

**GRAHAM FIRE & RESCUE
BOARD OF FIRE COMMISSIONERS
SPECIAL BOARD MEETING
October 12, 2016**

CALL TO ORDER

Commissioner Gustafson called the meeting to order at 9:00 a.m.

Attendance:

Present: Commissioner Gerald W. Gustafson, Commissioner Russell T. Barstow, Commissioner Adam G. Rosenlund, Fire Chief Ryan Baskett, Deputy Chief Tony Judd and Board Secretary Jodi Reynolds.

2017 Budget Review. Chief Baskett referred the Board to their budget books. He began his presentation by providing an overview of his 2017 Budget Message as follows:

The District received a 4.4% increase in tax revenue for 2016 and are projecting a 9% increase for 2017 which will cap us at 1% (plus new construction) per Initiative 747 in future budgets. Paragraph two addresses the M&O Levy passed in 2014 and how those funds have been utilized, including increasing the Reserve account to nearly \$4 million. The breakdown of which is \$2.3 million for two months operating capital, \$400,000 in Uncompensated Absences and \$1.3 million in uncommitted reserves. The 2017 Fire and EMS tax collection is projected to increase 7.1% and new construction 1.9%, for a total of 9% over last year's budget. This equates to a \$1.164 million increase in revenue for 2017. The next paragraph addresses positions that are funded and a minimum daily staffing level of 15 members per day, and the elimination of a two-year SAFER grant for four Firefighter/Paramedic positions which were absorbed in the 2017 budget. Staff is currently completing a testing process to hire the final three employees proposed under the M&O Levy. The District's 2017 financial picture is currently stable; however, Initiative 747 and excess levy funding have the potential to jeopardize employee security in the near future. We need to be cautious about this. During the Special Board Meeting on September 6th the Board reconfirmed its financial policy. The 2017 financial plan is to fund all necessary operational costs to maintain the improved emergency services, with a slight increase over last year's costs due to the increased number of employees. Any items directly related to firefighter safety have been fully funded. The next paragraph relates to the Reserve account. He is requesting the Board continue funding the Emergency/Contingency fund at 1% of the Fire & EMS levies which is \$115,000. The cash carry over amount is necessary to cover expenses through the first four months of the year, and is considered to be money in and money out, with a net zero on the operational budget.

The overall budget philosophy for 2017 is to identify and fund absolute operational cost, hire sufficient employees to cover response requirements, repair and maintain neglected infrastructure, and fund known future obligations. The goal is to budget within a 0-2% unspent funds margin each year to help us identify actual service level cost. Budget and financial policy were discussed and direction provided to staff during the Special Board Meeting on September 6th. The Board's direction specifically included the following

items: raise minimum staffing to 15, fund this staffing level on overtime, hire the remaining three Firefighter/Paramedics as outlined, continue to develop the Strategic Plan and only collect the funds necessary to balance the budget. The 2017 budget reflects all these items and based on this, Chief Baskett recommends that any uncommitted revenue not dedicated in the 2017 budget not be collected, thereby lowering the citizens' Fire Department collection rate.

For the third consecutive year, Graham Fire & Rescue has had the good fortune of a stable funding mechanism and the benefits are clearly demonstrated in our ability to deliver service. Increased staffing and additional emergency response units have reduced our dependency on neighboring agencies, shortened response times, and improved Department efficiency and employee morale. Chief Baskett concluded the overview of his 2017 Budget Message by recommending the Board continue with the current plan and use a conservative approach until the new service level is fully funded under normal Fire and EMS tax revenue.

