

**POLSON RURAL FIRE BOARD
SPECIAL MEETING MINUTES
APRIL 22, 2009 5:30 P.M.**

Board trustee members present: Fred Nelson, Alison Meslin, Jim Manley, Steve Bundy.

Board trustee member absent: None (Note – Trustee Dave Ottun seat vacant).

Staff Present: Fire Chief John Fairchild.

Guests: Lake County Commissioner Bill Barron, Polson Polson City Commissioner Elsa Duford, Troy Truman, Lester Johnson, Lee Manicke, Dean Hermes, Paul Bishop, JoAnn Swope, Jack Clapp, Jane Clapp, Jeff Meslin, Toni Burton, Paul Mauer, Paul Laisy, Roger Rogers, Jerry Peterson, Martin Glasson, Tom Newgard, Bruce Gerlach, David G. Graham, Andy Learn, Brian K. Jones, Joseph Cope, Britt Matson.

Meeting called to order at Polson Library public meeting room by Chairman Nelson at 5:36 p.m.

LAKE COUNTY COMMISSIONERS REQUEST - Chairman Nelson introduced the first item of business. On behalf of the Lake County Commissioners, Lake County Commissioner Bill Barron would like to address the Polson Rural Fire Board and the public in attendance. Commissioner Barron suggested the Polson Rural Fire Board Trustees not award the bid to construct a new fire station on land leased from Lake County at the fairgrounds. He also indicated the commissioners have no authority over the board. The commissioners request a meeting with the Polson Rural Fire Board. The meeting is considered an open meeting, but requests the meeting be private with a full report following the meeting. Trustee Manley asked the purpose of the meeting. Commissioner Barron replied the commissioners have some questions regarding the fire station building on county land and would like further clarification of plans. Trustees Manley and Meslin noted the bid documents stated after the bids were opened and read the contract is to be awarded within ten days. Chairman Nelson asked if contractors are present. Troy Truman is the only contractor present. Troy stated it is in his best interest to let the public be served. Resident Paul Mauer questioned the commissioners current concerns and noted the building plans have been ongoing for a period of time. Commissioner Barron indicated just recently the commissioners were aware of the bid letting proposal. Trustee Manley suggested the issues presented at this time. Commissioner Barron replied the commissioners have concerns regarding building codes, specifications, compaction, etc. Trustee Manley indicated the building will meet codes and all permits will be secured. Trustee Meslin and Lake County Fairgrounds Manager David Graham are working with Department of Environmental Quality (DEQ). Commissioner Barron also indicated there are contractor concerns regarding the bid proposals and the way the bid proposals were issued, the specifications, and personally feels the meeting is necessary to prevent litigation down the road. Mr. Rogers asked if the request is a unanimous request by the Lake County Commissioners. Commissioner Barron and Trusler are requesting the meeting. Trustee Manley noted Trustee Meslin spent countless hours with the nine bid contractors and the contractors indicated they are comfortable with the bid specifications and process. Trustee Manley suggested Commissioner Barron discuss the issues publicly. Commissioner Barron stated the commissioners would like to go through the bid process step by step, bid specifications, blue prints, and how the decision is made to award the bid and also noted a contractor has a complaint regarding the process. Fireman Jeff Meslin indicated all the proposals were discussed in open meetings and bid proposals were available for a considerable length of time. Trustee Manley indicated no contractors expressed displeasure to the board. Fireman Jack Clapp stated with due respect a contractor is not likely to express displeasure to the board. Commissioner Barron stated one contractor expressed displeasure; but requested confidentiality due to concerns over being blackballed. He further expressed his goal this evening is to pull things together and alleviate some of the issues that have surfaced. Trustee Manley stated if the contractor's bid award is delayed; a new bidding process will be required. Trustee Meslin stated she has been in contact with the nine bidders. Various options were provided to the contractors to opt for a wood frame or metal building; therefore, not to exclude contractors who provide wood

