as an example of what they use. Central Kitsap has one, as well. There are other fire districts that have a similar manual.
- Commissioner Gamble commented that it would be incredibly helpful to have a manual that clearly outlines expectations for commissioners. It would even be helpful for people who are interested in potentially running for the position; it would provide them with more information. There do not appear to be any negatives regarding having a manual.
- Chief Brooks commented that with all of the different changes on the horizon, it would be very helpful to have the document in place. It would also be better to be proactive in having the document prepared and available, rather than reactive.
- Chief Schmidt commented that on the operations side, many members do not fully understand what the Board of Fire Commissioners does and what their responsibilities are. It would serve as a great tool internally for the members to have a better understanding of what the BoFC does and how it operates.
- Chief Patti commented that having a document that lays out the roles and responsibilities of the board is good practice for both the commissioners and for the members.
- Commissioner Kelling acknowledged that everyone is in agreement on the need for and benefits of such a manual. This is expected to be a guidebook more so than a policy manual.
- Commissioner Roberts commented that it can be a separate document. There should be something in the policy that refers to this document. It will protect the commissioners to

be able to point back to the policy. This document should be more of a procedural manual that does not need to be voted on.

- Chief Brooks commented that the current policy has templates and reference material. The handbook should refer back to the policy and vice versa.
- Chief Cerovski commented that the Central Whidbey document is the culmination of the work of looking at the Washington Fire Commissioners Association documents and other fire districts in the state. They did a very comprehensive job and ensured that they covered all of the bases and providing guidance for procedures. There are some references to policy. There are ample references to RCW, which is the law that fire commissioners have to follow as elected officials. There are already policies in place; this will serve as guidance on how to follow it. When the fire commissioners pass down policy to the district staff, the staff have procedures in place that guide them in the process of following new policies. This example document is also very thorough, covering everything from the expectations of the position to interaction with the staff to compensation, as well as the critical things that need to be set up in terms of asset management, distribution of assets, budget adoption, etc.
- Commissioner Roberts clarified that by referencing policy, it was not intended to mean that whole sections of policy would be included; rather, a reference line referring back to the existing policy.
- Chief Schmidt commented that the references to policy would serve to give recognition to the handbook as the guiding document for the board that refers them back to the appropriate existing policies.
- Commissioner Kelling commented that this will be a joint effort between the commissioners and executive staff. It would be ideal to have one or two commissioners work with Chief Cerovski on fleshing out the content, i.e., aspects of procedure, expectations, etc. Commissioner Kelling called for volunteers who would like to be involved. There will need to be a discussion of timeline expectations.
- Chief Cerovski commented that having multiple authors can make the process slower. If this document from Central Whidbey meets with general approval as an example of the general direction to go in, then Chief Cerovski can begin to customize it to match what is done in Lacey and it can then be presented to the commissioners for audit and review. The commissioners can then make their editing suggestions and Chief Cerovski can implement those changes.
- Commissioner Hetzler volunteered to assist in the process as needed and mentioned that it might be better to keep the process limited to few people for the first few rounds of edits before presenting it to the entire board. Commissioner Roberts also volunteered to assist.

- Commissioner Kelling commented that this document will also serve as a matter of transparency for the entire district and for the public. The anticipated timeline would be 85% completion by next spring. Commissioner Hetzler clarified if 85% completion means the presentation of the draft document to the board, and this was agreed upon by all.
- Any additional thoughts can be presented to the committee consisting of Chief Cerovski, Commissioner Roberts, and Commissioner Hetzler.

B. Capital Facility and Equipment Planning Updates

Chief Brooks mentioned spending a lot of time, along with Chief Schmidt, with Director Kirkwood over the last few days, talking through budget and looking both backward and forward. To provide context for Chief Patti and the newer commissioners, it has been almost a decade since the Capital Facilities plan was started.