Chief Baskett directed the Board to the 2017 Projected Revenue sheet in their budget books. He deferred to Deputy Chief Judd to present this information. Deputy Chief Judd explained the previous year's revenue information is provided as well for comparison purposes. He started with the Tax Revenue section noting the assessed valuation increased from 2016 to 2017 by just over \$500 million. Below that are the calculations for the Fire tax levy. He referred the Board to the County's reports located directly behind the revenue sheet and explained that is where the tax information was obtained. He returned to the Fire tax levy calculations. The regular assessment is at \$8.6 million. To the left he included the 2009 amount which is the highest lawful amount we can collect, and we are just under that number this year; however, when you add in new construction, we go over that number. So, we are fully in our right to collect the full amount this year, at the \$1.50 rate, but because new construction will bump us over that number, we will be capped next year based on Initiative 747. The total Fire tax collection amount is \$8.8 million. We will be able to collect the entire \$0.50 rate for the EMS tax levy which will become our new highest lawful collection, so we will be capped next year for this levy, too. The EMS tax levy is at \$2.9 million. He explained he put the full amount of the M&O Levy which works out to a rate of \$0.476, if we choose to take the full amount. The Timber taxes are at \$5,000. The Total Tax Collection is \$14.49 million. Typically, right off the top, the Board has directed staff to transfer 1% of the Fire and EMS levies automatically to the Reserves. This amount is \$117,385. Commissioner Rosenlund recalled in the 2016 budget the reason for the amount being much higher, \$867,000, was due to the extra M&O money the Board voted in November to put in Reserves, \$767,000. Deputy Chief Judd continued. The estimated uncollected taxes for 2017 is 2.5%, \$362,337, and the prior year's tax revenue, the delinquent taxes, is trending down, and estimated at \$200,000. The Total Taxes for Expense Fund is \$14.2 million.

Deputy Chief Judd addressed the Non-Tax Revenue section next. He stated the ALS Revenues from transports are on pace to reach \$1.3 million this year, so he has increased this amount to \$1.35 million for 2017. Interest Earnings increased to \$8,000. Miscellaneous Contracts including power companies, school districts and Pierce County Parks remains at \$20,000. Miscellaneous Income from L&I payments, helmet sales, Safe Sitter classes and records requests is increased to \$30,000 due to employees continuing on L&I into 2017. The Unspent Equipment Replacement Carry Forward is \$0 because the funds were used to purchase the chassis for the two new engines. The

EMS Grant, an automatic trauma grant, is \$1,500, and the SAFER Grant is \$0. The Capital Purchase Carry Forward amount of \$532,000 includes the \$512,000 carried over from 2015 the Board directed go toward paying off the fire engines and the remaining \$20,000 for painting the fire station which will not be completed in 2016.

The Total Projected Revenue is \$16.1 million and Total Projected Expenditures are \$15.4 million, keeping in mind this includes the \$3.3 million Dedicated Cash Carry Over. He reminded the Board the total includes the full amount of the M&O Levy, so at the moment there is a surplus of \$754,000.

Chief Baskett referred the Board to the Budget Comparison section in their books. He explained the format includes a three-year budget comparison including a column for justifications to explain increases and decreases. Chief Baskett asked the Board if they would like to go through the budget line item by line item and they responded affirmatively. Chief Baskett then deferred to Deputy Chief Judd who proceeded with a detailed budget review.

Deputy Chief Judd stated he added the two new Commissioner positions and associated taxes in the budget. If the measure passes, they will remain; but if not, there will be time before the final budget is approved to remove them. The Contingency Fund increased to \$115,000 because Fire and EMS taxes increased. Election costs of \$65,000 are included to cover primary and general election costs for the Commissioner race. Both may or may not be needed. Commissioner Gustafson inquired if the five member board measure passes and two more Commissioners are added this year, when they will run. Chief Baskett responded one would run next year with Commissioner Gustafson and the other would run the following election with Commissioner Barstow.

Deputy Chief Judd continued with the review and explained Transfer to Reserve started at \$200,000 to add to the Compensated Absences commitment and was reduced by \$35,000 for sick leave buy back. He stated he would identify where this is paid later in the budget. The Equipment Replacement Reserve line item started with a dedicated annual deposit of \$325,000 less \$147,721 to pay off two new engines, resulting in a balance of \$177,279. This money is not planned to be spent and will roll over into 2018.

Under Administration, the salaries of the Fire Chief and Deputy Chief include a contractual CPI increase of 2.1%. The Support Specialist position salaries include this increase also. He stated he added a small amount of overtime, \$1,000, for Administrative Staff. The Fire Chief has a contractual ability to sell back sick leave and he is electing to do that for 2017, so \$35,000 is budgeted here. This is the reduction that was made from the Transfer to Reserve line item addressed earlier. Chief Baskett further explained this is the article in his contract that states once he reached 50 years of age, he could begin to sell back his sick leave, not more than what is contractually allowed, and contribute that to his deferred comp account as his IRS catch-up contribution.

