



# Bollinas Fire Protection District

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September 26, 2005

## Special Meeting: Bollinas Community Firehouse & Clinic Joint Meeting with BFPD Board and CHA Board

Purpose: Provide context and plan for response to construction bids.

The special meeting was called to order by Pres. Sands at 9AM. Vice Pres. Binley and Dir. Aitken were present. Dir. Currey and Dir. Phillips were absent. Also present were John Severson, Lisa Belle, Judith Shaw, David Bunnett, Rebecca Porrata, Steve Martin, Martin Kline, Kim Bender, Richard Hinman, Fire Chief Anita Brown, Deborah Reynolds and Lucy Reid.

Pres. Sands welcomed everyone present to the meeting. She recognized all the hard work done by Chief Brown, the Building and Grounds Committee, and the BFPD Board. She also recognized John Severson and Kim Bender for their continued efforts.

Kim Bender also welcomed everyone and thanked all for attending on such short notice. She recognized that the meeting was the first time the two Boards have met together in three years and encouraged all to ask questions.

Construction Manager Richard Hinman described the process and status of bidding. He stated that on Tuesday September 27 at 11AM he expects to receive six bids from companies in Novato, Petaluma, Richmond, Sacramento and Santa Rosa. He is familiar and has had direct work experience with five out of the six companies. He publicly will open each bid one at a time checking that all procedures and legalities are in place. Based on the bids, he will then make a recommendation to the Board. The anticipated average bid is \$3 million. Richard will check references and research sub-contractors for the lowest bidders before making a recommendation. Hopefully, local sub-contractors will be utilized from West Marin as much as possible.

Dir. Binley asked if the project will cost more than the anticipated \$3 million for construction. Kim answered that total costs have long been estimated at \$5.5 million. The CHA is responsible for raising 30% of site development costs and the BFPD is responsible for raising 70%. The project is collaborative so these percentages are not static. Each entity will raise as much money as they can in order to reach a mutual goal - completion of the Project.

Kim began by reviewing a financial summary report prepared by Kristin Johnson for all revenue and expenses accrued and spent so far by the three entities: CHA, BFPD and the "Joint" entity (CHA and BFPD together). After much discussion about how exactly to interpret the numbers, Kim concluded that of the approximate \$5.5 million needed; \$1.4 million is not committed, but there are a number of options currently being explored. Considerations in the discussion included

accounting for expenses already paid, accounting for a \$500,000 contingency amount, and accounting for donations or grants not yet committed. Lucy offered to work with John Severson and anyone else interested to consider all aspects of funding and to create a new report.

Discussion followed regarding which agency was responsible for raising how much of the \$1.4 million still needed. Pres. Sands reiterated that both agencies are responsible for raising joint funds and should therefore concern themselves with the joint task at hand instead of a division of a common goal.

John Severson presented his financial report which addressed proportionality between the three agencies including Mesa Park. The report included construction expenses and committed revenues including grants and loans.

David Bunnett reviewed the MOU that describes an understanding between the two agencies as to what their financial responsibilities are. The BFPD is responsible for funding approximately 2/3 of the Project while the CHA is responsible for 1/3. If there are funds left over, they will be split according to the proportions described above.

Kim presented a plan for acceptance of bids based on the construction budget set at \$3 million. For bids made up to \$3.2 million, she assigned a “green light” meaning probable acceptance. For bids made between \$3.2 and \$3.5 million, she assigned a “yellow light” meaning maybe acceptance. For bids made between \$3.5 and higher, she assigned a “red light” or refusal. The numbers are based on a 10% contingency of construction costs.

If the bids are too high, Kim presented a possible alternate plan. Since the CHA is a non-profit and because building plans for both the new Clinic and Firehouse are so integrated as they share parking, electricity, plumbing, funding, etc., the Project may be exempt from a public bidding process. If this is the case, an additional public bidding process could be avoided and CHA could negotiate on behalf of the project directly with a private contractor. The CHA would be the lead organization and signer of a contract. Discussion continued regarding contractor Steve Oliver’s experience with building fire houses or other “essential” facilities and timing as to a tear down date for the existing building and demolition costs. In any case, whether working with a private company or public bidder, negotiating will be necessary. Neither option would jeopardize the USDA loan or loans with other public lending agencies.

Pres. Sands suggested that both Boards first complete the bidding process. If all bids are too high, then research private companies to negotiate with including Steve Oliver’s. All agreed to attend the regular meeting of the BFPD on Thursday Sept. 29 to hear Richard Hinman’s recommendation and to then schedule a second special meeting where both Boards could discuss options and possibly take action. Several people present encouraged everyone to take their time and not rush to any unconsidered actions. Kim agreed to research options further before the next meeting.

Kim went on to further discuss possible financing options to bridge the gap to meet the final \$5.5 million goal. She recently became informed of the Infrastructure Bank of California or the “I Bank”. The bank offers a loan with a 3% interest rate. At this time, the Project is not committed to the USDA Loan with a 5% interest rate since no bonds have been sold. The 2% difference would essentially save money over time to help augment the \$1.4 million gap in funding. Kim is negotiating with the County of Marin to secure the loan, and then they would be reimbursed with the Parcel tax revenue they are collecting over the next forty years. Kim plans on meeting with the County next week and further discussing this plan.

Other possible loan sources include the California Communities Fund, the Rudolph Steiner Foundation and the Marin Community Foundation. Kim is researching each option further.

Deborah Reynolds gave a grant status report for the Capital Campaign. She reported on seven potential grants that she is applying for by December 2005 amounting to a possible total of \$505,000. In writing applications, she is stressing the collaborative nature of the Project. Grant sources include the Marin Community Foundation, the Wellpoint/Anthem Fund, the San Francisco Foundation, the Wayne & Gladys Valley Fund, the Ahmanson Foundation, the Bothin Foundation, the Greater Bay Bancorp Foundation, the McKesson Foundation and the William G. Irwin Charity Foundation. Any monies granted hope to be received by July of 2006.

David Bunnett reported that he had met with David Mitchell of the Point Reyes Light who is supportive and wants to provide ongoing mention of the Project in the paper.

Everyone thanked Pres. Sands for calling the meeting and bringing both Boards together to discuss the construction bids and financing.

### **ADJOURNMENT**

MSC, Aitken/Phillips (unan) to adjourn the meeting at 11:30 AM.

Respectfully submitted,

Molly Brown  
District Secretary

NOTE: All minutes to all Board meetings are available for review at the Bolinas Library.