construction. Also stated certain levels of construction require engineering, all state and local codes are applicable, wood building requires architect stamped plans. The variations with some of the contractors indicate the contractors were eager to provide extra options. The nine bidders have been the most pleasant, helpful people to work with. Commissioner Barron replied the board obviously has more information than the Lake County Commissioners. Trustee Manley indicated the board received information from contractors stating pressure from some circles not to bid or reasons why they shouldn't bid which sounds similar to the what Commissioner Barron is expressing. Commissioner Barron replied I don't know if this contractor was called by anyone. Trustee Meslin noted over thirty bid packages were picked up, while some were for subcontractors. Nine contractor bids were submitted and all nine are very satisfied with the process and emails were written in appreciation of the process that transpired. Dave Graham, manager at Lake County Fairgrounds and also a local contractor suggested the board delay the process for a couple of days and meet with the Lake County Commissioners. Chairman Nelson stated the Lake County Commissioners have made a request, the board needs to analyze the issue and vote on the request to meet with the commissioners. **Motion Chairman Nelson, second Trustee Bundy to accept the Lake County Commissioners request to meet with the Polson Rural Board Trustees regarding bid process for a fire station located at the Lake County Fairgrounds on leased property. Therefore table the construction bid award.** Trustee Meslin requested discussion. She suggested to review the bids for an affordable project and decide on the bid award with the caveat that it would all hinge if the award is completely awarded following a meeting with the commissioners hopefully the next day. Commissioner Barron stated the commissioners are not trying to stop construction and merely have some questions and if the bid was made along the lines to be awarded pending any new information that may come out of the meeting. **Trustee Manley moved that the motion be amended to go through the process and make a tentative award if one is decided on this evening subject to any new information that comes out of a meeting with the commissioners. Trustee Bundy seconded the amended motion.** Trustee Meslin added nine contractors are waiting for the award. Resident Paul Mauer suggested the trustees amend the motion to include a public meeting with the commissioners, as it should not be a private meeting. The meeting cannot be a closed meeting; while the request is for a private meeting with the information made public. Building committee member Paul Laisy noted tentatively awarding the bid tonight and then information at the meeting with the commissioners could change the bid award. Trustee Manley suggested an indication of an acceptable bid and not tentatively award a bid. Resident Roger Rogers asked Commissioner Barron about concerns with litigation. The contractor insinuated litigation and the commissioners felt it was a heated enough issue and the goal is to make the project proceed without added issues. Trustee Meslin noted nine bidding contractors are working with the board and asked if Commissioner Barron feels there is a problem. Commissioner Barron stated the request is based on what came to the Lake County Commissioners and the Rural Fire Board obviously has more information than the commissioners. He has a lot of trust and faith in the board, the commissioners provided land for the project so there is obvious support; while the commissioners want to try to go through the process with as little problems as possible and prevent conflicts in the future. Trustee Meslin noted a lot of misinformation has surfaced and it has been challenging. The commissioners are trying to get everything clarified in a way that everyone can understand the whole project and might solve a lot of problems. **Trustee Manley withdrew the amended motion; Trustee Bundy withdrew the second to the amended motion. Chairman Nelson asked for a vote on the motion to table the construction bid award and meet with the Lake County Commissioners. Trustees Nelson, Manley, Bundy in favor; Trustee Meslin opposed. Motion Carried.**

REVIEW CONSTRUCTION BIDS - Chairman Nelson requested the board review the construction bids for a fire station. Specifically ranking the four low bids. Paul Bishop rural taxpayer and representing the Polson Firefighter Membership sent a letter to the board outlining specific concerns with the project.