Deputy Chief Judd informed the Board they will see a significant increase in L&I rates. L&I announced they were going to increase the rate for all fire fighters statewide 10%. In addition, our experience rating has declined in the past few years, so he is projecting a 20% overall increase for anyone in a fire suppression role. To compound that, the 2016 budget did not anticipate the huge rate increase which occurred, and we were \$75,000 short. So, the L&I figures in the 2017 budget reflect the rate increase for 2017

and the \$75,000 shortfall from 2016. Under Professional Services, the Consulting Fees line item, he explained this includes return to work physicals at the Port Clinic and special consultants, but does not include consulting for the Strategic Plan. This has been increased to \$7,000. The Testing Process – Career line item is increased to \$8,000 and covers hiring three new Firefighter/Paramedics and running a Firefighter Eligibility Test. The Training Division has been directed to recruit ten volunteers and the cost of the intake process and exams is budgeted at \$12,000. The Insurance Fees line item which includes risk, property and auto insurance, reflects a projected 5% increase over 2016 rates.

Chief Baskett asked the Board if they had any questions regarding the Administration section of the budget. Commissioner Barstow asked what percentage of employees participate in the Annual Physical Incentive Program. Deputy Chief Judd responded approximately 70%. Commissioner Barstow stated he believes it is a great program.

For the IT/Equipment section – Salary, Deputy Chief Judd explained for the salary line item for IT Supervisor position, he looked at comparables and determined he is already at the high end, so only a partial CPI increase of 1.5% is warranted. For the IT Assistant salary, an increase of \$500 per month as the Board committed to previously, plus full CPI is appropriate. Under the Supplies – Servers line item, the IT Division is requesting \$11,000 for the replacement of an old server and parts, and to update the Firewall.

Under the Fire Control Suppression section – Salaries, the Chiefs Bargaining Unit Agreement in effect through 2017 contains a contractual CPI increase which is in the budget; and a CPI increase is included for the Firefighters Bargaining Unit members even though they are still involved in contract negotiations. The Overtime line item is increased significantly to \$200,000 to fund staffing to 15 person minimum, meetings, HazMat response, projects and general alarms. Chief Baskett pointed out this \$200,000 is part of the \$450,000 total overtime spread throughout the budget. He also explained the decrease in the Holiday Buy Back line item is due to an article which they tentatively agreed to during negotiations which will buy back, at straight time, two holidays and add this amount to base salary. This will ensure each person will be on shift two more days during the year. Commissioner Rosenlund requested clarification on the K-Day Buy Out line item. Deputy Chief Judd explained they can sell back three of their K-days during the year. The Uniforms & Clothing and Protective Clothing line items show increases due to the increase in number of personnel and the need to replace worn out items. The Fuel line item amount is decreased based on 2016 usage and lower price which is projected to remain stable. At present, we are on pace to spend just over \$60,000 on fuel. The Operating Tools & Equipment line item, funded at \$64,000, includes some special projects: \$10,000 is for general replacement of small tools; \$10,500 for hose for year two of a three-year hose replacement plan; \$32,000 for electric extrication cutters, spreaders and ram for Engine 95; \$10,000 for equipment standardization and replacement; and \$1,500 for hose washers for the two stations that do not have them. The Dispatch Fees line item reflects a 3.5% increase from 2016 as projected by South Sound 911. The Radio 700/800 Fee line item reflects an increase from \$30 to \$31.50 per radio per month. The Haz Mat Physical Exam line item covers exams, required once every two years, for 10 personnel.