- In 2014, the levy was approved by the citizens, allowing Station 35 to open and to maintain the positions that were grant funded.
- In 2015, conversations started about Capital Facilities and Equipment needs.
- In 2016, there were property purchases, using district funding. The property where Station 34 now sits was purchased. The balance of the Capital Facilities plan was developed and taken to the voters in 2017 for approval of the \$20 million bond purchase.
- Chief Brooks mentioned that when he first took over in 2012, there were significant deficits, particularly at Station 34, which is now the TEC. There were multiple roof leaks, bay doors that were about to fall down, and a kitchen that was woefully inadequate for the crew needed. There was a clear need for targeted improvements. There was a discussion with the bond council and underwriters about options. That was the first time the commissioner approved going forward with non-voted debt. A small bond issuance was done in 2012 for about \$2.5 million for modest upgrades to Station 34. At that time, two new engines were also purchased. At that time, the frontline fleet of apparatus was in terrible shape, with rigs that were over 25 years with over 200,000 miles on them. That non-voted debt served as a stopgap for three or four years. The payments for that debt has been about \$90,000 a year.
- Following this, the full Capital Facilities and Equipment Plan was created. There was a locked in contract for Station 34 that carried through the challenges of the pandemic. It is likely that the work that has been accomplished and built would not have been possible with the current generated revenue had the work begun even one year later.
- As other projects have been taken on, it has been a challenge to complete all the elements of the Capital Facilities plan that was created in 2017.

- It is necessary to first highlight what is left: what has not been done on the old plan that was intended to be completed by 2021 or 2022, and what is staff's recommendation about how to complete or close out those projects; finally, what does the future look like in terms of the next iteration of needs to be addressed.
- The big things that have been completed: building the new Station 34 and then converting the old 34 to the Training and Education Center. There were bay door replacements at all of the stations. Exhaust ventilation systems for all of the apparatus bays were installed. Other more modest improvements were also done on some of the facilities. The largest of those modifications will be taking place at Station 31. Chief Cerovski is working along with the logistics team with Rice Fergus Miller, the architects and engineers, on the feasibility of some improvements at Station 31, including replacements of carpets and tile. The roof has been redone. Chief Cerovski is working on getting bids for other projects.
- Chief Cerovski stated that the biggest cosmetic element at the moment is flooring. Following that, there will be indoor painting for Station 31 and 35, for flooring. Other functional elements underway: a replacement announcement sign for the front entry has been ordered. It arrived in June and was broken. They have replaced those parts, and this process is almost completed. The exterior of the building Station 31 also needs to be painted.
- There is a health and safety element underway as well. Two grants have been received, one for a Solo Pack Washer that has been installed at the TEC, and one for a second Solo Pack Washer at Station 31. The target goal is to eventually put a unit at Station 33.
- Chief Brooks commented that neither Station 31 nor Station 35 had any footprint changes or expansions planted. Station 35, like 33, was designed with the potential for expansion, but currently, staff is moving away from investing in the expansion of the station, looking at another station in between to cover the new development areas.
- Station 32 on Yelm Highway has not been developed very much in the past years. There have been external pressures leading towards further development of that station.
- The other things that were done with the 2017 measurement was the three apparatus: the new Engine 34 and 35 and the ladder truck. Truck 31 was reaching its service life, and the goal was to get it off the road in time to be able to use it as a reliable reserve. Now having the aid cars on the road has been helpful. Engine 31 is still used a lot, but there has been better balance in terms of the impact to the crews and the workload on the apparatus. That engine has been ordered for replacement, but it has taken more than three years to get it. Staff's goal at some point in the future is to offset some of the call volume at Station 31 with an aid car that would overall lower the net volume of runs on the current rigs.

