

SALEM FIRE DISTRICT COMMISSIONERS' MEETING

June 3, 2025

Commissioners Present: Frank Cardis, Denice Carpenter, Charles Freshour, Ben Gerrald, and Tim Hanke.

Frank called the meeting to order at 7:00 pm. Frank stated that the minutes for the previous meeting had been distributed. Charles made a motion to waive the reading of the minutes. Denice was 2nd. Motion passes.

Treasurer's Report – Tim stated that all monies in all accounts is \$ 1,136,011.41. We have already received \$6,600 in interest. The bank made an error, but they have corrected it. We asked them to open a CD, but they dropped the ball. They made it right, and paid us the interest.

Chief's Report – Gil stated that we had 59 runs last month, and 35 of those were EMS. We have 24 firefighters on the roster, with 1 in training. We had 133 man hours of training. Tim asked how many cadets we have. Adam Johnson said that we have 5, but a couple are about to age out. Ben asked Gil what French Heating and Air did for us; it just says AC repair. Gil said that he didn't know, he was out of the country. Charles said that it lists on the invoice; a contactor and thermostat. Gil said that Chance found what was wrong, but he was leaving town, so Gil told him to call French. Charles made a motion to approve all reports. Ben was 2nd. Motion passed.

Old Business – New Station – Architectural services – Frank said that 6 groups or individuals responded. He said that Laura sent the proposals to the Board as they were submitted. She also sent a summary of each proposal. Tim asked about Liveco not having any information on the summary. Ben admitted to dropping the ball with Liveco, but stated that Josh Newton with Liveco was present, and willing to answer questions. Laura said that what she found out from the architects that she talked to, was this type of request that we sent out was not for a price, but to get their qualifications. Prices are generally negotiated later, but a couple of them did give an idea of what we could expect. Ben said that Chad Young said that we would be looking at a \$2 ½ - 3 ½ million project plus site work. He said that Josh let him know that the architectural fees will apply to the construction part, not the site work. Frank thanked Josh for being here, and invited him to address the Board. Josh said that it looks like we have something from Taggart, and Chad Young is with WDD. These are all top-notch architectural firms, and you would do well with any of them. Josh said that he works with Liveco Construction, but for 16 years he was with PSW Architects. He came to Liveco in Benton about 5 years ago. He said that they typically do a design build. If he designs it, he would also be the contractor. He stated that if we decide to go with Liveco, they would still put it out for bid for each of the trades. As they work on the design, they will be pricing it as they go. Josh said that traditionally, you hire an architect, and they estimate their fee based on construction costs. They estimate it based on what the cost would be per square foot. He said that their fee would be similar, but he would be involved throughout the process, so when the drawings are completed, you will have a good idea of what that price is going to be because they will have already negotiated that, and worked through the process. Josh stated that is one of the benefits to hiring someone like them; they would be the architect and the general contractor. He said this is definitely something they can do; he discussed some of their current and recent projects. Ben said that he believes that we found out that state law requires that we have to put it out for competitive bids. Frank said that we are not eligible for design build; that is just for schools. He understood that all other entities that receive public funds were not eligible, but it has been several months since he has looked at this. Frank asked Josh if he had any experience with other projects like this that receive public funds. Josh said not design build; those have all been private entities. He said that they would still be getting competitive pricing from all of the sub-contractors. Josh said that another option is to hire them as a construction manager, which is a different type of contract. They would just charge a fee for their work, then they would still get competitive pricing for all of the various trades. Ben said that they would essentially put it out to bid for us. Josh agreed; you are not putting it out to bid with a general contractor, you are hiring a general contractor who will put it out to bid for the various trades. Chad asked if they can separate their bid: this bid is for the design aspect, and this other bid is for the build aspect. Josh said yes; the architecture fee is separate from the contractor fee. Every one of these firms is going to charge a percentage of the construction. If the project is \$2.5 million with a separate \$400,000 of site costs, they are only going to charge you a percentage of the construction portion. Josh said that Ben mentioned that earlier, and most people are not aware of that. We can't charge a design fee based on how big your parking lot is. He said that the