Under the EMS Operations section – Salaries, Deputy Chief Judd explained the four SAFER grant positions have been moved into the regular LT/PM, FF/PM line item; therefore, the SAFER Medics (4) line item is now \$0. The Salaries line item also

includes the CPI increase. Commissioner Rosenlund requested clarification on how staff determines the line item from which to pay EMTs vs. Paramedics. Deputy Chief Judd responded the Firefighter/EMTs are in the Suppression section line item and all of the Firefighter/Paramedics are in the EMS section line item. Commissioner Rosenlund asked what the purpose or benefit is for separating Fire and EMS salary and benefits line items in the budget. Deputy Chief Judd explained that a long time ago, there was a belief that the EMS Levy was a proprietary fund and must be kept and reported separately. The State Auditor then determined it was not a proprietary fund, but since we were already budgeting that way, we continued. Now that the permanent EMS Levy passed, we are required to have a separate accounting of our EMS monies. He added that the Paramedics under the EMS section are not tied to that section and could be moved to Fire Suppression, if desired. Under EMS Operations, the Medical Gases line item has decreased by \$1,500 due to reduced price, while Medical Supplies and Drugs have each increased \$5,000 due to increased call volume and price. A new line account just added, New Equipment, includes one-time purchases recommended through the Operations group: Stryker XPS Wings for our current gurneys to provide support for larger patients for \$14,000; King Vision recommended by our Physician Advisor to assist with intubations for \$7,000; and new, improved Laryngoscopes. Under Professional Services, the Transport Refunds line item is increased \$5,000 to cover increased number of over or double payments for transports based on 2016 year to date totals. Commissioner Rosenlund asked who the District uses for transport billing, and Chief Judd responded EF Recovery. Commissioner Rosenlund stated he is aware another District has noticed a significant decline in quality of service from EF Recovery the past year, which may have to do with a top leadership change. Chief Baskett and Judd stated they were well aware of the leadership change, but not the change in quality. Deputy Chief Judd stated we have less experience with EF Recovery from which to compare than the other District does.

The Fire Prevention/Public Education section Salary line item includes a contractual CPI increase. The only other change is a \$1,200 decrease in the Pierce Co. Fair Supplies line item due to borrowing a golf cart rather than renting one. Chief Baskett acknowledged Public Prevention Education Officer Merdian-Drake does a great job with the limited amount of money she has to work with.

The Training section Overtime line item is increased by \$10,000 to cover monthly Haz Mat Team training to take place during months when quarterly training is not scheduled. This will allow personnel more hands on time with the equipment. The Operating Supplies Training line item is increased slightly due to need. The Subscriptions/Lease Training Equipment line item is increased slightly to cover Target Solutions, Blue Card, Adobe and other fees. The Contracted Instructors/Officer Development line item is decreased due to some targeted Officer Development training with an outside instructor we had in 2016 that we will not have to the same degree in 2017. A new Behavioral Health program is being added as part of our Peer Fitness Program and will offset the aforementioned decrease. The Recruit Training line item decreased due to less people being sent through for 2017. This covers 10 volunteers and three career employees. Commissioners Training is increased based on increased usage in 2016 and does not include training additional Commissioners if the Board is increased to five members. Funds to train those individuals will have to be found elsewhere in the budget. The Tuition Training line item is increased and is contractual. Chief Baskett stated the article was tentatively agreed to during contract negotiations to increase the amount budgeted for Firefighter Bargaining Unit personnel because of the 16 additional people hired.

Deputy Chief Judd deferred to Chief Baskett at this point. Chief Baskett addressed the Personnel Training line item which shows a significant increase. \$26,000 is budgeted for out-of-state conferences. He explained he plans to develop a mentorship/succession planning program for Chief Officers for administrative training. This would include taking three or four company officers or higher with him to F.R.I. to experience training on management issues. He worked with Chief Mason on this and they found there is very little administrative or mentorship training available locally. You need to go to the national conferences and experience it on that level. Chief Baskett stated this is a specific request from him for funds to take three or four officers to F.R.I. in August and work on succession planning for the organization. Commissioner Gustafson inquired if they had considered bringing these national instructors to our state so several people could attend and it would be less expensive. Chief Baskett asked Commissioner Gustafson if he is asking us to put on a conference. Deputy Chief Judd said there are agencies bringing people in and when we are notified of these opportunities we do send people for training; however, there just are not many opportunities locally. Discussion ensued. Commissioner Rosenlund stated he is 100% in support of increasing outside training and would support adding even more money for it.

