

**MINUTES OF THE AUGUST 6, 2015 SPECIAL MEETING
OF THE BOARD OF COMMISSIONERS OF KING COUNTY FIRE DISTRICT
NO. 2**

A special meeting (to replace the regular meeting of August 4, 2015) of the Board of Commissioners of King County Fire District No. 2 was held at the new Station 28 on August 6, 2015, commencing at 5:30 p.m., pursuant to proper notice. The meeting was held at the new Station 28, even though it is not finally completed and fully ready for occupancy. District officials in attendance were: Commissioners Elwell, Hobbick and Sitterley, Chief Marris and Acting District Secretary Eric Quinn. Others in attendance are as shown on the Attendance Roster, attached.

Call to Order. The meeting was called to order at 5:30 p.m. by Chairman Elwell, who led the Pledge of Allegiance to our flag.

Presentations/Announcements. The following event dates were announced:

1. September 12 - Kids' Day at Station 28, from 10:00 a.m. to 3:00 p.m.
2. September 17 - WFOA Healthcare Workshop from 11:00 a.m. to 2:30 p.m. at the Embassy Suites in Lynnwood
3. September 21-22 - NAEFO Conference in Las Vegas

Correspondence. None.

Public Comment. None.

Local 1461 Comments. None.

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

Facilities. The Chief updated the Board on station projects, stating that the agreement with Bayley Construction has been signed by our side. Northwest Precast is busy making forms and they are meeting with Bayley on Monday. Bayley still needs to get a permit for the repair work from the City of Burien. The next step would be delivery of precast. Hopefully, by the second week of August, there will be work beginning here at the station. The city will be suspending the certificate of occupancy while construction is taking place. The Chief asked for the board member's impressions of the Dave Fergus presentation at the last meeting. Commissioner Sitterley has told Chief Marris he did not find it compelling, but he feels if RFM did something valid we should pay them for it. Commissioner Elwell said that RFM was asking for an amount between \$112,000

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and \$120,000. Commissioner Elwell felt that in fairness an offer of \$25,000 was appropriate. Chief Marrs added that we told RFM we would respond in 30 days.

Chief Marrs said the "lid lift" election materials have been submitted to King County, for the general election in November. The explanatory statement has been written and approved by legal counsel, Joseph Quinn. The union local has provided no feedback yet about the lid lift election.

As to the North Highline contract, the Chief is still waiting for numbers from Joe Kupferling. The Chief wants to send something "official" to North Highline's board. He wants to make sure we have a placeholder to ensure there is no retroactivity issue. We do want to make North Highline whole for the area they serve within Burien. He has informed Steve Marstrom that we know that Burien Fire has overpaid North Highline Fire this year, but we want to continue the relationship. However, we cannot subsidize North Highline. It is hard to justify dipping further into reserves when we know North Highline has been overpaid this year. North Highline now has the fire benefit charge. The Chief said we should be fair but firm. Commissioner Sitterley said we have very clear data of what is really owed, and we must make it clear that we cannot provide a gift of public funds. The Chief said neither board re-authorized the contract, so we assumed it was necessary to give notice or cancel. Commissioner Sitterley asked when verbal notice of the expiration of the contract was given. Chief Marrs said that occurred more than two months ago, but we should make it official at the board meeting. The difficulty is in determining how total assessed value of the area in question changed from year to year. Setting the right percentage should occur as close as possible to when the county sets the levy each year. The Chief will work on a draft agreement.

The Chief provided a financial update. As of August 4, 2015, expenses run about \$865,000. September will be difficult because we may have to pay North Highline \$1.4 million, leaving a shortage in October. About half of the annual property taxes have been collected (\$4.2 million). We still have about \$4.6 million to collect for 2015. Deficit spending continues and this creates a struggle with cash flow, and a threat to reserves. The construction fund is quite healthy. With Seattle moving forward with annexation, should we retain as much as feasible in that fund to save for building a north "satellite" station? The lid lift, if approved, would help with next year, but we need to start cutting expenditures. But due to the North Highline situation and the number of positions we have, we might have to consider whether certain positions are the best use of limited funds, the Chief said. For example, the training officer position costs more than we are reimbursed from the consortium. Cutting that position does not reduce basic service. Many other districts are joining the training consortium. Commissioner Hobbick said the pamphlet regarding the consortium was well done. Commissioner Sitterley said eliminating the training officer position would

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be a "belt-tightening" statement. Commissioner Elwell asked about wage increases. The union contract references the CPI. The Chief would like to have the bargaining agreement--and therefore future wage increases--done by September 12, 2015. A mediation session is scheduled for September 11, 2015. The mediator feels that labor and management are not that far apart.

The Chief asked for some financial direction from the board. Commissioner Elwell said that it would help him if we could develop sort of an "a la carte" menu for expenditure reductions. He said it would help to know how the retroactivity issue with North Highline is resolved. The Chief said he would like to get through the financial crisis without layoffs. One senior firefighter (lieutenant) may retire in January, so that helps a bit. Commissioner Elwell wants a list of the options and relative impacts.

Equipment. N/A.

Personnel. N/A.

Events. See above.

Consent Agenda. The Consent Agenda, all of which was approved unanimously consisted of: (1) The Chief's Report and (2) Approval of meeting minutes, i.e. the regular meeting minutes of July 21, 2015.

Executive Session. None.

Unfinished Business. None.

New Business. None.

Good of the Order. Commissioner Elwell commented on the WFOA Health Care program. The annual WFOA conference will be at the Tulalip Casino in Marysville, he said. He also said the King County Fire Commissioners Association is going to begin discussing funding issues in the fire service. One goal might be to remove fire districts, legislatively, from the \$5.90 limitation. The King County Executive seems supportive. Commissioner Hobbick spoke briefly about de-annexation.

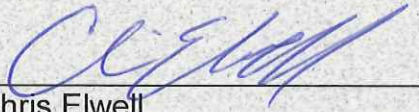
Adjournment. It was moved and seconded to adjourn the meeting. Motion carried, 3-0. At 6:25 p.m., after the Board reviewed and approved any vouchers and papers the meeting was adjourned.

Attachments. Attached to these Minutes are copies of:

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1. the Meeting Notice
2. the Meeting Agenda
3. the Attendance Roster
4. daily cash balance report.

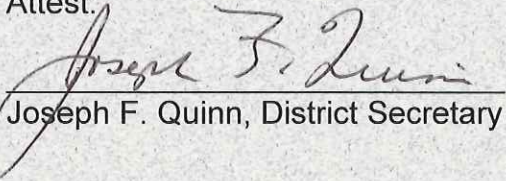
Minutes Approved: SEPTEMBER 1 2015.



Chris Elwell
Chairman



Gary Hobbick
Commissioner

Attest:


Joseph F. Quinn, District Secretary



Ted Sitterley
Commissioner

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