

**Excelsior Fire District Board  
EFD Governing Board Meeting  
Wednesday, November 23, 2005**

**20225 Minnetonka Blvd  
Deephaven, Minnesota  
7:00 P.M.**

## MINUTES

### **1. CALL TO ORDER**

Chair Bauman called the meeting to order at 7:00 P.M.

### **ROLL CALL**

Present: Excelsior Fire District (EFD) Boardmembers: Chair Bauman; Boardmembers Love, Saunders, Skrede, Alternate Bolles (7:00 P.M. – 7:10 P.M.), and Viesturs (7:10 P.M.); and EFD Chief DuCharme

Also present: EFD Captains Heiland and McCarthy; Deephaven City Administrator Young; Shorewood City Administrator Dawson; and Excelsior Councilmember Bolles and Administrative Assistant Johnson (left at 8:50 P.M.)

Absent: Firefighter/Trustee Hoo

### **2. AGENDA APPROVAL**

Chair Bauman reviewed the Agenda for the meeting. He requested that Item 7E, Reconsideration of the Purchase of the Mule from the Orono Firefighter Revenues, be added to the Agenda for the meeting. He also requested that Item 7B, Close Out of Construction Projects – General Conditions and Construction Reimbursements Reconciliation, be moved to follow Item 3, Minutes – Meeting of October 26, 2005.

**Saunders moved, Love seconded, approving the EFD Board Meeting Agenda as amended. Motion passed 5/0.**

After the decision was made to take a recess to listen to the October 21, 2003, EFD Governing Board Meeting, Boardmember Saunders motioned to reopen the Agenda.

The Agenda was amended as follows: 1) Item 4, Report Agenda, was moved to the December 2005 Agenda; 2) Items 6A – 6D, Fire Chief Report, were omitted; 3) Item 6E, the Trustee report, was eliminated as the Trustee was not present; 4) Item 7A, Expenses Related to Orono Revenue, was moved to the December 2005 Agenda; and 5) Item ????, New Truck Proposal, was moved to the December 2005 Agenda.

**Without objection from the Board Chair Bauman proceeded with the Agenda as amended.**

### **3. MINUTES**

- **October 26, 2005**

**Love moved, Saunders seconded, Approving the October 26, 2005, EFD Governing Board Meeting Minutes as presented. Motion passed 5/0.**

### **4. CLOSE OUT OF CONSTRUCTION PROJECTS –**

#### **A. General Conditions and Construction Reimbursements Reconciliation**

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Boardmember Skrede distributed his November 3, 2005, memo to the EFD Governing Board which documented concerns he had regarding the assignment of costs from the construction of the Public Safety buildings. In summary, his concerns are: 1) the assignment of \$49,438.37 in General Conditions costs to the East Side; and 2) costs for office furniture and equipment which totaled \$45,752.83 were charged to the EFD rather than split 51% to SLPMD and 49% EFD. In addition, he proposed a change to borrow funds from CEP to pay the EDA the amount of the shortfall in the West Side Bond Fund.

Boardmember Love stated he would have preferred to have received Boardmember Skrede's memo with enough lead time to have reviewed it thoroughly prior to the November 23, 2005, Board meeting.

Boardmember Skrede stated the information on the first two pages of the memo documented what he had stated at the October 26, 2005, meeting and only the third page of the memo was new information.

Boardmember Sanders asked for clarification on the issues: was the issue about assignment of costs or about General Conditions.

Boardmember Skrede stated it was the assignment of costs.

Boardmember Viestures stated General Conditions and the assignment of costs are interrelated.

Discussion ensued by the Board regarding clarification of outstanding issues and the order in which the issues should be discussed.

Chair Bauman stated there were two issues outstanding: 1) General Conditions; and 2) the assignment of Construction costs.

Boardmember Skrede explained the detail behind the \$49,438.37 and \$45,752.83 amounts. Discussion ensued by the Board regarding the costs and the assignment of costs. In response to Boardmember Skrede's question, City Administrator Dawson stated he was not aware of any outstanding invoices.

There was ensuing discussion regarding what caused the General Conditions overrun, in particular the impact of the delay in East Side Station construction on the West Side Station construction costs, and the accuracy of Kraus Anderson's information used to calculate the increase in General Construction costs.

Boardmember Skrede stated he felt the previous Board had already taken action on General Conditions, there had been a 4/1 vote to close out assignment of General Conditions costs on the West Side at the October 21, 2003 meeting.

Boardmember Love stated he felt the minutes from the October 21, 2003, clearly reflect an incomplete direction being taken. He does not take issue with the statement that intent was given.

Boardmember Love provided history regarding the commitment to building one Fire Department. During the fire station site research process, it was determined (with the assistance of outside consultants) building two fire stations would serve the EFD community better than a single fire station. The presiding Board concurred. Two sites were selected for the fire stations; the current East Side site was not one of the originally recommended sites for best response times. From the

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moment the decision was made to build two fire departments the Board maintained a commitment to building one Fire Department.