design fee is something that is going to be separated from the construction costs. Josh said that typically if they are hired to do the design, they are also hired to do the construction. They incentivize this by dropping the percentage fee. Normal would be 6-6.5%; they would do 5.5%. You would not only save money on design fees, but also on construction costs, because they would be pricing it as they go. When they finish construction documents, they have a pretty solid grasp on construction costs. Tim asked if he has looked at our plan. Josh said that he has looked at a plan that was sent to him, and was done by PSW Architects where he used to work. He said that he knows the company well, as well as the lady that produced the design. Ben said that we have not officially sent Amanda a notice of dissolution of our relationship. Laura had told him that we let that float, because they have equal access to bidding on this project. Ben said that Josh has said, and he believes that any other reputable architect would say, that they will not touch this project as long as we are still tied to another architect. If we are ready to move on, and officially hire an architect, then we need to officially dissolve that relationship. Josh said that would be true if we hired him or any other architect, out of respect for them. Frank agreed that we need to send a letter to Amanda, expressing that they have fulfilled all services of all existing contracts; we are now going to go a different direction. Josh asked if we had a contract with PSW. Ben said that we paid them \$10,000 to do preliminary drawings. Laura said that there was no actual contract. Josh said that it is still a courtesy to do this. Ben agreed that we need to treat others the way we want to be treated. Ben asked Josh to stay and be a resource, to weigh in on stuff, or answer questions that we don't know about. Tim said that one of the guys, named Nick Walker, on the list has a degree but does not have a license, and charges by the square foot. He asked Josh if that would get us by for what we need. Josh said that you need a stamped and signed set of drawings. Denise said that he did advise us that he had access to those things if needed. Ben said that he has a buddy that will stamp it for him. Chad asked if he is a draftsman that would just have an architect stamp off on it. Laura said that he has an architectural degree. Ben said that he has not gotten his license. Tim said that it says there would be an additional fee for that stamp. Frank said that he understood that the friend would review the drawing and then put their stamp/name on the line, and they should be compensated for doing that. Tim asked how we can find out what that fee would be. Frank said that we could postpone this and contact him. Frank said that for him, it would be like having a Paralegal draft all of the paperwork and then having the Attorney approve it. Some attorneys would, some wouldn't. Denise said that he told us that he partners with a local licensed architect that will stamp his work for a small fee. Josh said that with this being in the county, it doesn't necessarily need a building permit. There will be Health Department review requirements. Gil said that the only thing you have to have inspected is the plumbing. Tim asked about First Electric coming out and saying they don't like something. Ben said that they have builder standards on the service; that is what they are concerned about. Gil said that statewide, the only thing required in the county is plumbing inspections. Ben said that Electrical Inspectors are mostly looking to ensure that you are licensed. Josh said regarding this guy, that he felt like it was questionable; he could probably do a decent job, but normally someone like that does majority residential work that you don't have to have a stamp or signature on. Gil said that he has done several large commercial buildings in the Fayetteville, Bentonville, and Rogers area. Gil said that he is employed by his uncle, that's how he knows. Ben said that it looks like he does this on the side; he is employed by Walmart home office. Josh said that this is one of those scenarios where you get what you pay for. He could probably do a decent job, but he wouldn't go with someone like that. Ben said that our building is simple, and we are trying to keep costs down. It's a great way to cut costs, if we are getting a comparable product. Ben asked if the 6.5% that everyone is charging includes project management. He doesn't believe this guy will be able to do that. Ben said he is at \$1 per square foot, so he probably doesn't have enough money in it to cover that; he's dramatically lower than everyone else. Josh said he doesn't believe that would be included in that cost, so you are not going to get the level of quality and supervision from someone like that. Gil said that is why you hire a General Contractor for, to oversee it. Frank said that one question that has come up, was whether lenders would require the work to be signed off on and approved before they would issue funding for that, or allow it to go to the next phase. Frank asked Josh, in his experience, if they require a General Contractor to do that, or an Architect, or a combination. Josh said the General Contractor's pay request has to be signed and notarized by the General Contractor, and then it has to be signed by the Architect on record. Ben said essentially saying that they have completed what they said that they needed. Josh said the GC is saying that this is what I have completed to date, and the Architect is saying they have been on the site, and observed that this is applicable, and this is what you need to pay. Denise clarified that Josh is saying that he can do both of those. Josh agreed that he would do both. Ben said that if we are able to get it to a \$1.5-\$2.5 million project, is this

