

Pend Oreille County Fire Protection District No. 2  
Minutes of the Special Meeting of the  
Board of Commissioners on March 19, 2008

---

Meeting called to order by Chairman Rick Stone at 1702hrs, at Ken's Bar and Grill, Ione. Present were: Commissioners Durand, Norton, Stone and Chief Pollock

Also present were representatives from the United States Department of Agriculture (USDA), Rural Development, Peter McMillin (Community Programs Director), Rick Rose, and Trini Mayo.

- **This meeting was called to discuss the progress of the District application submitted to the USDA for underwriting of a loan and awarding of a grant associated with the construction of District Fire Station 23 (Tiger).**

Introductions were made and members of the District provided an over view of the Districts Fire and EMS origin, operations and funding.

The USDA group discussed the current funding request, with McMillin expressing the desire that the USDA continue to be participants in the project.

Norton answered questions from the USDA regarding where the District was within the application process.

Stone discussed the process since its inception (2005?). The ongoing back and forth confusion between the two agencies as it applies to the ever-changing USDA lead person, numerous lists of requirements forwarded to the District, and the District's difficulty in assessing the progress of the original application. No straight answers, untold telephone conversions and written communications were mentioned by the District's representatives. Stone posed the question to the USDA: "What is the current situation"?

A discussion followed in which the building plans, contracts, bidding process, bids, and who is the contractor (Quality Steel Buildings), and what are their qualifications were discussed. A brief discussion centered on bidding problems and acquiring bids based on the projects rural location.

The District made USDA aware of the written commitment from the State of Washington's LOCAL bond funding commitment already in place. Also, the District has in place private interim construction financing pending the outcome of either form of final funding being provided. The LOCAL funding was acquired as "back up funding" in the event the USDA request did not materialize.

Rose discussed lack of appropriate building plans in the early stages of the process (early to mid 2007 was mentioned as a time frame). Norton replied that AIA approved plans were submitted in August 2007. About this time there was also a change in language in the building contractor's contract. There was a discussion around the need for and the difficulties the District had in acquiring three bids.

Rose stated that the project is currently a "Design Built Contract" in an amount over \$100,000.00 and that this is a problem". He also discussed the need for a set of AIA stamped plans. Norton responded that the AIA stamped plans were submitted in August 2007. Rose replied that he has not seen these plans.

Norton and Stone posed the question, "What is needed to complete the USDA process"? What does Agnieszka Kisza (the project coordinator?), need from the District to move forward? The District wants these additional needs in writing.

A discussion defining the term "Design Built Contract" was held. It was defined by the USDA as a contract to "All in one-design and built by one entity".

McMillin stated "Let's get to the final list". He added that, "We should be able to get this project on the way with the latest Needs List completion". He desires to get this moving and that they should be able to get the latest complete list written and forwarded to the District within days.

This list will originate from Kizza and be forwarded to Norton.

McMillin has a Quality Steel Building contract questions. "Is it valid with the contractor and with all improvements made up until today"?

Norton replied to the affirmative.

McMillin, after briefly looking at the contract, replied to Rose that the contract appears appropriate.

Rose replied that because this is a "Design Built Contract" that is over \$100,000.00 in total; OGC needs to approve the contract. Additionally, a copy of the contract from the architect/designer will be required.

Further discussion by all - "What does it take to get this project done"?

A discussion of final funding in the amounts of \$40,400.00 in grant proceeds and a USDA backed loan of \$209,600.00, for a total of \$250,000.00 for the project was held.

Additional discussion was held regarding plans, current building construction progress, and the fact that the outside shell of the building was complete. The continuing of construction is based on the weather conditions.

USDA stated that a final needs list will be provided to the District by April 01, 2008 and their desire to continue in assisting the District in the project.

**Stone solicited a motion for action. Norton made a motion to "Continue working with the USDA towards an agreement". Motion was seconded by Durand. Discussion was held. Durand has concerns regarding the time frame to this point and beyond. Stone brought up the "cease and desist" construction request made by Rose to be in place until the final outcome of the negotiation. He stated "We are not going to stop our efforts to complete this project".**

**Vote on the motion- Norton aye, Durand no, and Stone no. Norton's motion to "continue working with the USDA towards an agreement" failed. Stone, "We will not pursue USDA financing at this time".**

In follow up discussion, McMillin suggested the District wait until the final list is submitted from the USDA to make a final decision on the project.

**Stone made new motion to "Continue the USDA process until the receipt of the USDA needs list to be provided by April 01, 2008". A second was made by Durand. No discussion**

**Vote on motion- Norton aye, Durand aye, and Stone aye. Motion passed. The District will continue to work with the USDA pending the receipt of the needs list by April 01, 2008.**

Norton will be forwarded the needs list by Kizza as stated by the USDA.

Durand made a motion to adjourn at 1820 hrs. Motion carried.

---

**Submitted by L.Pollock, March 27, 2008**

Approved at the April 14, 2008 regular commissioner meeting.

/s/ John Rumelhart, Clerk of the Board