In the Facilities section – Salary, the Runner line item was moved over from the Administration section, which made more sense because of the job responsibilities, and the hours were increased from 20 to 24 per week – three eight-hour days. A line item for Overtime was added for occasional activities. Under Operating Supplies, the Station Supplies line item consists of an increase of \$2,000 from 2016 for basic station supplies, and one time catch up purchases requested by our personnel and agreed to by Assistant Chief Richards: station ladders – \$1,000; lawn equipment – weed eaters, blowers, etc. – \$3,000; shop tools – grinders, etc. – \$3,000; and detailing equipment/kits – one for each station – \$2,500. The Food Incident Rehab line item increased significantly to \$2,500. For years we had not utilized our Support Services crew for rehab; whereas in 2016 we are calling them in frequently to provide fluids and food, depending on the duration. Most of the Utilities line items remained consistent, and the Propane/Natural Gas line item decreased \$4,000 because we signed a contract giving us a better price for propane. The only increase was a slight one in Storm Water Taxes. Commissioner Gustafson asked what we are currently paying for propane. Deputy Chief Judd responded he believes we pay \$1.25 per gallon. Under Repair & Maintenance, the Capital Facility Repair/Maintenance line item includes some major projects. Station 94 painting, originally budgeted for 2016 but not done, will carry over to 2017. Station 93 is actually being painted this year and because the cost is under the threshold requiring a bid process, Assistant Chief Richards obtained three quotes and painting will be completed in 2016. Commissioner Gustafson asked if staff had heard of the paint you only apply once and it lasts forever. He said he did not know the cost, but we should look into it. Deputy Chief Judd said he would pass the information on to Assistant Chief Richards to research. As a result of the Healthy In/Healthy Out campaign developed by Kent Fire, we are considering all possible ways to keep our firefighters safe. Clearly one of the biggest concerns is bunker gear and contaminants. Stations 95 and 96 were built with the intent that extractors would be installed. In this budget we are looking to purchase two single set size units, not the large size units like we have at Stations 91 and 94, and an additional single set unit for Station 93. Commissioner Rosenlund inquired if our personnel each have two sets of bunker gear. Deputy Chief Judd responded they do, and we are sending each set out for an annual deep cleaning on a rotating basis, one set each year. The Routine Station Maintenance line item is increased based on aging facilities needing repairs.

In the Fleet section under Salary, the Mechanic line item includes a 1.5% increase. Although research shows he is at the very high end of his comparables, he has not had a pay increase in three years. The Overtime line item was decreased based on reduced use in 2016. Commissioner Gustafson asked if our mechanic is able to get all of the work on the equipment done. Chief Baskett responded affirmatively; however, we are still sending some work out including major repairs and light duty work. Mechanic Fortner is doing all of the annual service on our big equipment. Commissioner Gustafson asked if we should bring somebody else in to help out. Chief Baskett responded they could have that discussion shortly when they discuss the "extra money" topic. Deputy Chief Judd continued and explained a line item was added for Small Tool Repair which will cover annual service of extrication equipment. The New Apparatus – Engine line item is \$660,000 which represents the balance on the new engines and cost to get them out on the road, including some installation work.

Chief Baskett then referenced the breakdown at the end of the spreadsheet of Personnel costs. For 2017, personnel costs will be 82.53% of the budget for salary and benefits, and are largely contractual. We are running the rest of the organization on approximately 17.47% of the budget. He stated he feels we are doing a good job running things fairly tight while putting as many people on the street as we can. Deputy Chief Judd added that if he takes the engine purchase out, we are at 85% of the budget for personnel costs. The detailed review of the budget concluded.