something that lenders are going to want to see an architect stamped, or what this guy is able to do without that stamp; will lenders look for that, or do they care. Josh said that he believes they would care, because anyone with a drafting program could produce plans. Frank said that to be fair, with an architect signing off on his work, then it would be that architect submitting it, rather than the person doing the drafting, so it would be transparent. Tim said that we all want this to move forward, but this is not our money. We are talking about a sizable amount. Ben said that all of our options look apples to apples, with the exception of Mr. Walker: licensed and bonded, 6.5% fee. Chad and Josh say that the fee is negotiable. Ben said that Josh let him know that Liveco really is not interested in offering his architectural services if they are not able to do the construction. Denice asked if any of the others did the contractor side. Josh said that typically if a company has both, it is a triangle. You have the owner, architect, and contractor. They essentially make it a single line: owner with an architect/contractor. Frank said with the triangle version, you have checks and balances, by having an independent architect working with an independent General Contractor. With your company's design, where those two are one entity, he asked if they have ever had problems with lenders, because you have somebody essentially signing off on their own work. Josh said that is a valid question; they have not had any issues with that. Denice asked if they have any particular lenders that they tend to lean towards these types of projects. Josh said no; the lender works with the client, not the contractor. Denice said that she works for a Title company, so she sees the other end of it. Josh said that they have not had any clients who had concerns about them doing both jobs; they usually see it as a good thing. Chad asked to clarify that Josh is not signing as the General Contractor, but as the Architect. Josh said that he is signing off as the Architect of record, as well as functioning as the Project Manager for the Contractor; he is both. Chad asked how his last couple of projects have done, budget wise. Josh said that they have come in at or under budget, and right on time. Denice asked if they did all aspects on those projects. Josh said most were design build, but for HTeaO and Starbucks, they were just the General Contractor. Frank said that we embarked on this journey before Covid, and that affected material costs, supply chain, etc. He asked Josh if he was seeing any trends or problems since the tariffs. He asked if he had any advice on timing for our project. Josh said that it is really impossible to tell. Some materials are going up, some are coming down. Josh said that he talked with his pre-engineered metal building contractor before this meeting, assuming that we would use a pre-engineered steel building. You can expect \$30-\$35 per square foot, which would be about \$350,000. Ben clarified that that does not include the slab. Josh said that is just the building and installation; no windows, doors, etc. Ben said he thought Josh mention that the cost of pre-engineered steel buildings had gone up. Josh said that they have been hit pretty hard; it used to be \$25-\$30 per square foot. He still believes that a pre-engineered building is absolutely the best economical way for us to go. Denice asked if we need to reach out to a couple of lenders in the area to see what they are going to require. Ben wants to find out the legalities of bringing Liveco on as the Construction Manager if they are the architect we choose. We know that there are some legality issues with just doing a negotiated process. Josh said that negotiated is what you would normally see in a design build project. They would get multiple bids for each of the trades. Denice asked if that would be sufficient; would it meet the requirements. Ben said that would be a good thing to talk to our AG about. Frank said that we have a new county attorney. The old one's opinion is based on the AG's opinion. We did find out that design build projects were limited to school districts, and different provisions are required for political subdivisions. What is up for debate, is whether we are a political subdivision or not, because we are in a unique space. We receive public funds, but we are not in other senses the same as a political subdivision. Ben said that we are functioning off of dues paid in, not a tax. We also receive ACT 833 money. Gil said that we are a 501C3; that's a thing that everybody is overlooking. Frank said that we need a further legal opinion on that. He doesn't know if being a 501C3 provides an exception to receiving public funds. We need to find out what we are, and what we can do. Frank said that he would like to talk to the new County Attorney, to see if there are any new statutes or opinions for us to follow. Denice asked if we should have a special meeting to have someone come and talk to us about it. Frank said that we can reach out to them and see if they can attend, whether it is a special meeting or our regular meeting. He stated that we have a new County Judge, and he may decide that we can't use the County Attorney for that, we need to hire one. Frank said that if the design build is something that we want to consider, we want to make sure that it is lawful. We owe it to everyone to know if we have to exclude a company, like Liveco, because of this restriction. He said that out of fairness to Mr. Walker, he wants to get the opinion of 2 or 3 lenders, and find out what their requirements are. He wants to make sure we can legally use someone that does not have their own license. Also find out if that is a one-time service of the architect, or if it is an ongoing service. If it is an ongoing service, would his architect be