- This is a summation of all of the big-ticket items that were planned for under the previous capital measure. The one that has not yet been addressed, and one of the most critical both from an operational standpoint and from crew life perspective, is Station 33.
- Regarding Station 33: there was some preliminary work done in 2017 that provided some projections for what needed to be budgeted for. At that time, Station 33, with its limited expansion, was under \$1 million. When updates were sought for the budget projections last year, the current bid (which is now a year old) is for about \$2.6 million.
- Last year after getting the levy lid lift restoration, staff's stated goal was, if the levy was restored, was the transfer of money to be able to complete this project out of existing cash on hand. Unfortunately, the surprise last year was that instead of the 3-6% AV growth, there was a 0.3% regression of AV. That amount was between \$2.5 - \$3 million. In order to balance the budget, the work on Station 33 had to be eliminated.
- Now thanks to staff's prudent management of the current budget, we are underbudget for this year by a modest amount. Director Kirkwood is currently looking at an adoption next year at a minimum of about a 19% carryover instead of the 16%. That includes some reserve transfers on the budget side.
- Chief Brooks addressed the budget issues related to this topic. There are budgeted reserve transfers that are typically done at the end of each year. Director Kirkwood is proposing \$125,000, continuing to build reserve.
- The \$1.2 million would cover all of the apparatus that are pending right now, along with some restructuring of the budget. In the more detailed budget, it is clear that some things were moved from the General Fund over to the Equipment Repair and Replacement Fund.
- Regarding the Capital Fund: there are a couple of options. This was put at the \$600,000 level. There is an estimation of ending this year at just under \$2 million with a \$1.2 transfer in. With the expenditures, that \$3 million includes all of the apparatus plus all of the other operating expenses.
- The two aid units, which LFD3 is under contract for, already have chassis on side at the manufacturer in Iowa. Engine 31 will deliver next December. Regarding the ISU, a VIN request was just received, which is good news, as it means they are getting ready to put it into production. It is anticipated to be ready mid-year 2025.
- Chief Brooks showed the two capital funds. The 301 is the ongoing perpetual capital fund that has no restrictions. It is funded exclusively from the general fund revenues that are transferred in. The 307 fund is the voted bond debt from 2017. There were two issuances, one in 2017 and one in 2019. Those were both 20-year issuances of the bonding debt. There is fixed revenue in every year. The hope was to close out the account this year so that it would not need to continue to be carried on the books. Because of delays in timelines, it is unlikely that will be successful, but the focus is on

spending it down first in order to remove it. Director Kirkwood will look into whether there is an ability to refund the 301 Fund with some money from the 307 Fund. If that account were to be closed out, it would remove the restrictions of the funds and how they are expended.

- The ballot language in 2017 was quite broad and covered facilities and equipment (including apparatus). It cannot be used for people or staffing.
- There are different philosophical approaches to the capital funds that need to be discussed. Because LFD3 has been able to keep under budget this year, Director Kirkwood's original proposal was to transfer \$2 to \$2.5 million over to apply to some of the larger projects, such as trying to get Station 33 underway. This would pull the account balances down to fairly low levels in the subaccounts. It could still be maintained at the 16% the board wants to adopt, but it would pull other reserve balances down quite a bit.
- When reaching out to bond council to talk about the pros and cons of voted debt, non-voted debt vs cash on hand, one of the things to consider is that when the bond goes out for re-rating, the expectation is to get upgraded. One of the big things that bond underwriters look at is the percent of cash on hand. Anything below 20% becomes questionable.
- It is a question of the board's comfort level of spending the money already on hand versus being willing to potentially look at some level of debt to cover the aforementioned projects. One thing mentioned in the past is the local program, which is the direct loan that is sponsored by the state. In talking with the bond underwriter, they do not administer that program, so they do not highlight it or talk about the value of it. They do have direct bank loans that they can provide, or non-voted bonding. Staff would like to move forward with research and investigation in order to bring back a proposal. Looking at some level of non-voted debt, specifically to complete the Station 33 project, is what makes the most sense. It is the most time sensitive and needs to begin moving forward. LFD3 is extremely low in debt percentages compared to all of the comps.
- Questions are welcome from the commissioners regarding the concept of cash on hand versus debt, knowing that with cash on hand, it might not be possible to complete the projects.
- Commissioner Hetzler inquired how much is left owing on the old non-voted bond. Chief Brooks replied that Director Kirkwood is working on an amortization schedule. The non-voted was issued in 2012 and will mature in 2032. \$90,000 per year is being paid and will be paid each year for the entirety of the debt. The original funds were \$2.5 million.
- Commissioner Hetzler commented that it feels important to keep the cash on hand. Spending that money down feels imprudent. The pandemic is a good example of the unpredictability of the future and what may come up unexpectedly. The idea of a non-voted bond feels worth exploring.