Paul requested to address the board regarding the concerns. Following is a summary of the issues. 1). Currently three trustee seats are open representing a majority of the five member board. Therefore, any major decision should be postponed until the next full board is in place. 2). Reasonable and detailed plans drawn for the bidders to convey exactly what is being proposed and convey the same information to all bidders, a written addendum needs to be issued. 3). Public buildings in Montana must be designed by a licensed architect, although in some limited circumstances a licensed engineer may submit plans for a more basic structures. 4). The plans require a stamp by a licensed architect in order to obtain a building permit. 5). If the bidding process has been used to simply establish a budget for the project with no intention of an award to the lowest bidder, the board violated the basic public bidding process. 6). Additional cost categories need to be analyzed. Mr. Bishop provided a detailed cost projection spreadsheet format for the additional cost categories in addition to a simple building. Apparently some items are deferred with no plan in place to fund additional items. 7). Mr. Bishop has been a licensed architect in Montana for 19 years and also a volunteer firefighter. He designed six rural fire stations similar to the one being proposed. 8). The board has not asked for input from the firefighters. The firefighters will be at a huge disadvantage since they will be required to function at a facility which they had no involvement. The letter requested the Trustees decline to award a contract until the issues can be addressed. (Copy of letter attached to file minutes). Trustee Meslin requested to answer the issues. The building specifications incorporate all local and state codes, and ADA compliance. An addendum was issued shortly after the specifications were completed. The addendum was forwarded to bidders that had picked up bid packets. Contractor Troy Truman stated he received a copy of the addendum. The bidding packet states DEQ and environmental recommendations and state codes must be followed. Your guidelines for extra costs were used and the committee appreciates the information. The board has been working on the project for over a year and the project has taken much longer than expected. Members have worked hard on the project. Not certain what the validation is with the new board members, unless the new board members have a different agenda. Firefighters Paul Bishop, Chris McGuinness and Fire Chief John Fairchild have attended the building committee meetings along with special workshops with firefighters. A number of the firefighters ideas have been incorporated. During the meetings, all parties were not in agreement, but the purpose of the meetings were to exchange ideas. Paul Bishop indicated a common set of plans should be issued. The request is for engineered plans; the wood frame building must have architect stamped plans. Contractor Troy Truman allowed \$3,000 for the architect fee. Andy Learn, Chief Cliff Fire Chief asked why is the building being built? Trustee Manley explained the fire department has outgrown the present facility. Jack Clapp and Paul Bishop made a presentation to the city commission last fall indicating the present facility is inadequate and dangerous. Chairman Nelson further stated last summer when the interlocal agreement was reviewed with the city commission and then city manager Jay Henry the rural board requested a few changes. During the discussion Mr. Henry stated there would be no changes and perhaps it is time to get your toys and go home. Jack Clapp indicated the interlocal agreement changes were implemented. Recently the city commission reviewed the interlocal agreement as a housekeeping item and voted to maintain the current interlocal agreement. Trustee Manley indicated the firefighters recognize a need for a new facility, but they advocated a joint city-rural station and a multi-million dollar facility. Mr. Learn further stated stations and equipment need volunteers to respond; noting the Chief Cliff station needs additional volunteers. The proposed station will house city and rural equipment, and personnel will remain the same. Firefighter Martin Glasson indicated the firefighters are not opposed to new station; the concern is the location of the station. The firefighters advocated the services of a consultant to analyze the best location of a new station. Trustee Manley indicated the board voted to not expend funds for the consultant's fee. The volunteers and city

could have contracted with a consultant. Alternative locations for a new station on Tower Road indicate a water supply is not currently available and fire station building covenants were expensive; while the Jette Meadows location with water supply was challenged by a resident threatening a lawsuit if the station was located in the area.

