

**BEULAH FIRE PROTECTION AND AMBULANCE DISTRICT
BOARD OF DIRECTORS SPECIAL MEETING No. 111
July 26, 2016**

MINUTES

The meeting of the Board was held at the Beulah Community Center in Beulah, CO.

Board members present were: Chair and President Steve Douglas, Vice President Stephen McLaughlin, Secretary Kim Toman, and Fundraising Coordinator Bob Thompson. Also attending was Chief Bryan Ware. Absent was Treasurer Joni Smith. There were about 60 total attendees including Board Members and volunteer responders.

Chair and President Steve Douglas called the meeting to order at 6:36 p.m.

2. APPROVAL OF AGENDA.

There were no modifications to the Agenda as presented.

Motion was made by Bob Thompson to approve the agenda as presented, seconded by Kim Toman. Motion carried with no objections.

3. NEW FIRE STATION – PLANNING, FUNDRAISING AND POTENTIAL MIL LEVY

a. Steve Douglas opened the meeting and provided the following information.

i. Chief Ware would provide details about the background and history regarding the need for a new fire station and the potential sources of funding for the project.

ii. When the Ambulance District and Fire Department were combined in 2013 there was initial talk about the construction of a new fire station. At that time it was communicated that the funding of the project would include governmental and foundation grants, savings, and donations. At that time, a tax increase was not mentioned, but the District never indicated that this project may not need a tax increase to complete the funding.

iii. The dates to keep in mind for the fall election are: September 9 –ballot language must be finalized and include a specific amount to be collected over a specific time; October, no specific date set yet – there will be another community meeting that will provide an update on the ballot issues for the November election; November 8 – the election date; December – potentially the next Colorado Department of Local Affairs (DOLA) grant application deadline. The August application was postponed by DOLA because of funding concerns.

b. Chief Ware gave his presentation.

i. **Funding Sources:** Governmental and Foundation Grants will actively be sought to provide funding for this project. If a Mil Levy is imposed, this decision will be made by District voters in the November 2016 election. If anyone has any questions or ideas, they are encouraged to stop by the District Office or attend a Board Meeting which is on the 4th Thursday of every month. The next Board Meeting is two days from now.

ii. Need for a New Station: The need for a new fire station is because of the age of Station 1, storage of equipment and agency growth.

It is extremely important to note here that the construction of a new fire station will allow the District to purchase and be able to house an adequate number of apparatus (Tenders and Engines) that will allow a reduction in Insurance Standard Organization (ISO) Ratings to homeowners. This reduction in ISO Rating is expected to lower the cost of homeowners insurance. This cost savings in insurance policies will be approximately equal to the proposed Mil Levy. This will be discussed in more detail below.

iii. Dimension Challenges at the Current Station 1: The dimensions of the building of the current Station 1 are simply not large enough to house the newer apparatus that is needed to continue providing fire protection to the District. The newer apparatus are taller and longer than what the current Station 1 can house. Also, with the current apparatus in Station 1, there is simply not enough room for a person to easily walk through the building. Additionally, there is no restroom or even hand washing sink for cleaning up. Lastly, the District has grown significantly in volunteer members and there is not enough room to store the Personal Protective Equipment (PPE) that is required for them to have. The District does not encourage volunteers to keep their PPE stored in their personal vehicles or in their homes because that gear may be exposed to carcinogens (cancer causing agents) in the process of fighting fires until it is properly washed, potentially exposing volunteers and/or their families in the meantime.

The District leases office space that is no longer large enough to conduct an all-member training. Much of the District training is done outside in various areas of the community so all members can attend. Only smaller, more specific trainings can occur at the current District Office. The existing office is also too small to support any but the smallest of our public meetings. The office is now for sale and there is no alternative commercial space for rent or lease in Beulah. The District also houses an ambulance in the Beulah School Garage which makes it difficult to secure and maintain the supplies in the ambulance. Additionally, through a grant award, the District will be able to purchase a Side-by-Side (a larger version of an ATV) and a trailer in September. This equipment will be housed at the personal residence of Chief Ware and is not an ideal situation if needed to be dispatched to a scene.

