

INDIAN HILLS FIRE PROTECTION DISTRICT

4476 Parmalee Gulch Rd.
P.O. Box 750
Indian Hills, CO 80454
Phone: 303-697-4568

BOARD SPECIAL MEETING MINUTES

Wednesday, November 30, 2011

The Minutes are intended to reflect the discussions that occurred and decisions that were made by the members; they are not intended to be a transcription of the meeting.

MEETING ATTENDED BY:

Fire Protection District Board Members: Paul Pettit — President; Bret Roller — Treasurer; Marc Rosenberg — Secretary; Ron Walton

Fire Department Members: Don Schoenbein — Chief; Emery Carson — Assistant Chief; Bob Fager — Rescue Captain; Loren Gilbert — Fire Captain; Matt Griffin — Rescue Lieutenant; Steve Bruns; Scott Case; Robert Humber; Brian Kerby; Laura Resch; Ray Vogler

Non-Members: Karen Nelson — Recording Secretary

Guests: Stephen Pollitt

Absent: Kelley Lehman (excused)

MEETING CALLED TO ORDER AT: 19:28 Hrs.

INTRODUCTIONS AND ANNOUNCEMENTS:

Mr. Pettit said that there were two items on the agenda for the Special Meeting: future building expansion plans and the Chief's evaluation. Regarding the Chief's evaluation, Mr. Pettit said that he'd like to form a committee that evening to put a process in place. The evaluation would occur in January, he explained.

FUTURE BUILDING EXPANSION PLANS:

Regarding land options, there were two pieces of property being discussed: the adjoining Noble property and the Aztec Rd. property that Mr. Carson had brought to the table at the last Board meeting, Mr. Pettit said. He stated that he had visited the Aztec property and proceeded to explain how the land had been parceled into four lots, including the lot sizes and associated prices. The real estate agent had told him that the owners might be dropping the price on the property the following day, Mr. Pettit added. In summary, the current price is \$400,000 for a 4.6-acre parcel and adjoining .8-acre corner lot, the two parcels that would work best for the District.

Mr. Bruns asked if the property had structures. “No,” answered Mr. Pettit. It was also noted that there was a water tap as well as a hydrant on the property. Mr. Schoenbein asked if the sellers owned the property free and clear. “Yes,” responded Mr. Carson. Mr. Pettit reminded that buying the Aztec property would necessitate that the District start from scratch with utilities, septic, etc. Mr. Walton asked if there was a power line on the property. It was noted that there was but that it would need to be re-run.

Mr. Pettit returned discussion to the Noble property. Mr. Kerby asked how the appraisal had been obtained and requested a copy to review. Mr. Pettit explained that the appraiser had been referred to the District. Mr. Noble had provided a property value, but it had been from his property tax statement. Mr. Pettit then explained that a portion of the Noble property is zoned commercial. Part of the Aztec property is zoned light industrial as well, he added. Mr. Walton asked what the significance of being zoned commercial meant as far as appraisal numbers. Mr. Pettit explained that a commercial zoning meant a higher valuation.

Mr. Pettit then said that the issue on the table was whether to make an offer on the Noble property. There are positives and negatives to the land next door, he continued, citing the septic and leach field location as one of the negatives. The intent that evening, he said, was not to design a building but rather to make a decision on which direction to go regarding land acquisition.

Mr. Roller suggested opening the topic up to the Department members. Mr. Bruns said that he had no say since he had been notified that day that he was no longer a part of the Department. Mr. Gilbert interjected to say that Mr. Bruns was still a community member whose opinion mattered. Mr. Case spoke up to say that there were two priorities: to do something about the current structure and to put a two-bay station down the hill. He stated that he thought it would be a mistake to put money into the current station other than for maintenance purposes. He said that adding another piece of land and installing a metal spec building was a good idea. But putting a firehouse down the hill — even if it’s only a two-bay barn with electric but no water — would free up space at the present station and is the most important priority in his opinion.