Boardmember Love stated that Krause Anderson had anticipated General Conditions overruns as early as September 2003 because of project delays with the East Side. In November 2003 the cost overrun was estimated to be approximately \$75,000. He agreed the previous Board was aware there were financial problems. He stated he felt the motion to move forward with the East Side Station was a last minute motion, a motion with little discussion. Love dissented on that motion. The objective was to move the project forward.

Boardmember Love stated there was a contract with Kraus Anderson with a commitment to pay the contract. He went on to state there were cost overruns due to the construction of the second facility, but the cost overruns should not be classified as a West Side or East Side issue. He stated the effort was one Fire District project with two components to it – the West Side Station and the East Side Station – and the Fire District project as a whole came in under budget.

Boardmember Love expressed his appreciation to the Board for having had the opportunity to restate his position.

Boardmember Viesturs stated that prior to the meeting, she spoke with Boardmember Skrede and Excelsior Councilmember Bolles who conveyed it was Doug Hill's belief there was a vote taken. The Excelsior Council's position was if had decided on the issue, that decision should stand. She did advise Excelsior Council there was nothing in the October 21, 2003, minutes that showed a concrete motion. She did not specifically ask if the previous Board was aware of the \$60,000 General Conditions overrun. Viesturs questioned if there was any discussion regarding General Conditions when the decision was made to close the project financial books in December 2004.

Boardmember Love stated the previous Board was aware of the General Conditions issues when they closed the financial books. The assignment of General Conditions cost was something different.

Discussion ensued regarding various viewpoints on what action was taken regarding assignment of General Conditions costs by the previous Board at the October 21, 2003, meeting. There was shared concern the minutes of that meeting did not clearly state the previous Board's intent of the motion regarding close out of General Conditions costs.

Chair Bauman asked for input on how to move forward with the issues.

Boardmember Love stated there should be a vote, and he will abide by the vote. He personally did not feel a decision was made by the previous Board. He stated previous Board discussions on assignment of General Conditions costs were not significant prior to a motion being made to continue with building the East Side Station, a motion that carried 4/1 with Love dissenting.

Boardmember Skrede stated he felt the previous Board had already taken action on General Conditions, there had been a 4/1 vote to close out assignment of General Conditions costs.

Boardmember Love stated the previous Board did vote 4/1 on General Conditions, with Love being the dissenting vote. He did not feel the vote constituted a final action by the board.

Boardmember Saunders stated he spoke with his predecessor, Doug Hill, who thought the General Conditions issue had been brought to closure. If the tape indicates that is true and all of the information currently available was available at that time, then Boardmember Saunders would

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not support a change in the previous Board's decision. Boardmember Viestures concurred. Boardmember Saunders also stated he would not have made the same decision.

The Board restated their commitment to doing what is right for the EFD community.

Boardmember Skrede stated he is confident the prior EFD Governing board was aware of the General Conditions issue.

Chief DuCharme stated he had the recorded tapes from the October 21, 2003, Board meeting.

Chair Bauman asked the Board if they wanted to continue this discussion at the December 28, 2005, meeting. The Boardmembers stated delaying the resolution of the issue was the last resort.

Discussion ensued regarding the benefit of listening to the tape and who should listen to the tape. Consensus was the Board should take a forty-five minute recess to a different location and listen to the tape that evening. The goal was to bring closure to the General Conditions issue.

Chair Bauman recessed the meeting at 8:50 P.M. and reconvened at 9:54 P.M.

Chair Bauman asked for Boardmember feedback from the tape review.

Discussion ensued regarding whether or not the previous Board voted on a specific direction. Some Boardmembers expressed concern about ambiguity regarding the action of the previous Board. Boardmembers shared perspectives of what they gleaned from the tape. Further discussion ensued regarding the intent on the previous board and the phrasing of a motion.

**Saunders moved, Skrede seconded, the motion "Acknowledging the Spirit and Intent of the October 21, 2003, EFD Governing Board Meeting, the Issue of Assignment of General Conditions Costs between the West Station and East Station was completed."**

**Motion passed, 4/1 with Love dissenting.**

Boardmember Love expressed his appreciation of the Board's deliberation on this issue.

Boardmember Saunders noted the October 21, 2003, EFD Governing Board Minutes do not properly characterize Boardmember Love's concern for and commitment to doing what is fair and right for the EFD community.

Boardmember Skrede asked Chair Bauman to direct staff to determine what portion of the outstanding accounts receivable balance is due from the EDA and what portion is due from other activities.

Administrator Dawson stated the only number he could provide would be the balance of the fund. He knows of no other outstanding amounts due from EDA.

Boardmember Skrede requested action be taken on his proposal this evening to: 1) reverse the assignment of \$49,438.37 in costs to the East side; and 2) the allocation of \$45,752.83 furniture and equipment costs between EFD (49%) and SLMPD (51%).