The construction of a new fire station to house the current and future needed District equipment and provide enough meeting space for an all-member indoor training is very much needed right now. The construction of a new Station 1 will not replace Station 2 on Waterbarrel Road, but it will replace Station 1, the leased office, the ambulance garage at the Beulah School and the need to store equipment at the Chief's residence.

ISO Ratings are primarily based on Response Times/On-Scene Times; Adequately Trained Personnel; Adequate Equipment (Fire Apparatus and PPE); Fire Hydrants; and Community Involvement Programs.

iv. ISO and Hydrant Area: The District's coverage area is about 111 square miles, much larger than that of most other fire districts in Pueblo County. Of this

coverage area, only 2% of the area is provided with fire hydrants. The homes in the 2% hydrant-covered service area are expected to see a 2-point drop in ISO Rating from the recent ISO study in Beulah. The ISO rating is on a scale of 1 to 10, 10 being the highest which means your home has no structure protection and equates to higher insurance premiums. In order to compensate for the other 98% of unhydranted area, the District is seeking to purchase two 3,000 gallon Tenders. These additional Tenders will most likely allow ISO Ratings to drop 5 points for those homes in most of the remaining service area with no fire hydrants!

The budget for the New Fire Station includes funds for the purchase of two 3,000 gallon Tenders.

v. Building Location and Specifications: The New Fire Station will have 8 bays which is enough to house all current and future needed apparatus and PPE. It will have a large enough training area for all-member training sessions and for most community meetings. The design of the new station includes adequate office area which provides a small private room for use by the Pueblo County Sheriff. The proposed new station will also have sleeping quarters and restrooms/showers for on-call volunteer members who live further away from the station. Allowing the members who live further away to stay overnight at the station will help further reduce response and on-scene times for night time calls.

vi. Building Costs: The total project cost is estimated at around \$3,800,000 and has increased in part since last Fall due to higher construction costs. The more this project is delayed, the more it will cost to build as construction costs continue to increase over time. The increased project cost also includes the cost for two additional Tenders as well as the cost for the extension of a water line, preferably to the Beulah Water Works District line on Central Ave.

Recent comparable new fire stations that have been built are Station 6 in City of Pueblo and La Vita Fire. The cost of the City of Pueblo Station 6 was about \$2,200,000 and only has 2 bays for apparatus and a small sleeping area for a crew. Their station does not include office, community meeting or training areas. The 12,000 square-foot La Vita Station cost was roughly \$3,000,000 and is very comparable to the District's proposed new fire station. Both of the costs of these recent new stations falls in line with the District's proposed cost of the new fire station.

vii. Funding the New Fire Station: The new fire station will be funded by donations, grants and savings, as well as loans that would potentially be paid back with the proposed Mil Levy. Please refer to the charts on the next page for a summary of proposed funding options available and their effect on homeowners. The proposed Mil Levy is expected to have a 20 year term with a clause that the total loan amount will be decreased if additional funds are collected by other means.

Program	Interest Rate/ Loan	Loan Length	Annual Payment	Total Interest Cost
100% USDA Loan	3% \$2 Mil	20 Years	\$ 134,431.42	\$ 688,628.30
50% Mix USDA	3% \$1 Mil	20 Years	\$ 67,215.71	\$ 344,314.15
50% Mix USDA	0% \$1 Mil	10 Years	\$ 100,000	\$ 0.00

HOW MUCH WILL THIS COST ME

Property Value	9 Mill Levy Cost per year	Daily Cost
\$100,000.00	\$71.64	\$ 0.19
\$150,000.00	\$107.46	\$ 0.29
\$200,000.00	\$143.28	\$ 0.39
\$250,000.00	\$179.10	\$ 0.49
\$300,000.00	\$214.92	\$ 0.59
\$500,000.00	\$358.20	\$ 0.98
\$1,000,000.00	\$716.40	\$ 1.96
20 Year Levy District Revenue	\$2,337,307	

viii. Senior Homestead Discount: There is a program for senior citizens that can reduce the first \$200,000 of property value to 50% of the tax payment. This program is available to those seniors who have owned their home for at least 10 years. The State of Colorado pays the difference. Please contact the District Office for more information on this cost saving program.