willing; there are some geographic issues to be considered. We want to make sure we are comparing apples to apples on all of these questions. Tim said that he wants to find out what the fee of Walker's architect would be. Ben asked Denice to follow up with Walker. Laura said that she will draft a letter and send it to the Board for approval, that way we are asking the same thing of each lender. Ben said that he would like us to check with Barbara with First Horizon. Denice said that you have several in Saline County: Merchants & Farmers, First Horizon, First Security. There are several that do construction loans. Ben said that he is currently leaning towards First Horizon, because Barbara has been involved in this process for a long time. Denice said that we still have to look at the different rates. Gil said that he talked to Government Capital, and they will do us right. They will do it at the government rate, and nobody in Saline County can do that. Tim asked who is willing to contact Government Capital. Denice said that she will contact him, Kevin Lerner. Ben asked Frank to reach out to the County Attorney to find out the legalities. Josh mentioned that some banks might have different rules if you are only financing 50% of the project. Ben said he doesn't think 50% is feasible for us. Tim said we might be able to put down 25%. Denice said that she would contact Government Capital. They have been good to us in the past on trucks and stations. Gil said that they used them with Paron, too. Denice said that we originally discovered them when we had trouble getting local funding, because we had not guarantee on dues that would be collected. Jill said we have always paid off our loans early. Gil said that you better go with the cheapest one, whoever it is. Charles made a motion to table it until next month. Denice was 2nd. Motion passed.