Mr. Fager said that he agreed with Mr. Case. Having a station down the hill is the priority. In the past, Mr. Schoenbein had talked to Geneva Glen representatives, who had said that the District could have a small piece of land, Mr. Fager continued. He said that he didn’t know about the two properties being considered [Noble and Aztec] but that he could see the office in the present station being turned into a locker room and the offices and exercise equipment being moved to the house on the Noble property. The District could even put one of its trucks in the garage there, Mr. Fager offered.

Mr. Walton said that his take was to look at the situation with both a short- and long-term view. There are three options, he continued. While the Noble property is viable, Mr. Walton admitted that he wasn’t real comfortable with it. The Aztec property, Mr. Walton continued, could be beneficial to the District in the long term. But not in the short term. Regarding having a station at the bottom of the hill, the District should find the money and get it done, he said. Mr. Walton concluded by saying that he’d like to see all three ideas get fleshed out.

Mr. Rosenberg said that he thought the meeting that evening should focus on the Noble property. He proceeded to provide a brief history of the property. Mr. Fager said that he thought the Noble property would work both in the short and long term. Mr. Rosenberg reminded that excavation would be involved if the District chose to purchase the Noble property. Mr. Gilbert asked Mr. Walton to define *short term* vs. *long term*. Mr. Walton explained that 10-15 years was long term in his mind.

Mr. Walton was then asked to explain what his concerns were about the Noble property. He responded that he was having trouble wrapping his head around how the District would utilize the land. "It doesn't flow well," he added. Mr. Rosenberg asked if the elevation difference bothered him. "Partly," answered Mr. Walton.

Mr. Pettit admitted that the Aztec property was a blank slate in terms of usage. But it would have to be part of a long-term plan. Mr. Rosenberg mentioned the benefits of keeping the six-inch water main that is in the current station. Mr. Bruns asked if the plan would be to keep the house on the Noble property or scrape it. "Keep the house," answered Mr. Pettit. Mr. Gilbert asked how the transition would be made. Mr. Schoenbein interjected that Mr. Roller had proposed a good idea: a six-month tent rental to house the apparatus if a decision is made to scrape the current station. Mr. Roller added that it would just be part of the construction cost.

Mr. Griffin spoke up to say that he thought the Board was being a bit impulsive about the Noble property. The current station will last another 10-15 years, he said. The Aztec property is a better option, Mr. Griffin said, admitting that he didn't know about the District's budget. Mr. Gilbert agreed, adding that the District could get what it really needs with the Aztec property rather than cobbling together a solution with the Noble property.

Returning conversation to the idea of a substation, Mr. Pettit said that the District has been looking at land down by Hwy. 285 for years and mentioned the Parmalee house. Mr. Schoenbein chimed in on the Geneva Glen property, saying that while the lot is good, the access is not. The road is narrow, has sharp curves, and is .6 mile up from Parmalee Gulch. The property that has been offered, Mr. Schoenbein continued, is where the camp counselors park their cars in the summer.

Mr. Case asked for a turn to speak and said that he thought Mr. Griffin's thoughts were on the right track. Buying the Noble property would result in the District eventually getting stuck with a house that it doesn't need. Mr. Case reiterated his belief that the district needed a station down the hill. And when it's time to discuss the Chief's evaluation, he continued, Mr. Case recommended having two Department members, two Board members, and one Boots member on the committee. He thanked everyone and explained that he had to leave to go to work.

Mr. Vogler also expressed that he thought Mr. Griffin was right: the Noble house wasn't a for-purpose building. Mr. Gilbert said that the Aztec property would be good to have with its light industrial zoning. Discussion followed about how the current station might be used if the District makes a land acquisition. Mr. Roller interjected that the District owes the people the best service and a station near Hwy. 285 is the first priority. He said that buying a \$400,000 property and then spending \$500,000 to construct a station would cost the District

\$1 million. It's a tiny district, he continued, saying that maybe 20 more homes would be built in the coming years. Mr. Roller expressed that he's in favor of purchasing the Noble property. He said that he'd run the numbers and found that the District could get what it needs for \$370,000. A couple of vehicles could be moved to the substation and a couple to the Noble property.