Chief Baskett then referred the Board to the Reserve Budget sheet in their budget books. He explained it provides a historical perspective of the reserve budget from 2013 to the present and the proposed 2017 budget. Using the M&O Levy money we have been able to increase this budget significantly. Previously the Board has directed 1% of the Fire & EMS levies be placed in the Reserve fund, unless used to balance the budget. The beginning balance for 2017 budget is \$3,963,000, and an estimated \$114,450 will be available to move over to Reserve. Delinquent taxes are \$500, interest is \$6,000, and Compensated Absence Transfer dedicated for retirement cash out costs is \$165,000. The anticipated Total Revenue in the Reserve is \$4,248,950. Commissioner Rosenlund requested clarification on the Compensated Absence Transfer item. Chief Baskett responded that benefits are paid when people retire. These benefits include sick leave, vacation and any other time on the books. The District started an uncompensated savings in the Reserve account in order to pay these benefits as retirements occur. He reminded the Board this amount will usually be \$200,000, but \$35,000 has already been deducted to cover his contractual sick leave buyout discussed earlier, bringing the total to \$165,000 for 2017. Under Expenditures, he pointed out back in 2013 that \$927,824 was transferred from the Reserve to balance the budget, but since then that has not been necessary. The anticipated Reserve Total for 2017 is \$4,248,950. The Reserve Commitments, two months average operating capital (for 2018 needs) is \$2,300,000 based on the state auditor's recommendations, and Compensated Absences (Retirement) of \$520,150, result in an Uncommitted Reserve of \$1,428,800.

Chief Baskett then asked the Board if we should continue to put 1% into the Reserve fund. The Reserve is fully funded and we have a "rainy day" fund of \$1.4 million. Deputy Chief Judd stated he believed the 1% was instituted when the Reserve was just \$500,000, in order to build it up. Discussion ensued. Commissioner Gustafson stated he want to continue putting the 1% into the Reserve and keep building it up because the

economy is not very strong. Chief Baskett said the Board needs to determine the “sweet spot” for the Reserve. Now it is at \$1.4 million. Commissioner Rosenlund requested comparables from other districts on this amount and if there is a formula that agencies use to decide what that “sweet spot” is. If we had that then we could justify to the citizens that the reason why we have this much in Reserves is because we are being fiscally wise. Deputy Chief Judd explained if we lose the M&O in 2018, we would need \$2 million to balance the budget. We could cut items out, like overtime, so we may not need the entire \$2 million, but would probably need more than \$900,000. Commissioner Rosenlund stated he did not know where the justification would come from. Deputy Chief Judd responded the justification could be the extension of the M&O for one year, \$2 million. Commissioner Rosenlund concluded he is not ready to give an opinion on this at this time, but he is leaning toward giving the money back to the citizens if we are looking good on our budget. Chief Baskett stated that based on the current conversation, he recommends leaving the 1% in for now. The Board can still change its philosophy before the budget is finalized. Commissioner Rosenlund reiterated his desire to know where that “sweet spot” is. He wants to know if there is a precedent. We could contact five fire departments and find out what the magic equation is, and if we are above that, give the money back, but if we are way below it, then do not. He added that maybe there is no magic equation. Deputy Chief Judd responded he has spoken with several agencies and there are many opinions on this. Chief Baskett asked if the Board had any further questions about the Reserve Budget and they did not.

Chief Baskett then directed the Board to the Proposed Purchases “Recommended” sheet located behind the 2017 Budget Submittals tab in their budget books. He explained he met with the Operations group and Labor Management and they reviewed all of the budget requests and some recommendations he as Fire Chief wanted included. He pointed out that all of the individual Budget Request sheets to support the “Recommended” purchases are located behind the summary sheet. He explained the total cost of these purchases is \$407,350 and these are not yet included in the budget. Chief Baskett reviewed each of the “Recommended” items individually, the associated cost and justification for purchase in the 2017 budget, as follows:

- Holmatro V-Struts - \$6,564: On the list for a couple of years. Very important for stabilizing vehicles in accidents. 2 each for Engines 91, 94, and 95.
- Public Education Staff Vehicle - \$30,000: 2nd year requested by Public Prevention Education Officer. Ford Transit Connect is easier to load and access than her current vehicle. Replaces '98 Expedition.
- Pump Operator Headset - \$3,282: Headset and adapter for portable radios allowing operator to be mobile. This is a safety issue out on the fire ground.
- Rug Doctor - \$500: Machine for fabric and carpet cleaning. This is part of the Healthy In/Healthy Out campaign.
- Station 91 Kitchen Remodel - \$15,000: Much needed upgrade of cabinets and countertops.
- Digital Alerting - \$125,000: This is Chief Baskett's request. Allows us to go to more firefighter-friendly system. It is easier on our personnel's hearts. We have a grant for one station we used for Sta. 91. They really like it. Now want in all stations. Sta. 92 will be paid for with bond money.
- Staff Vehicle - \$30,000: Replaces '98 Astro Van.