Discussion ensued regarding the allocation of furniture and equipment costs, and SLMPD Chief's involvement in the purchase of the furniture and equipment. Board Member Love stated that Chief Litsey had withdrawn support for the purchase of furniture and exercise equipment due to lack of necessary funding.

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Chair Bauman asked separate actions be taken on the assignment of costs and allocation of costs.

Chair Bauman directed staff to have the EDA rectify the assignment of \$49,438.37 in construction costs to the East side by crediting the East Side Bond Account and charging the West Side Bond Account.. He will work with Chief DuCharme to explore avenues for the allocation of furniture and equipment costs that will be positive for both the EFD and SLMPD.

**5. REPORT AGENDA**

**A. Monthly District Review for October 2005**

The Monthly District Review for October 2005 was moved to the December 2005 Agenda.

**B. Report of Operating Committee for November 9, 2005**

The November 9, 2005, Operating Committee Report was moved to the December 2005 Agenda.

**6. MATTERS FROM THE FLOOR**

Excelsior Councilmember Bolles expressed his gratitude to the Board for staying with the previous Board's decision regarding the General Conditions issue.

**7. FIRE CHIEF REPORT**

**A. General Report**

The Fire Chief General Report was omitted from this meeting.

**B. Operating Report by the Deputy Chief**

The Operating Report was omitted from this meeting.

**C. East, West, Navarre**

The East, West, Navarre Report was omitted from this meeting.

**D. Fire Prevention**

The Fire Chief General Report was omitted from this meeting.

**E. Trustee Report**

There was no Trustee report.

**8. OTHER BUSINESS**

**F. Expenses Related to Orono Revenue**

The Expenses Related to Orono Revenue was moved to the December 2005 Agenda.

**B. Fire Chief Annual Review**

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Boardmember Viesturs stated she and Chair Bauman had discussed the processes for the Fire Chief's annual review. She stated they had distributed forms soliciting feedback on the Fire Chief and the Fire Department from the Firefighters, 25 responses were returned. She was in the process of summarizing the feedback and would provide summary feedback to the Board. She and Chair Bauman requested each Boardmember complete an evaluation on the Fire Chief and electronically return it to Viesturs. She would summarize and distribute Boardmember feedback along with the Firefighter summary feedback.

Boardmember Skrede had electronically distributed the prior year's evaluation form to Boardmembers.

Boardmember Viesturs requested staff provide her with the Fire Chief's job description which will be included in the summary packet that would be distributed. She also requested Boardmembers submit goals and objectives for the Fire Chief; which would be used to measure the Fire Chief's success in 2006.

Boardmember Saunders stated he would do what is asked of him. He restated his perspective – he does not agree with the process.

Boardmember Skrede stated he also does not agree with the process, but would do what is asked of him.

December 16, 2005, was the deadline set for electronically submitting Fire Chief evaluation feedback and goals and objectives ideas for 2006 to Boardmember Viesturs. She will provide summary information back to Boardmembers by December 23, 2005.

Boardmember Viesturs thanked the Firefighters for their input on the Fire Chief and Fire Department.

**The Fire Chief's annual review was scheduled for December 28, 2005, at 6:00 PM before the regular meeting. It is a closed session and will be held in the Fire Chief's conference room at the West Side Station.**

### **C. New Business**

#### **1. Location of Fire Rescue Boat**

Boardmember Love stated he had conversations with Gabriel Jabbour regarding storing the Fire Rescue Boat at the Shorewood Yacht Club, the location the Firefighters originally stated would provide the best response time. He asked permission from the Board for District Chief Heiland and him to continue discussions with Mr. Jabbour. The Board gave him an informal approval.

### **D. Mule Purchase**

Deputy Fire Chief George stated the Fire Department, at their last business meeting, voted on items proposed for purchase with Orono contract money. The Mule was voted the top priority. He stated the Board had previously approved matching funds from discretionary funds in the amount of \$4700. The question to the Board was whether or not the Mule can be purchased now. If further discussion was required he requested the discussion be put on the December 2005 Agenda.

Boardmembers Skrede and Saunders agreed the Board had previously approved matching of funds. Boardmember Saunders went on to state at that time the Board thought there would be

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adequate discretionary funds from the Orono contract. The Orono contract has not funded the discretionary fund to the level originally anticipated. He was unsure of the impact of the lack of discretionary funds.

Deputy Fire Chief George stated he thought the price quote for the Mule would be valid for the near future.

Boardmember Saunders stated the spirit of the decision should be honored. Funding of the purchase should be put on the December 2005 Agenda for discussion.

Mule funding was placed on the December 2005 Agenda.

**9. NEXT MEETING**

**A. Board Meeting December 28, 2005; 7:00 P.M. WEST SIDE STATION**

Chair Bauman noted the time and location of the Board meeting in December.

**10. ADJOURNMENT**

**Viesturs moved, Saunders seconded, Adjourning the EFD Governing Board Meeting of November 23, 2005, at 10:52 P.M. Motion passed 5/0.**

**RESPECTFULLY SUBMITTED,**

**Christine Freeman,  
Recorder**