Mr. Gilbert expressed that he thought that buying the Noble property was a short-term plan. Patching together a plan would result in problems, he said. What's needed is a good plan with a long-term approach of 25-30 years. In ten years, doing what is needed might cost \$1.5 million, Mr. Gilbert added.

Mr. Roller reminded that the District had taken a bigger hit on buying unnecessary new trucks than re-patching old trucks. The District has a pretty good idea what it needs, which is essentially a place to house the apparatus and equipment. Mr. Pettit said that the discussion had all started because it was going to cost almost as much money to fix up the present station as it was going to cost to rebuild it.

Mr. Roller said that \$20,000-30,000 could be spent to limp along in the current station. He said that the District knows what will increase service to the community and that the Aztec purchase would be irresponsible. He ran the numbers: \$290,000 to purchase the Noble property, \$30,000 in house renovations, \$30,000 for a substation, and \$20,000 to repair the current station. Mr. Schoenbein agreed that a substation down by Hwy. 285 was a good idea. And while the Aztec property has the most potential, it's expensive, he said. Mr. Schoenbein estimated repairs at the current station at \$30,000-50,000.

Mr. Schoenbein next expressed concern that the Noble property may not be buildable with its septic and leach field setup. The Noble property is an expensive opportunity as well, he added. Mr. Schoenbein reminded that Mr. Noble had offered to give the District 15-20 feet of property. The current station could be scraped and a new one rebuilt on the Noble property with different access. He reminded that the Noble property was 1.75 acres. Mr. Roller said that there would be opportunities for more space with the two lots combined.

Mr. Kerby spoke up to say that he reviewed property appraisals as part of his job and found that the Noble appraisal may not be valid. He cited comps that would not be considered appropriate. He advised using the \$290,000 valuation loosely and suggested offering significantly less if interested in purchasing. Mr. Pettit responded that the District could offer \$250,000 or less.

Ms. Resch asked if there were other properties available. Mr. Roller asked if 20% was required as a down payment on raw land. Mr. Kerby responded that often 30-50% is put down. Discussion followed concerning what a payment might be on the Noble property. It was determined to be roughly \$1,500-1,800 per month.

Mr. Pettit then drew a schematic of the Aztec property, showing how the various lots are laid out. Mr. Walton asked for a clarification of the costs of building a structure from the ground up. Mr. Schoenbein explained that for a single-level structure plus associated concrete, costs would be roughly \$300,000, with more money required to be ADA compliant. Mr. Roller suggested simply building a single-story metal shed on site for

\$100,000 and opening up the property for more parking. Mr. Schoenbein offered the idea of a circular drive. But he suggested saving the last bay of the current station because of the six-inch water line.

Mr. Roller said it needed to be determined what apparatus will need to be housed when the District hits maximum capacity. He said that it would be a major undertaking to build a new station. Would the District hire a general contractor? Mr. Bruns asked how much money the District has to work with. And what's the forecast for income? Mr. Rosenberg responded that the District has \$400,000. Mr. Bruns asked if that was \$400,000 in reserves. Mr. Pettit explained that the money had been accumulated over the last decade. All apparatus are paid off, Mr. Rosenberg added.

Mr. Griffin spoke up to say that the District had two time-sensitive opportunities with the Noble and Aztec properties. He again expressed concern that the situation seemed a bit impulsive. Mr. Pettit said that he believed that there was a consensus that the Aztec property was more than the District wanted to spend. Mr. Kerby explained that the District could write a contract on the Noble property with provisions and use the 45-60 day period to do its due diligence. The District can always bail on the offer, he said.

Mr. Schoenbein said that the economy does not appear to be improving. In five years, property may cost less. Mr. Roller said that if the Noble property hits the market, his guess is that it would be gone fast. Mr. Pettit added that Mr. Noble would put the property on the market if the District doesn't want it. Mr. Roller reminded that the District has the option of doing nothing. He said that he doesn't want to lose focus on a substation. Mr. Pettit reminded that workable property had to be found first. Everyone advises building a substation, but the property has to be found, he said.