- Parking Repair & Seal - \$24,000: For Stations 93, 94, 95, and 96. Sta. 92 will be paid for with bond money. We must maintain our parking lots or we will be replacing them.
- Temp. Training Officer with Backfill - \$32,000: Because of I-747 cap, he is not interested in adding a permanent days position; however, we need to relieve pressure on our Administrative Chiefs. Currently, the Training Division seems most taxed. Based on conversations in Strategic Planning meetings, our personnel want more from the Training Division, and our one person cannot do what is required. He wants to temporarily promote one person, may be up to Battalion Chief, for one year to the Training Division. He and Chief Mason will determine the level and develop a job description, and then he will meet with the Firefighters' and Chiefs' Bargaining Units for their input.
- 4th New Firefighter/Paramedic – Permanent (11 months) - \$106,000: Moving one person up to fill the Temp. Training position will create backfill need; and we have had one paramedic with a long-term medical issue going on three years, filling the position with temps. This is not healthy for the organization. He is proposing replacing this position permanently, and if the employee returns, we will have one extra paramedic. Commissioner Rosenlund asked if it needs to be a paramedic. Chief Baskett responded it does because he is trying to put 27 paramedics on the floor to allow people off every day, staff four medic units, and only use our Lieutenant Paramedics as a buffer when short.
- Bay Ceiling Tile Replacement Sta. 91 - \$20,000: 30 years of diesel exhaust is in these tiles. Healthy In/Healthy Out campaign recommends replacing these.
- Seasonal Lawn Maintenance Person - \$15,000: Each station had \$5,000 requests for lawn maintenance and equipment. He and Deputy Chief Judd prefer to hire a seasonal employee from May–August eight hours a day to go to all stations to do the mowing.

Chief Baskett reminded the Board the total of these recommended purchases is approximately \$407,000.

He then welcomed discussion on any of the items. Commissioner Barstow stated the requests all seem to be legitimate needs, and some requests have been in for a while. Commissioner Rosenlund agreed our personnel do not have time to mow lawns. He also stated it is time to get us back to where we should be with staffing, which is the intent of the M&O, and that goes along with staffing of supporting personnel. The Training Officer is a big cost, but it is needed. Commissioner Gustafson requested mileage for the two 1998 vehicles slated for replacement. He stated he thinks the cabinets at Sta. 91 look OK to him. Deputy Chief Judd explained the station is 30 years old, and the base cabinets are original. Captain Fortier is the one who submitted the request and if he could fix the cabinets he would. Chief Baskett added that they might look OK on the outside, but on the inside they have water damage, stains and the hinges are coming off. They have lasted a long time. Chief Baskett asked Commissioner Gustafson what additional information he could provide him. Deputy Chief Judd suggested he and Commissioner Gustafson look at the cabinets on October 31st while they are at Sta. 91 for their Safety Committee Meeting. Discussion concluded. Chief Baskett asked the Board if they wanted the “Recommended” purchases added to the budget at this time. Commissioner Rosenlund stated the recommendations seem to be well thought through. Chief Judd added that if the Board needs more time to consider these purchases, they could have until the November 14th Board meeting.

Commissioner Rosenlund said they will know more about how much money is available following the upcoming labor contract negotiation meetings.

Deputy Chief Judd clarified that the Budget Request sheets located behind the "Recommended" summary sheet are not only for those purchases listed on the summary sheet, but are also for requested purchases that staff already funded in the budget. These were small purchases or maintenance issues and did not warrant being placed on the "Recommended" sheet.

Chief Baskett then reviewed each of the "Not Recommended at this Time" items individually in detail, the associated cost and reason he is not recommending these purchases at the present time. Some of the requests are either duplicates, already covered in other requests, or require further evaluation.

