SOUTH KING FIRE & RESCUE

SPECIAL COMMISSIONERS MEETING
Station 68
May 19, 2015

Commissioner Gates called the meeting to order at 0900 hours with Commissioners Thompson and Rickert present. Commissioner Freitas is excused and Commissioner Fossos should be on his way. Board Secretary Lauri Perry recording.

Pledge of Allegiance was led by Commissioner Thompson.

COMMISSIONER COMMENTS

Commissioner Rickert pleased to be here today; however he is a little disappointed in the outcome of the Bond issue. However you also have to look at the positive side we had 57.5% yes votes, which means that the majority of our citizens were in favor of this. Unfortunately, there was a poor voter turnout this election. Looking at our options we have some decisions to make, still not convinces which way to go, so it will be an interesting meeting.

Commissioner Thompson reported that he was totally shocked at the statistics of the election; there are 120,000+ people that live in the District with only 75,000 are registered voters and only 23% voted. He looks forward to exploring all of our options and moving forward, this Bond was a big deal for the future of the department and the safety of our personnel and the communities we serve. Thanks to everyone that helped with the Bond issue.

Commissioner Gates echoed comments that Commissioners Rickert and Thompson made, he was also shocked that the Bond didn't pass and the low turnout of voters. He also thanked everyone for their work on the Bond.

PUBLIC COMMENTS

Roger Flygare noted that there was a short timeline and more time is needed to reach out to the community. He also believes that PSERN really hurt the Bond, along with some voter confusion.

BOARD DISCUSSION AND DIRECTION TO STAFF RELATIVE TO POTENTIAL BOND ISSUE

Chief Church reported that we will be discussing some options for the Board to discuss and make some decisions; we will gather data from the election to bring back to the Board.

At 0910 hours Commissioner Fossos arrived.

Option #1 - $53.7 Million

- Back on the ballot November 2, 2015
- Board can analyze data
- We would have to file with King County by August 4, 2015, so a decision by the Board would have to be made by mid-July.
- There should be a much larger voter turnout with the 30th District House of Republicans on the ballot.

- Seek additional input from a Citizen Group (CAT/Focus Group)

Option #2 - $53.7 Million

- Back on the ballot in April or August of 2016
- This gives us more time to look at costs and analyze data

Option #3 – Reduce the Amount of the Bond ($30 Million Range)

- Back on the ballot in November 2015, April or August of 2016
- Focus on the “gotta do’s” and the “must have’s”
    - Engines
    - Aid Cars
    - Roofs
    - Seismic Upgrades
    - Fuel Storage Tanks

Option #4 – LTGO

- Approved by the Board of Commissioners
- Take care of our have to have’s and the must do’s for the storm term
    - Engines
    - Aid Cars
    - Seismic upgrades at key stations (stations 62, 63 and 64)
    - Roofs
    - Fuel Storage Tanks
- The payment would come out of our general budget with no additional revenue to cover it
- There are some additional options such as interest only for a couple of years, deferred payment and etc.
- Pay off current LTGO fund

Option #5 – Funds from State

- Program similar to LTGO
- Funds Capital needs
- No deferred payment, begin making payments immediately
- Low interest rates

Option #6 – Lease/Purchase

- Engines
- Aid Cars
- Staff Vehicles
    - Prevention
    - Training

- Funds come out of general budget, with no additional revenue coming in

Option #7 – Wait for 2016 Place a Bond on the ballot either for $53.7 million or smaller, replacing the current M&O levy (amount of the levy would be approximately the same…thus a virtual "levy swap")

- Put a Bond on the ballot in 2016
- Let the M & O Levy expire at the end of 2016 (no collection of funds after 2016)

Commissioner Gates noted that there is no doubt what was in the $53.7 million Bond is what we thought we would need for the next 20 years, there isn't anything on the list that we didn't need. Not in favor of reducing the amount, we needed everything on the list. We are also in Danger of losing our Class 2 Insurance rating, if the rating bureau looks at us again, sees the Bond failure they will realize that our capital equipment is going downhill and no guarantee it will be replaced. It seems like King County is coming back to the voters for different funding measures each year. We need to make a better case that all of the items on the Bond list are absolutely needed in favor of getting the CAT back together in June for a couple of meetings and if their recommendation is to go back out, we have time for the Board to discuss and approve by mid-July and to get it filed with King County by August 4th. November of 2015 seems like a feasible time to be on the ballot, 57.5% is good, we were only a few hundred ballots short.