Discussion followed on various parcels near Hwy. 285. Mr. Rosenberg asked about the dirt lot across from the old Base Camp and next to the post office. He was told that it wasn't large enough. Mr. Kerby advised looking at a parcel map and knocking on doors to see if people are willing to sell. Mr. Roller asked if anything could be done about the Geneva Glen road. "No," answered Mr. Schoenbein.

Mr. Carson raised the idea of the property across from Sit-n-Bull. He explained that it sits in a flood plain. Mr. Schoenbein explained that the substation could be a storage shed for a couple apparatus. Mr. Rosenberg advised talking to the County Planning and Zoning department. Mr. Carson said that he still believes in the Aztec property. Mr. Roller noted that the Aztec property is available for high-density housing. Mr. Carson said that he would talk to the owners of the property across from Sit-n-Bull. The County had said in the past that the fire department was the only one it would allow to build on it, Mr. Carson said. Mr. Pettit confirmed with Mr. Carson that he would talk to the property owners and check with the County.

Mr. Schoenbein liked the idea of talking to neighbors and reiterated that the Geneva Glen site was too hazardous for maneuvering apparatus. Mr. Carson advised that everyone take the next two weeks to think about the options. Mr. Roller disagreed and suggested a vote on what plan to pursue.

Mr. Pollitt spoke up to say that there was property on Taos Rd. that was a possibility. It would require a lot of dirt to be moved since it was steep land, though. He explained that the land he was thinking of was a portion of two small lots. Mr. Roller said that he didn't think the County would approve that, although he agreed it was worth looking into. Mr. Pettit asked Mr. Gilbert to research the option.

Mr. Roller said that there were three options at this point: do nothing, make an offer on the Noble property, or pursue the Aztec property. Mr. Bruns asked about the substation. Mr. Roller confirmed that it was still a priority. He asked for a vote from attendees, with three voting to do nothing at this point, five voting to put an offer on the Noble property, and four voting to pursue the Aztec property. Mr. Griffin advised taking time to research and plan. Mr. Roller explained that a contract can be a mechanism that starts the whole process.

Mr. Rosenberg reflected that he had been on the Department for ten years and heard similar discussions in the past. At one time, the property behind the station had been for sale for \$124,900, but the opinion then had been that the District wasn't in the real estate market. Mr. Pettit shared that the Board had been talking about land options in meetings for four or five months. What had started as asking Mr. Noble for an easement had ended up as a possible land sale. Mr. Rosenberg noted that Mr. Noble might be willing to donate some of the land as a tax write-off.

Mr. Walton shared his opinion that if both properties were the same price, he would vote for the Aztec property. Mr. Carson suggested waiting two weeks to take any action. Mr. Roller asked why. Mr. Carson said nothing would change in that time and more information would be available. Mr. Pettit said he'd like to make an offer on the Noble property but also wanted to wait and see how much the price dropped on the Aztec property. Ultimately, he said, he thought the District should make an offer on the Noble property.

Unless the Aztec property price is going to drop drastically, Mr. Rosenberg said that he agreed with Mr. Roller to move on the Noble property. Further discussion followed about the details and pricing of the Aztec lots, including setback requirements and what work would be required to construct a station there. Mr. Carson again suggested waiting two weeks before taking any action. Mr. Roller responded that Mr. Kerby had provided sound advice and lobbied for the District to make an offer on the Noble property.

Mr. Pettit explained that Ms. Nemer would handle the offer and mention the possibility of land donation since Mr. Noble was a past client of hers. Mr. Kerby asked what Ms. Nemer would charge to provide such services. "Her normal rate," responded Mr. Pettit. Mr. Roller suggested that Ms. Nemer propose tax incentives to Mr. Noble. He could even donate the whole property over ten years, Mr. Roller said. Mr. Carson shared that Mr. Noble wants his money.