Laura's backup – No change

Radios – Laura said that at the April Board meeting, Ben asked Gil to forward the emails regarding the radio purchase to me so I could find out what the discrepancy was between the quoted price and the invoiced price. Laura contacted the company, and he forwarded me all of the information. The original quote on October 25th was \$4,500 per radio that he presented to the Board, for the APX8000. According to the emails, when Gil placed the order on January 13th, and saw the picture of the black radios, he called and upgraded to the green radios, which were \$4,612 each, the APX8000XE. Ben said it looked like it was higher than that, but he adjusted it down for us. Kevin's response was, "Here is the revised order. Please confirm these APX8000XE Model 1.5 Top Display only radios are correct for this order. We did need to adjust the invoice a bit to get you the APX8000XE models, but it is still under \$60,000.00. Please let me know this looks good and we will get them shipped right out." He added that we were able to get a couple of extra options. Based on the wording of this email from Kevin Brost, it is clear that Gil called him and changed the order, and it is also clear that Gil told him that we had \$60,000 to work with. Ben said it also shows that he ordered 3 extra shoulder mics. Gil said that he ordered them as spares, because this stuff gets damaged. I received my first copy of the invoice on my desk on March 17th. Laura said she passed on the information to Frank, after contacting the company. It was agreed that they gave us what Chief ordered, therefore we owed the larger amount, and was asked to pay the invoice. Tim asked what the difference was. Ben said a couple thousand dollars. Laura said the original was \$58,649, and we paid \$59,999. Tim asked what the price was on the mics. Laura said that they were \$300 each. About \$1,000 difference on the radios, and another \$1,000 on the mics. Denice asked if that was the budget. Ben said the initial was for \$29,000, and the second was for \$30,000, so a total of \$59,000. Gil said that he has a \$2,000 per month spending limit; that's what he was going off of, when he got within under \$2,000. Tim said that he doesn't see a problem with it. Frank asked if there was anything further on that, or motions regarding it. Denice said that we shouldn't need a motion, if he was approved for the \$60,000. She said she didn't see any issue. Laura said that part of the issue was the fact that when it was presented that there was a discrepancy, Gil said that he didn't know anything about it. Based on the emails, he actually called them and requested an upgrade. Ben said that he changed the order from what the Board approved. Ben said that if he is coming to the Board for approval to buy apples, you don't go and buy oranges. Ben acknowledged that this is not a huge difference, but it is a difference. Gil asked if they wanted him to not order the radios. Gil said that he had previously sent him the pictures and information for the XPs like we got. Then it came in quoted for the APX, and he didn't catch it. We could have gotten those, but it was the same thing as the 40 radios that we gave back to the county. He said they would be useless to us. Gil said that he is still within \$2,000. Ben clarified that the XE is the intrinsically safe destination. Gil said yes, that is the fire department radio. He added that somehow, he and the guy got crossways on that, and he doesn't know how. Originally, he sent pictures of the XPs; when the quote came in, he didn't see that it was an APX. Ben asked XP or XE, because they are both APX. Laura stated that there were APX8000 and APX8000XE. Tim said that you can see why it might be a little confusing, but he thinks we are good.

