

**MINUTES OF THE SEPTEMBER 22, 2015 SPECIAL MEETING
OF THE BOARD OF COMMISSIONERS OF KING COUNTY FIRE DISTRICT
NO. 2**

A special meeting of the Board of Commissioners of King County Fire District No. 2 was held at (the old) Station 28 on September 22, 2015, commencing at 6:00 p.m., pursuant to proper notice. District officials in attendance were: Commissioners Elwell, Hobbick and Sitterley, Chief Marrs and Acting District Secretary Eric Quinn. Commissioner Elwell participated by telephone in the entirety of the meeting. Others in attendance are as shown on the Attendance Roster, attached.

Call to Order. The meeting was called to order at 6:00 p.m. by Vice Chairman Sitterley, who led the Pledge of Allegiance to our flag.

Presentations/Announcements. The following event dates were announced:

1. October 22-24 - WFCFA Conference at the Tulalip Resort in Marysville.

Correspondence. Jillian Tacher wrote a letter to Lt. John Zilke about Kids Day, and how wonderful it was.

Public Comment. None.

Local 1461 Comments. None.

Administration Reports. Chief Marrs delivered his Chief's Report as follows:

Facilities. The Chief updated the Board on station projects, stating that he met with Bayley Construction today. The precast replacement work should be done by next week or early the following week. They did a building walk through and reviewed the punch list. Mark from Bayley was very thorough and worked very well with us, the Chief said. Some emails were exchanged with Todd Henry regarding a new commitment relative to liquidated damages. We are going to stand upon the original document that dealt with liquidated damages. Bayley is ahead of the December 1 deadline. Ted noted that there was a lot of mortar lying around when he walked by the station. He took some pictures. He noted a significant amount of mortar drying on the southwest corner of the building, along with extensive amounts of dust. Ted wondered if Bayley was taking steps to clean up that mess. Chief Marrs said they were cleaning on the south side of the building today.

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Commissioner Elwell noted some concerns about debris near the retention pond, and mentioned that that is something we need to keep an eye on - environmental issues. Commissioner Elwell echoed Commissioner Sitterley's concerns about excessive dust, and asked why they have not pressure washed the area. Commissioner Sitterley did note that the precast on the building is looking better. He noted that we will always see the little problems, although the general public might not.

Equipment. N/A.

Personnel. The Chief updated the Board on the union contract negotiations. We have had the final mediation session and are getting closer. The Chief said the correct CPI numbers are in the documents. The management rights clause has been re-drafted, and while it is not perfect, the Chief said we are prepared to move forward. Some of the language on education pay has been simplified. On the last page, the union requested another K day, but we provided an extra vacation day instead, retaining some flexibility. With regard to classifications, no job duties have changed. The union will seek rank and file approval or ratification of the contract on October 6, 2015, and they must vote on it by November 6th.

Events. See above. Also, the Chief distributed the preliminary levy limit worksheet. The total district assessed value (AV) went up to \$6.4 billion for 2016 taxes. The maximum levy rate will be \$1.39 unless the lid is lifted to allow a rate of \$1.50. The levy will be approximately \$8.9 million without the lid lift, and will be \$9.7 million if the lid is lifted. We experienced about a 10% AV increase this year. Commissioner Elwell asked whether, if the lid lift passes, it is effective on 2016 taxes.. The Chief said, the worksheet is based on the 2016 tax roll, the Lid Lift would apply to the 2016 levy..

The Chief recapped the Kids Day event, saying it was a great event. Mike thanked all of the crews and sponsors. He said that Tri-Med Ambulance came through in fine fashion. This was a great community event and well attended.

The financial update revealed \$1.38 million in outstanding vouchers, including vouchers from tonight's meeting so we will need to transfer funds from reserve to the expense fund. That will help us pay the bills for this month. The next couple of months will be rather tight financially. Second half tax funds will be coming in later this year, but long-term goals have to be considered, especially with regard to capital replacement. Commissioner Sitterley said we still have a robust construction fund. Chief Marrs said the City is still very interested in a right of first refusal (old Station 28). Commissioner Sitterley wondered what the city might do with their office buildings. Chief Marrs said we can begin planning for the disposition of the old station, and/or determine how we

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might best use it. Commissioner Elwell said we need to consider how we can get the best benefit out of that building, for the citizens, in the future.

Chief Marris said we now have preliminary numbers from the county, to assist with the North Highline negotiations. We can determine the ratio, based on value, to compute a fair payment. The amount of the overpayment to North Highline is approximately, \$450,000 to \$480,000, depending on the exact AV numbers for the area. Chief Marris derived an AV of about \$1.7 billion and Joe Kupferling derived about \$1.8 billion for the area. The Chief feels we have a defensible mathematical calculation to demonstrate that we overpaid, that we can show to the auditor and the public.

Chief Marris met with Jim Face of Martin Nelson and Company about refinancing outstanding bonds, and whether that might be beneficial. After that meeting, it seems clear that now is not the time to refinance due to interest rates. Refinancing can only be done once. Jim Face recommended that we wait.

Consent Agenda. The Consent Agenda, all of which was approved unanimously upon a motion by Commissioner Sitterley, seconded by Commissioner Hobbick, consisted of: (1) The Chief's Report and (2) Approval of meeting minutes, i.e. the regular meeting minutes of September 1, 2015 and (3) Voucher Approval as follows: (a) Expense Fund - *No. E15-571 through No. E15-631* in the amount of \$1,389,207.25, due for payment September 30, 2015 and (b) Construction Fund - *No. C15-073 through No. C15-074* in the amount of \$1,486.54, due for payment September 30, 2015.

Unfinished Business. None.

New Business. Motion: Transfer Money from Reserve to Expense Fund: Commissioner Sitterley moved, and Commissioner Hobbick seconded, a motion to authorize Chief Marris to transfer up to \$267,000 from the Reserve Fund to the Expense Fund, prior to September 30, 2015. Motion carried, 3-0.

Executive Session. None.

Good of the Order. Commissioner Hobbick thanked all of the people that worked on Kids Day. Commissioner Elwell asked if the city was working with us to provide emergency access during the closure of Des Moines Memorial Drive. Chief Marris said they have been very good about sending us updates. Commissioner Elwell inquired about route changes, and Chief Marris said it is left to the discretion of the shift officer, but the city is very good about notifying us of delays on the roads.


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Adjournment. It was moved and seconded to adjourn the meeting. Motion carried, 3-0. At 6:41 p.m., after the Board reviewed and approved vouchers and papers, the meeting was adjourned.

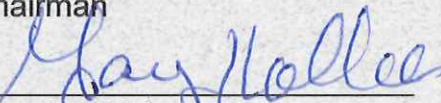
Attachments. Attached to these Minutes are copies of:

1. the Meeting Notice
2. the Meeting Agenda
3. the Attendance Roster
4. Financial Report
5. Articles from proposed labor agreement
6. Jillian Tacher letter

Minutes Approved: Oct. 06, 2015.

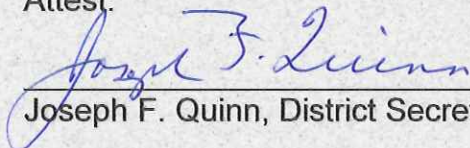


Chris Elwell
Chairman



Gary Hobbick
Commissioner

Attest:



Joseph F. Quinn, District Secretary



Ted Sitterley
Commissioner

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