- Commercial Ice Maker Sta. 94 - \$1,349: Maintenance issue.
- Decon Room Update Sta. 95 - \$500: More evaluation is needed.
- Landscaping Sta. 95 - \$4,364: Part of Seasonal Lawn Maintenance above.
- Lawn Repair Sta. 91 - \$6,500: Part of Seasonal Lawn Maintenance above.
- Picnic Table Sta. 96 - \$300: Labor Management rejected this request.
- Picnic Table Sta. 91 - \$300: Labor Management rejected this request.
- Exterior Painting Sta. 96 - \$22,500: Painting will be spread out over time. This does not need to be in the budget for 2017.
- Grounds Cleanup Sta. 96 - \$11,000: Part of Seasonal Lawn Maintenance above.
- Parking Lot Repair Sta. 96 - \$10,000: Duplicate request.
- Lawn Maintenance Pickup - \$20,000: Not needed.
- IAFC Haz Mat Conference - \$5,400: Need to utilize in-state training first before going to national conference.
- John Deere Mowers (2) - \$17,508: We already own one of these. If we hire a lawn maintenance person, he can take our mower to each station.
- Remove Training Mobile Home Sta. 93 - \$5,200: He agrees it needs to go away, however, he prefers to postpone the removal. His experience with Pierce County shows it will be much easier to replace one structure with another right away rather than removing one, waiting a period of time, then trying to do something. He needs more time to consider the options.
- ½ FTE Mechanic - \$60,000: He discussed this with the labor group as it relates to the ongoing talks with Orting Valley Fire & Rescue. This request for a ½ FTE Mechanic is on hold at this time pending further talks with Orting Fire. We need to determine a total cost of the system to add Orting's vehicles. It is more than just a ½ FTE Mechanic.
- Security Gate Sta. 95 - \$16,850: There are logistical concerns with the placement of the entry pad and not owning the road. Only one car-prowling incident has taken place and the car was unlocked. Assistant Chief Richards will look into enhanced security cameras.
- Water Bin (hose washing) Sta. 95 - \$100: He will fund this if needed.

Chief Baskett explained there are four other small items which will be funded in the budget if they are approved. They are currently going through a review process either by the Operations group or Healthy In/Healthy Out. The total cost is less than \$2,000.

Chief Baskett concluded this portion of his budget presentation and asked the Board if they had any questions. Commissioner Rosenlund inquired if we continue discussions with Orting Fire and come to an agreement mid-year, how we will fund a mechanic then. Chief Baskett responded either from the Contingency Fund or cash carry over, in which case we would refund the cash carry over next year. Commissioner Gustafson requested Assistant Chief Richards speak on the subject of the need for additional help currently for Mechanic Fortner. He responded that Fortner is taxed. They are only able to do the minimum required. Chief Baskett cautioned against bringing on a permanent employee without a plan in place to sustain them. Discussion continued regarding the various options available for providing assistance including level of qualifications, certifications, vocational school, intern, etc. Chief Baskett brought up the liability issues involved. Discussion concluded.

Chief Baskett said he is recommending today the Board consider the "Recommended" expenditures and the "Not Recommended" expenditures. He reminded the Board there is \$754,169 available, unspent, after the baseline budget. Anything from the "Recommended" and "Not Recommended" submittals the Board wants included will have to come out of that money. The remainder is what would be available to give back to the citizens, if so desired.

Chief Baskett stated he wanted to have a brief conversation regarding the salaries of some of the Support Specialists. The budget includes a 2% CPI increase for them, but some are as much as 4% behind their comparables. He deferred to Deputy Chief Judd to address this topic further. Deputy Chief Judd explained based on the comparables work he did, the baseline salaries of three of our Support Specialists are 4-6% behind, and he would like to begin making strides to catch those up. In addition, our Payroll Specialist position is close to 12% behind the comparables; however, we are not looking to catch that one up this year. Commissioner Rosenlund commented that without specific numbers for how this would impact the budget, but assuming not a lot, he could support the increase. Deputy Chief Judd explained he would put together a proposal with specifics for Board review at the next regular Board meeting. Discussion ensued and concluded. Chief Baskett stated his budget presentation was now complete.

EXECUTIVE SESSION

None

ADJOURNMENT

With no further business to come before the Board, the Special Board Meeting of October 12, 2016, was adjourned at 11:26 a.m.

Gerald W. Gustafson, Commissioner

Anthony D. Judd, District Secretary