Frank said that they haven't gotten the status of the Humvee; the repair and/or replacement of the vehicle. Gil said that the Insurance adjustor called him, and he met with him. The insurance adjustor called him 3 weeks later while he was on vacation, and they said that they are going to total it, because of the damage to the cab. It was only insured for \$10,000. The cost for repairs would be \$4,500. The big issue is the tank. It was mounted to the truck the way the company specified, and it broke loose, and injured 2 of our firefighters. He said that the Officers agreed that they should just take the \$10,000, and not mess with that one. Ben asked what we spent on that skid unit. Gil said \$13,000. Ben asked what we could buy it back for from the insurance company? Laura said she thinks it was \$3,900. Ben said that for less than \$4,000, we can get our skid unit back, and save \$15,000. Gil said that the skid unit is toast; it's not usable. Laura said that she thought it was just the tank. Gil said that is the biggest part of it. He added that we have already had to work on the pump once, and it's already leaking water again. Adam agreed that mechanically it would be better to get rid of that pump. Ben said that moving forward, we need to get a pump that sits down behind the tank, instead of on top of it, because it has given us a lot of trouble. Adam said that part of the problem with that pump is, it has a mechanical seal. If that goes dry, it goes bad. That's about \$800. Gil said that they didn't put a foot valve on that design, but now they are. Gil added that after ours went bad, he contacted them, and they don't do that design anymore. Ben asked if the skid unit is the only thing of value left on the truck. Gil said that they have taken everything off that they are allowed to take off. Laura said that we can't remove anything that is mounted. Tim asked if that \$10,000 is a good start on something newer. Another brush truck like ours would be \$200,000. He said that he has priced it through them and Rosenbaur. Gil said that the Officers are looking at something from Forestry. Ben said that this department used to make it with a pickup truck with a skid in the back. He said that he would like to see us consider that again. Gil said that all of the Officers agree that with the Humvee, you can drive it across a wet field and not get stuck. Denice added that it's high clearance allowed you to take it anywhere you needed to go. Gil said that Adam has done some research on the newer Humvees, and they have better brakes, and better cooling systems. Ben asked if we know what the malfunction was on the brakes. Gil said that he didn't know, but there was over 150' of skid marks; he personally measured it. Ben asked if the road was wet or dry. Chad said it was dry; he only had one tire that stopped. Adam said that the brakes have been redone on that truck; we have had multiple issues. Ben said that it sounds like a newer hummer wouldn't have these brake issues. Adam said that he is looking at all of the different models. The latest ones were done in 2009, the 1165. It has enhanced cooling systems, and brakes on all wheels, air conditioning in the cab, and other improvements with that model. Ben asked how likely it is that we could get something that new. Adam said that they are commercially available right now; we could go and purchase one. They wanted to check with Forestry first, to see if there was a possibility of getting one. Commercially, we are looking at \$30,000-\$40,000 for the chassis. Ben said that is very little compared to what we were talking about buying a brush truck from one of these companies. Adam said they are checking with Forestry first. Ben asked if it would ever be our truck. Gil said yes, with the new rules. After 1 year, it will be ours. Gil said that is \$60,000 for a pickup truck chassis right now. Ben said that the reason we went with this top-mount pump on this one was because we didn't have the length behind it; how does that change. Adam said that they are considering doing a bed extension off it; we want to keep the 4-man cab. If we get a skid unit without the issues of the last one, it will be ok. Ben said that the mechanical seal is not a problem as long as you keep it wet. Adam said that we need to make sure it has a low pressure cut off. Ben said that is what we have with Brush Truck. Adam said that even if we have to go commercially, we are just looking at \$60,000-\$80,000. Gil said that Forestry has gotten some real firetrucks in, as well as the Type 3. Ben asked what the Type 3 is. Gil said it is what California uses for wildland fires. He said that they are about the size of our old Engine 5, about 25' long, 4 wheel drive. That is what he filled a FEMA grant out for, to replace Engine 6. He said that they wanted to talk to the Board before they finished filling out all of the paperwork. Ben asked what the options are for putting a 16/5 winch on the front of it. The bumper on the one we have messed that up. Adam said that he would find out. Denice asked about price on skid units. Gil said that he hasn't even priced those. Adam said about \$20,000. Ben wanted clarification that the one on Humvee is destroyed; there is no value in it. Gil said yes; it tore the mounting brackets out of the tank. Gil said that we are lucky that we didn't go to 2 funerals, because it was full of water. Gil said that they are actively looking for a replacement. Tim asked about Engine 6. Gil said that it is still in service. Ben asked if it is still leaking. Gil said that it is. He said that it was serviced, but he needs to put a seal in the transfer case and the rearend seal needs to be replaced. Tim asked what year it is. Denice said 86 or 87. Ben said that it is an old truck, and there's nothing wrong with spending a little on maintenance to avoid spending money on a payment. Gil agreed.

New Business – Frank addressed Gil about the YouTube video and complaint that he filed with the Attorney General's office. Gil said that the complaint was requested by the AG. Frank said that REV group sent a response to that. Gil said that we have gotten 2 responses. Frank said that he is concerned that Gil making comments about REV group could be interpreted as statements being made by the fire department about them. He stated that he doesn't know how litigious of a company they are, but he asked him to make a disclaimer indicating that he is speaking on an individual level and not as part of the department, unless there is approval for the department to join in your statement. Something to protect the department from liability. Gil said that after the last letter that they sent, he thinks it is a dead issue. He doesn't believe that the AG is going to do anything with it. He said that he has talked with some other chiefs in California and Maryland, and they are pursuing the same thing. Tim asked what REV is. Gil said that it is the company that bought Ferrera., E-One, etc. He said that is why firetrucks have gone up in price, and why it takes 3 years. He said that when we bought engines 3 and 5, we got them in 6 months. Frank said that they cornered a large share of the market, and for that reason, it has affected time and price. Gil said that he talked to a salesman who was with Ferrera, and he has opened up a competing company.

Ben made a motion to adjourn at 20:07. Charles was 2nd. Motion passed.