- Commissioner Roberts inquired if the 16% required by statute will be maintained. Chief Brooks responded that it would never drop below the 16%, in the case of any and all proposals brought forward to the commissioners.
- Commissioner Roberts stated an unwillingness to go out for a publicly voted bond again. Chief Brooks reported that as of today, that is not a staff recommendation. Going forward, the relationship with the tribe will dictate a lot of those decisions. If the tribe is not willing to make a lump sum large up-front contribution but is willing to provide incremental funds, there might be a necessity to go out for voted debt, but that could be used to demonstrate that the tribe is doing their part. That will be an ongoing conversation with the tribe.
- Commissioner Kelling commented that it appears everyone agrees that Station 33 needs to be closed out and those projects completed. The district needs to be positioned in the best possible way for a successful future. Everyone appears to agree that voted debt is not the right course of action, nor is that staff's recommendation at this point. It is important to get numbers on the non-voted debt in order to be able to make an informed decision. It is important to have cash on hand. Commissioner Kelling asked the chief to clarify what is needed from the commissioners at this time.
- Chief Brooks asked for clarity on whether the commissioners agree with moving forward with the investigatory process. Staff will reengage with bond council along with the local program to find out what the different options are and will come back with a recommendation as soon as possible to determine the timeline to trigger those steps. Chief Cerovski is working closely with the architects and engineers to have accurate costing on Station 33.
- Commissioner Kelling asked about the 2017 thru 2021 Capital Facilities and Equipment plan; was this the first plan that the district developed? Chief Brooks responded that it was the first one done under his leadership. Commissioner Kelling also asked about the regional training academy. The training facility needs are growing and will need to be taken into consideration when decisions are being made.
- Commissioner Kelling clarified that the next set of decisions for the board will be in winter. Ideally, the goal is to be prepared for the weather and construction. Chief Brooks responded that next week the staff will begin reengaging in earnest with bond council and the underwriter to determine the different paths forward. There will be a discussion of the range of unvoted debt to look at.
- Chief Brooks revisited the renderings of the Station 33 project, showing and explaining the renderings for the commissioners.
- Commissioner Hetzler asked about the projects that are planned for Station 31. Chief Cerovski reported that there is a storage room adjacent to the dorm room on the south wall. One of the plans was to add three dorm rooms. A decision was made last week to

change that plan to make a storage area for personnel uniform lockers. That expands the capacity of locker storage in all the dorm rooms. The dorm room number meets the intent for expansion of additional units responding out of this station. That is an inexpensive way to maximize capability for the dorm room side. There are some other elements, such as redesigning the lieutenant's office and redesigning the battalion chief's office and creating a small conference room space for private meetings. There will also be changes to storage to be more efficient. All EMS storage will be located in one spot instead of three locations as it is now.

- Chief Brooks stated that for reference, the current minimum staffing model today has nine personnel running out of this station: engine, truck, medic unit, and the battalion chief. With the aid unit added, there would be a minimum of two more (total of eleven). There are times when there is a paramedic student or four people riding on the engine or the truck. The total number of dorm rooms is 14. However, there are fewer lockers than rooms. Having a common locker room would help with this.
- Chief Schmidt stated that the goal is to be more efficient by looking at the coming and going of people in the mornings and where they store their gear. Chief Brooks responded that the solution is by moving the locker to a different location, no longer in the sleeping room, which will be more efficient for people as they will be able to grab their gear without having to go into the sleeping dorms.
- Chief Brooks also mentioned that the administrative team has grown a great deal. There is only one empty office in the entire building, which presents a challenge. There is an admin staff of over 20 people. There are often lines for things like bathrooms and microwaves. It would be helpful to repurpose some areas upstairs to create a separate break room, as well as adding a shower.
- Chief Brooks finished showing the renderings of the planned updates to Station 33.

V. EXECUTIVE SESSION

- A. In Accordance with RCW 42.30.110(1)(g) to evaluate the qualifications of a candidate for public employment.

VI. ADJOURNMENT

- A. No items.

The meeting adjourned as of 11:12 AM.