Mr. Gilbert proposed a lease option for the Aztec property. Mr. Roller explained that even if the Aztec land were free, it would cost the District upwards of \$800,000 to build there with all of the requirements. Mr. Pettit asked if he should take the Aztec property off the table. Mr. Bruns expressed concern that the substation idea might get put on the back burner. Mr. Rosenberg reassured him that it was a joint venture. Mr. Roller reminded that the idea of purchasing the Noble property had a short life span.

Discussion briefly turned to the current utilities expenses at the station and then returned to the land issues. Mr. Roller said that he advised taking the Aztec opportunity off the table and making an offer on the Noble property. Mr. Carson again suggested waiting two weeks until the next Board meeting. Mr. Pettit cautioned that Mr. Noble was not patient. He had visited Mr. Pettit's house when the appraisal had taken three weeks.

Mr. Roller made a *motion* to authorize Ms. Nemer to offer Mr. Noble \$250,000 for his property as well as pursue the donation possibility. Mr. Rosenberg seconded the motion, which passed by a vote of 3-0-1, with Mr. Walton abstaining.

Mr. Fager suggested pointing out to Mr. Noble that the District would pay the attorney fees in the real estate deal. Mr. Carson spoke up to say that he didn't think Mr. Noble would be amenable to the land donation possibility. Mr. Kerby said that Mr. Noble could carry the note. "He offered," responded Mr. Pettit. Mr. Vogler interjected that he still didn't think that buying an old building made sense. Mr. Pettit said that the District was buying the adjoining land. Mr. Gilbert said that since the Indian Hills Water Board uses the station occasionally, perhaps it would go in on the deal. Mr. Roller reminded that the Water Board has a new office. And funds are tight, added Mr. Carson.

Mr. Kerby said that Mr. Vogler made a good point in that long-term use of the Noble house was questionable. Mr. Schoenbein turned conversation to the price of structures for the substation. Mr. Roller returned discussion to the recent motion, noting that it is the footprint for the future of the Indian Hills Fire Protection District. Mr. Gilbert pointed out that with the acquisition of the Noble property, the District would increase its holdings from .5 acres to 2.25 acres. He expressed that the District needed a more comprehensive plan. Discussion followed.

Mr. Gilbert said that he'd feel better if the motion had included mention of a plan. Finances also had to be discussed, said Mr. Roller. Mr. Carson reminded that the initial plan was to go to a benefactor. If the offer is accepted, Mr. Roller suggested, the structure can be put out to bid and then the benefactor can be approached with specific numbers. Mr. Gilbert said that he thought the plan needed to include steps with dates. Mr. Roller agreed that a different motion was needed.

Mr. Pettit noted that progress of the building committee had stalled but could move ahead once the footprint is known. Mr. Gilbert advised being diligent about "scope creep" and recommending that a needs/requirements analysis be done in a collaborative manner. It was agreed that such a plan was needed with monthly reviews.

Regarding the Noble real estate deal, Mr. Kerby said that the offer could be spun in ways where everyone wins. One way would be to offer more than the property is worth and ask Mr. Noble to donate the difference. While the net would be the same, Mr. Kerby said, it would provide incentive for Mr. Noble. Mr. Kerby advised that the appraisal not be put in front of just anyone since he deemed it a residential appraisal for a nonresidential use.

Mr. Roller asked if Ms. Nemer had the level of knowledge to be creative with the real estate offer. Mr. Griffin suggested that Mr. Kerby speak with Ms. Nemer about his ideas. Mr. Pettit

agreed, saying that he would talk to Ms. Nemer and make the introductions. Mr. Kerby explained that the offer could be structured such that the District is willing to pay top value with Mr. Noble contributing a tax-deductible gift of equity.

Mr. Roller overturned his initial motion.

Mr. Roller made a *motion* to form a committee comprising two Board members, two Department members, and one Indian Hills citizen to prepare a needs analysis and development plan for the Noble property and a substation in a time period not to exceed six months, contingent upon acceptance of an offer on the Noble property. Mr. Rosenberg seconded the motion, which passed by a vote of 3-0-1, with Mr. Walton abstaining.

Mr. Roller asked about selecting members for the committee. Mr. Carson advised waiting to see about the offer first.