COST ANALYSIS - Trustee Meslin presented the cost analysis to construct the new station. Fire station building with fence, building permit, water & sewer permit, DEQ civil engineer & ground work, and impact fees approximate building costs \$230,976. Transfer from capital reserve account \$50,000; FY '08-'09 budget building expense \$18,000 remaining amount to be financed \$152,976. With a provision for unexpected expenses, the amount to be financed is \$160,000 at 4.375% for 15 years with annual loan payments \$14,658.96; estimated utility and insurance \$3,341.04. Also analyzed was the loan payment on \$150,000 with an annual payment of \$13,742.78; \$140,000 loan with an annual payment of \$12,826.60. The prior fire truck loan information was also analyzed - loan September, 2006 \$517,933 4.88% interest for 7 years. Currently the amount utilized from the operating funds is \$6,980; while the amount utilized from operating funds FY'07-'08 was \$24,773. November, 2009 the fire truck loan was refinanced in the amount of \$340,000 at 4.0% interest for 4.5 years. The operation revenue May 1, 2008 to April 30, 2009 is \$128,231.02; while the forecasted operational revenue FY'08-'09 is \$120,000. (Copy of financial data attached to file minutes). A spreadsheet was prepared with 4 low bids and 5 high bids. The fire chief was present at the building committee meetings when the specifications for the project were formulated; while the analysis of the bidders packets became a function of the board. The bid packets were analyzed by Trustee Meslin. She worked with the contractors to verify the specifications and compile a document (spreadsheet) the board can read. Paul Laisy stated the spreadsheet makes the information clear. Paul also looked at similar buildings and particularly steel buildings. The buildings he viewed would meet the needs of a fire station; while others were a warehouse function. Trustee Manley thanked Paul Laisy for his hard work. Paul Bishop stated he contacted all the bidders and recorded their comments on the project. Paul Bishop made a suggestion to contractor Troy Truman to not bid the project due to irregularities. Trustee Manley queried Mr. Bishop contacted the bidders to denounce the project. Trustee Manley thank Paul Bishop for his work with the project.

REVIEW OF BIDS - The lowest 4 bids were reviewed. 1) Metal building base price \$207,720 with utility connections; 2) Metal building \$189,755 no utility connections; 3) Wood frame \$200,900; 4) Metal building with no interior finishing \$201,460. The three metal building bids have no interior finish; the wood building has sheetrock finish. The efficiency analysis metal to wood indicate a wood interior will be more efficient to retain heat. In the metal building, insulation will be exposed in the bays, subject to damage and difficult to clean. High bids \$395,000 wood with metal siding; \$339,000 wood building with wood siding \$275,588 metal building; \$269,050 metal building; \$377,000 metal building. Prices for items were clarified with the contractors and broke down for comparison. Trustee Meslin recommended Truman Design & Construction, Inc. (Troy Truman) awarded the bid. Three members of the building committee Dave Ottun, Paul Laisy, and Alison Meslin analyze the bids to complete the spreadsheet. Trustee Meslin read the specifications for the project. (Copy attached to file minutes). Chairman Nelson asked if Mr. Truman wants to withdraw his bid. Mr. Truman feels the political pressure; although will perform the contract with a clean, honest job. **Motion Trustee Meslin, seconded Trustee Bundy to tentatively accept the low bid of Truman Design & Construction, Inc. \$200,900 Motion carried unanimously.** Trustee Meslin indicated the award needs to be finalized within 30 days of the bid opening and suggested notice of meeting by KERR radio public service announcement. Trustee Manley and legal counsel Bob Long will draft the contract. Trustee Manley will also contact the city regarding the impact fees. Polson Fairgrounds, Inc. President David Graham will assist with the DEQ

process. **Motion Trustee Meslin, seconded Trustee Manley to contact David Graham to assist with DEQ process. Motion carried unanimously.** Trustee Meslin further suggested Polson Fairgrounds, Inc. brought into the loop to feel comfortable with the project and a plan implemented for general over site and management. Paul Bishop asked if Fire Chief Fairchild will be involved. The board replied certainly. Resident Paul Mauer thanked the board for their efforts and perseverance. He cannot visualize a business with inadequate storage facilities to house over a half million dollars of equipment. The board has his endorsement and offers assistance. Trustee Manley appreciates Mr. Mauer's involvement and attendance at meetings. Trustee Meslin will notify the nine bidders the contract has not been awarded.

MEETING CONTINUATION – Trustees set a meeting for continuation of the bid process Tuesday, April 28th 6:00 p.m. at Polson Library public meeting room.

Motion Trustee Meslin, seconded Trustee Bundy to adjourn. Motion carried unanimously.

Meeting adjourned 7:26 p.m.

Fred J. Nelson, Chairman

Alison W. Meslin, Secretary-Treasurer