*Next Regular Meeting: November 7th, 2024– 5:30 p.m.
Available via remote meeting.*

Chair

Vice Chair

Commissioner

Commissioner

Commissioner

ATTEST: District Secretary



2025 Proposed Budget

All Funds

presented

November 7, 2024

2025 General Fund Budget - 001				
<i>Revenue</i>	2023 Actual	2024 Budget	2025 Proposed Budget	% of 2024 Budget
Beginning Unassigned Cash and Investments	6,836,833	7,965,761	9,731,000	122%
Property Taxes	23,725,079	30,579,813	32,137,000	105%
Intergovernmental Revenue	161,638	5,700	6,200	109%
Charges for Goods and Services	6,360,515	6,325,000	6,597,000	104%
Interest and Other	425,577	498,000	510,000	102%
Total Revenue	37,509,642	45,374,274	48,981,200	108%
Executive/Legislative				
Personnel/Taxes and Benefits (1.25 fte)	283,895	340,648	619,670	182%
Supplies	2,212	3,000	5,000	167%
Services	99,998	176,000	151,000	86%
Subtotal Executive/Legislative	386,104	519,648	775,670	149%
Administration/Support				
Personnel/Taxes and Benefits (22.5 fte)	2,521,062	3,639,074	4,808,070	132%
Supplies	869,189	1,095,000	1,035,200	95%
Services	1,642,820	1,945,000	1,760,300	91%
Leases/LT Debt	77,667	81,600	81,600	100%
Capital Equipment	0	0	112,000	
Subtotal Admin/Support	5,110,738	6,760,674	7,797,170	115%
Fire Protection and Life Saving Operations				
Personnel/Taxes and Benefits (140 fte)	23,550,440	29,770,008	30,785,170	103%
Supplies	52,071	85,000	137,200	161%
Services	195,672	239,900	264,900	110%
Capital Equipment	0	0	10,000	
Subtotal Fire Fighting/EMS	23,798,183	30,094,908	31,197,270	104%
Total Appropriations	29,295,025	37,375,230	39,770,110	106%
Fund Transfers				
Innerfund Transfer to Reserve Fund (102)	125,000	125,000	125,000	100%
Innerfund Transfer to ER&R Fund (103)	150,000	950,000	1,200,000	126%
Interfund Transfer to Bond Fund (201)	91,000	91,000	16,900	19%
Interfund Transfer to Capital Fund (301)	155,063	1,000,000	600,000	60%
Subtotal Transfers	521,063	2,166,000	1,941,900	90%
Total Appropriations and Transfers	29,816,088	39,541,230	41,712,010	105%
Unassigned Ending Cash and Investments	7,693,555	5,833,044	7,269,190	125%
% of Appropriations	26%	16%	18.3%	

2025 Donation Fund Budget - 101				
<i>Revenue</i>	2023 Actual	2024 Budget	2025 Proposed Budget	% of 2024 Budget
Beginning Unassigned Cash and Investments	23,624	24,540	24,500	100%
Interest and Other	1,496	1,250	1,400	112%
Total Revenue and Transfers	25,120	25,790	25,900	100%
<i>Expenditures</i>				
Supplies	278	6,000	8,000	133%
Total Expenditures	278	6,000	8,000	133%
Unassigned Ending Cash and Investments	24,842	19,790	17,900	90%

2025 Reserve Fund Budget - 102				
<i>Revenue</i>	2023 Actual	2024 Budget	2025 Proposed Budget	% of 2024 Budget
Beginning Unassigned Cash and Investments	759,199	872,293	998,000	114%
Interest and Other	13,876	12,000	15,000	125%
Transfers In from General Fund	125,000	125,000	125,000	0%
Total Revenue and Transfers	898,074	1,009,293	1,138,000	113%
<i>Expenditures</i>				
Unemployment	25,716	50,000	50,000	100%
LEOFF1 Extraordinary Costs	0	55,500	55,500	100%
Total Expenditures	25,716	105,500	105,500	100%
Unassigned Ending Cash and Investments	872,358	903,793	1,032,500	114%