Mr. Roller made a *motion* to authorize Ms. Nemer to make an offer on the Noble property, as advised by appropriate District personnel, at a net cost to the District not to exceed \$250,000. Mr. Rosenberg seconded the motion, which passed by a vote of 3-0-1, with Mr. Walton abstaining.

CHIEF'S EVALUATION:

Mr. Pettit began by saying that he'd like a committee to be formed that evening to determine how to evaluate the Chief per his contract. Mr. Rosenberg said that Ms. Kniss from the Fire Boots would be a good committee member. Mr. Griffin shared that Mr. Robbins had offered his services. Mr. Roller responded that the committee needed to be made up of people who have direct contact with the Chief. Mr. Pettit noted that the Board members had done a brief verbal review the previous year.

Mr. Pollitt asked what kind of review would be done. Was there a rubric? It was discussed that there was no specific job description for the position. Mr. Gilbert said that if requirements were not outlined during the original hiring process, a rubric wouldn't work. Mr. Roller stated that the committee needed to be formed and meet soon since the review needed to be done in January. "By January 31," clarified Mr. Schoenbein.

Mr. Pollitt reminded that the District had consulted a human resources professional when hiring a chief and could consult with an expert on this issue as well. Mr. Rosenberg asked Mr. Pollitt if he remembered who had been used during the hiring process. Mr. Roller advised finding an unbiased professional. He acknowledged that the Board had not done a good job of follow-through regarding evaluating the Chief. Mr. Kerby asked if the position or person were being evaluated. "Both," he was told.

Mr. Pettit shared that there was a file with a job description. He said committee members needed to be chosen and a recommendation needed to be provided for a human resources professional. Discussion followed regarding who should be on the committee. It was decided that Mr. Walton and Mr. Roller would be on the committee as the Board representatives and Ms. Fritz would represent staff. Members from the Department could be chosen at the business meeting the following Tuesday.

Mr. Roller asked Mr. Pollitt if he would research and recommend a human resources professional. Mr. Pollitt asked who his contact person at the District should be. "Mr. Walton," responded Mr. Carson. Mr. Pettit clarified that two committee members would be chosen from the Department at Tuesday's meeting. Mr. Carson noted that Ms. Kniss would be present at the awards banquet on Saturday and could be asked then. Mr. Griffin said that he would send out an email to the membership and get consensus. Mr. Bruns asked if the committee would be doing the review or proposing the way to do the review. Mr. Gilbert said that the Board could decide whether there was consensus on the recommendation. Also, a decision had to be made whether to renew the Chief's contract, which expires at the end of 2012, he said. Mr. Fager recommended that the review process also be used to highlight what the Chief does well in addition to areas for improvement.

MEETING ADJOURNED AT: 21:53

There being no more business to discuss, Mr. Rosenberg made a *motion* to adjourn the meeting, which was seconded by Mr. Walton and passed unanimously.

President:

Secretary:

MOTIONS MADE AND PASSED:

- To form a committee comprising two Board members, two Department members, and one Indian Hills citizen to prepare a needs analysis and development plan for the Noble property and a substation in a time period not to exceed six months, contingent upon acceptance of an offer on the Noble property. *Motion made by Mr. Roller, seconded by Mr. Rosenberg; passed by a vote of 3-0-1, with Mr. Walton abstaining.*
- To authorize Ms. Nemer to make an offer on the Noble property, as advised by appropriate District personnel, at a net cost to the District not to exceed \$250,000. *Motion made by Mr. Roller, seconded by Mr. Rosenberg; passed by a vote of 3-0-1, with Mr. Walton abstaining.*
- To adjourn the meeting. *Motion made by Mr. Rosenberg; seconded by Mr. Walton; unanimous.*

MOTIONS MADE AND OVERTURNED:

- To authorize Ms. Nemer to offer Mr. Noble \$250,000 for his property as well as pursue the donation possibility. *Motion made by Mr. Roller; seconded by Mr. Rosenberg; passed by a vote of 3-0-1, with Mr. Walton abstaining.*