In summary, if the Mil Levy is passed then the new fire station can be built. This new fire station will allow for additional space for two more water trucks. The addition of these two water trucks will allow ISO Ratings to be lowered which in turn lowers homeowner's costs on insurance policies. It is expected that the cost savings from lower homeowner's policies will be equal to or greater than the cost of the proposed Mil Levy.

A question answer session followed.

Questions asked and associated answers throughout the meeting were:

1. What if my insurance company does not give a discount for the lower ISO Rating?

Insurance shop, because this new station will still provide a better service to the community and a reputable insurance company will take into account a lower ISO Rating as well as a more efficient service.

2. How do I know if I am on the Reverse 911 list?

Residents are encouraged to go to the Pueblo County Sheriffs website and register your cell phone for notification. Residents can also call the Communication Center's administration number at 719- 583-6250 to register a phone number for the reverse 911 system. Land-line numbers should already be included in the list.

3. What is the status of water availability at the new station?

The District is looking at putting in a new 6" line extension to the Beulah Water Works District, but the District cannot ask Beulah Water for inclusion in the water district until the District owns the property for the new fire station. The property is being donated by the Dick Sellers family and that process is almost complete. The cost for this water line extension is built into the funding of this project and further Dick Sellers is willing to donate the labor and use of equipment to install this water line extension. The back-up plan for water at the new fire station is on-site cisterns for both potable and non-potable water.

4. What if the Mil Levy is passed and all other funds are not secured?

If sufficient funds are not secured through grants, donations and loans to build the facility as planned, the District would have two options. The first option would be to scale back the plans to match available funds and the second would be to refund tax revenues already collected.

5. What would it take to maintain the new station on a yearly basis?

It is estimated that maintenance on the new fire station will be \$16,000 per year. Currently the District spends \$7,800 annually in rent and an estimated \$4,000 in utilities at the current Station 1, most of which is for propane. Those budgeted funds would be put towards maintenance of the new facility, with a net additional cost of \$4,200. The District is also looking into solar and geothermal opportunities to help reduce maintenance costs. Any additional maintenance costs would be absorbed in the Districts' annual operating budget.

6. What would happen to the old building?

Station 2 will remain as is. The current Station 1 would be sold.

7. What will the District do about water availability in a potential drought year?

As with any emergency, incident resources would be ordered as needed. In a drought year utilization of mutual aid for water resources would be called for. If Beulah Water Works District imposes any water restrictions, and the New Fire Station has a tap in their District, our District would honor those restrictions at the New Fire Station.

8. What is fall back plan if mil levy does not pass?

There is no good fall back plan, either in terms of available equipment space or office/meeting/training space. That is complicated by the fact that the existing leased office/meeting/training space is for sale. The District is at a point of diminishing returns with regard to continued use of our existing facilities. It isn't that the District will stop providing fire and EMS service, but it will be difficult to maintain the quality of that service without the new facility.

9. How does the failure to pass the mil levy effect the lowering of ISO Ratings?

Without the mill levy passing the new station will not be able to be constructed. Without the new station the District is not able to house new apparatus which would include the new (used) water tenders. Without those tenders the current ISO ratings for those that are a 9 would stay a 9. Those that are currently a 6 will already be benefiting from the new lower score of 4 starting September 1st. Those that are currently at a 10, which are those greater than 5 miles from a fire station, will stay a 10.

10. What is the sewer service to the district?

There will be an on-site septic system. The site has already been tested and received approval from the Pueblo City-County Health Department for an on-site system.

11. Has the District checked with the State about roadway access?

Yes, the District has contacted the State about driveway access to Central Avenue. It has been determined that the District will be able to obtain an access permit and that a deceleration lane is not needed.

4. MOTION TO ADJOURN: *Motion to adjourn was made by Kim Toman, seconded by Bob Thompson. Motion carried with no objections.*

Meeting adjourned at 7:48 pm.

Kim Toman
Secretary, Board of Directors

Final

Attachments

-Agenda

-Beulah Fire Protection & Ambulance District New Fire Station 1, July 26, 2016
informational project write up

-Insurance Questionnaire