2025 Equipment Replacement and Repair Fund Budget - 103				
<i>Revenue</i>	2023 Actual	2024 Budget	2025 Proposed Budget	% of 2024 Budget
Beginning Unassigned Cash and Investments	1,570,132	1,239,729	1,946,000	157%
Interest and Other	26,809	24,000	30,000	125%
Transfers In from General Fund	150,000	950,000	1,200,000	0%
Total Revenue and Transfers	1,746,941	2,213,729	3,176,000	143%
<i>Expenditures</i>				
Apparatus Parts and Supplies	0	0	200,000	
Apparatus Repair and Maintenance	15,565	10,000	70,000	700%
Apparatus Maintenance - Olympia	0	0	300,000	
Replacement Vehicles/Apparatus	668,367	924,471	2,358,000	255%
Rent/Lease - Equipment Long Term	0	0	150,000	
Total Expenditures	683,931	934,471	3,078,000	329%
Unassigned Ending Cash and Investments	1,063,010	1,279,258	98,000	8%

2025 Limited Tax General Obligation Bond Fund Budget - 201				
<i>Revenue</i>	2023 Actual	2024 Budget	2025 Proposed Budget	% of 2024 Budget
Beginning Unassigned Cash and Investments	60,685	63,325	71,000	112%
Interest and Other	1,142	1,000	2,000	200%
Transfers In from General Fund	91,000	91,000	16,900	0%
Total Revenue and Transfers	152,827	155,325	89,900	58%
<i>Expenditures</i>				
Bond Debt - Principal	65,000	65,000	70,000	108%
Bond Debt - Interest	23,450	21,175	18,900	89%
Other Debt Service Costs	0	1,000	1,000	100%
Total Expenditures	88,450	87,175	89,900	103%
Unassigned Ending Cash and Investments	64,377	68,150	0	0%

2025 Unlimited Tax General Obligation Bond Fund Budget - 202				
<i>Revenue</i>	2023 Actual	2024 Budget	2025 Proposed Budget	% of 2024 Budget
Beginning Unassigned Cash and Investments	130,724	138,347	138,347	100%
Property Taxes	1,235,537	1,246,223	1,320,990	106%
Interest and Other	8,124	6,000	7,020	117%
Total Revenue and Transfers	1,374,385	1,390,570	1,466,357	105%
<i>Expenditures</i>				
Bond Debt - Principal	595,000	655,000	720,000	110%
Bond Debt - Interest	649,350	631,500	608,800	96%
Other Debt Service Costs	1,050	1,500	1,500	100%
Total Expenditures	1,245,400	1,288,000	1,330,300	103%
Unassigned Ending Cash and Investments	128,985	102,570	136,057	133%

2025 Capital Projects Fund Budget - 301				
<i>Revenue</i>	2023 Actual	2024 Budget	2025 Proposed Budget	% of 2024 Budget
Beginning Unassigned Cash and Investments	391,135	327,508	850,000	260%
Interest and Other	5,492	6,000	8,000	133%
Transfers In from General Fund	150,000	1,000,000	600,000	0%
Total Revenue and Transfers	546,627	1,333,508	1,458,000	109%
<i>Expenditures</i>				
Pack Washer Project	5,712	0	60,000	#DIV/0!
Station 33 Improvements	0	1,000,000	1,000,000	100%
Other Facility Projects	170,617	300,000	100,000	33%
Capital Equipment	0	0	85,100	
Total Expenditures	176,330	1,300,000	1,245,100	96%
Unassigned Ending Cash and Investments	370,297	33,508	212,900	635%

2025 Capital Bond Funded Projects Budget - 307				
<i>Revenue</i>	2023 Actual	2024 Budget	2025 Proposed Budget	% of 2024 Budget
Beginning Unassigned Cash and Investments	4,096,769	2,460,811	835,000	34%
Interest and Other	63,719	35,000	10,000	29%
Total Revenue and Transfers	4,160,488	2,495,811	845,000	34%
<i>Expenditures</i>				
Bond Funded Capital Projects (VRF, St 33)	2,185,303	2,495,811	845,000	34%
Total Expenditures	2,185,303	2,495,811	845,000	34%
Unassigned Ending Cash and Investments	1,975,186	0	0	