Commissioner Rickert noted that the Bond did not have anything in it that we didn't need; our community is in jeopardy of losing our Class 2 Insurance rating if we are not able to maintain our equipment. He personally believes taking out loans to pay off loans, is not the way to do it, you go farther in debt. We need to communicate with the public a lot more to show the need for this and encourage people to vote, hopefully there will be a larger voter turnout in November. Commissioner Rickert does not believe that the $53.7 million Bond was in excess, we haven't run a Bond in 20+ years. Sooner or later we will have to run a Bond; we can look at a smaller amount or shorter time to repay the Bond, the need is still there. The citizens have always supported the fire department and we only missed this passing by a few hundred votes.

Commissioner Thompson is reluctantly in favor of rerunning the Bond, the delay of it not passing two (2) weeks ago, how does this delay affect the Bond rates? Rob Shelly from Piper Jaffrey mentioned that this is the year that the Feds have talked about increasing the rates, they have already seen a very small increase so far. Commissioner Thompson added that this is a concern of his, how will the increase in Bond rates affect the amount that we need and with building costs are going up. This is the 1st Bond issue that we have run in 20 years, we focused to pay as we go and put money aside, with the failure of the Service Benefit Charge and the recession, we had to dip in reserves. We know there is going to be an earthquake, we just don't know when and we are supposed to be there to help our citizens but if our stations collapse how can we help them, we can't. It is our time to plan for the future and it's our responsibility the plan and protect our citizens. The citizens may not understand the impact of not doing anything, especially with the Class 2 Insurance rating. What they could pay for the Bond far outweighs the increase that they could pay for a higher insurance rating. Maybe we should change the name of the Bond to "Community Safety and Response Bond", there seems to be a lot of misinformation out there that the Bond was for Firefighters salaries, however the Bond can only be used for Capital items. Commissioner Thompson supports going back out on the November ballot.

Commissioner Gates added that is has been over 20 years since the Bond issue for capital needs passed in 1992 and we began collecting funds in 1993, also our newest station was built in 1984-85, it has been 30 years since the last station was built and look at the growth that has happened during that time period in our community.

Commissioner Fossos noted that the community has said they wanted the Bond. He believes that there was some confusion and that we should put this back on the ballot, for the future needs of the citizens we represent and provide service to. We are in jeopardy of losing our Class 2 Insurance rating. A number of citizens that he talked to thought the Bond passed since we received a 57.5% yes vote; Commissioner Fossos explained to them that we needed a 60% plus 1 vote. He is extremely disappointed in the misconception by some folks that all we do is Medic or EMS calls, that we don't have very many fires; however, you can't predict what happens on the freeways, you have to have extra rigs to protect the incident where personnel is moving around and keep our people safe. And, we still have fires and need personnel and apparatus to deal with these true emergencies. He supports being on the November ballot.

Commissioner Gates added that we need to remind people that we are a very busy department we respond to emergency calls about every 30-31 minutes, 24 hours a day/7 days a week/365 days a year.

Chief Church encapsulated the discussion by stating that he heard that the desire of the Board to establish a focus group/CAT to gather input from the community, gather data relative to what happened in April for the Board to review and to see if November of 2015 (or an election sometime in 2016) makes sense. He then stated the Board could hold a Special Board Meeting in late June or early July to make an informed decision about going back on the ballot and the amount of the Bond, whether it is in 2015 or 2016.

Commissioner Fossos added that the new Federal Aviation buildings in Des Moines will see 1,700 new employees in addition to the construction taking place in Des Moines, and this will only increase our calls for service. He added that some citizens have voted against the Bond, which was to purchase items that we need to do our job, it doesn't affect the citizens until they have a medical emergency and then they wonder and ask why we didn't have all of the necessary items to do our job.

Commissioner Rickert added that somehow, he would like us to get more information out to the public, do a better job of informing them on why we are doing these things and why we needed these things. Chief Church applauded Rachel Dawson from the Federal Way Mirror; she has done a great job of getting factual information out to the public.

Meeting adjourned at 1000 hours.

_____ _____

CHAIR/COMMISSIONER VICE CHAIR/COMMISSIONER

_____ _____

COMMISSIONER COMMISSIONER

_____

COMMISSIONER

_____

BOARD SECRETARY

SOUTH KING FIRE & RESCUE IS AN EQUAL OPPORTUNITY EMPLOYER