

**Service Driven Through Excellence and Innovation**



**UNITY - COMPASSION – INTEGRITY – COURAGE - HONOR**

**Board of Commissioners' Meeting**

**February 3, 2026**



## Clallam County Fire District 3

323 N Fifth Ave., Sequim, Washington 98382

360-683-4242, Fax: 360-683-6834

[www.ccf3.org](http://www.ccf3.org)

Bill Miano

Michael Mingee

Jeffrey Nicholas

Commissioners

Justin Grider, Fire Chief

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### Board of Commissioners Meeting Agenda

February 3<sup>rd</sup>, 2026

**Call to Order**

**Pledge of Allegiance**

**Changes to the Agenda**

**Public Comment**

**Consent Agenda:**

- 1.) Regular Meeting Minutes, January 20, 2026
- 2.) Claims and Payroll

**Good of the Order –**

**Regular Business:**

**Reports – Fire Chief Report**

**Agenda Bill 1:** Recording Meetings

**Agenda Bill 2:** 5-Person Board of Commissioners

**Agenda Bill 3:** Commissioner Appointment to Committee

**Agenda Bill 4:** 2025 Financial Year in Review

**Agenda Bill 5:** Continued discussion on Capital Improvement Financing options

**Executive Session**

1. Collective bargaining sessions with employee organizations, including contract negotiations, grievance meetings, and discussions relating to the interpretation or application of a labor agreement; or that portion of a meeting during which the governing body is planning or adopting the strategy or position to be taken by the governing body during the course of any collective bargaining, professional negotiations, or grievance or mediation proceedings, or reviewing the proposals made in the negotiations or proceedings while in progress – RCW 42.30.140 (4).
2. To evaluate the qualifications of an applicant for public employment or to review the performance of a public employee – RCW 42.30.110 (g);

**Next Meeting**

**Adjournment**



# Clallam County Fire District 3

*Motto: Serve, Respect, Prevent and Protect*

## BOARD OF COMMISSIONERS – MEETING MINUTES

January 20, 2026

Chair Miano called the Board of Commissioners Meeting for Clallam County Fire District 3 to order at 1:00 p.m. via the Zoom app and in person at 255 Carlsborg Road in Sequim. Present were: Commissioners Bill Miano, Jeffrey Nicholas, and Mike Mingee, Fire Chief Justin Grider, Deputy Chief Tony Hudson, District Secretary Lori Coleman, Finance Manager Misty Shaw, Battalion Chief Chris Turner, Captain Bryan Swanberg, Firefighter/Paramedic Casey Sires, Firefighter/EMTs Jon Donahue, and Jake Stanley, Maintenance Supervisor Tharin Huisman, Volunteer CERT Coordinator Blaine Zechenelly, CERT member Charlie Meyer and citizens Mel Fisher and Justine Roads, and online were: Administrative Assistant Caity Karapostoles, Captain Konopaski, Community Paramedic Mark Karjalainen, Firefighter/Paramedics Hayden Pyle and Bryant Kroh and Steve Oberly, Firefighter/EMTs Jared Romberg and Jordon Cook, ST 37, CCFD3, Guest, Samsung SM-S931U, Volunteer Coordinator Chris Lovering, Citizens Kevin Denton and Anaka Hughes.

**Changes to the Agenda** – The Board asked to have Agenda Bill 2 moved to after the executive session.

**PUBLIC COMMENT** – Three public comments were made.

**First** – A letter from James Barnfather, former Fire District 3 Commissioner. In the letter he pleaded for the current Board to reconsider selling the Johnston property.

**Second** – A letter from Stephen Vogel, former Fire District 3 Fire Chief. In the letter he pleaded for the current Board to reconsider selling the Johnston property.

**Third** – Jon Donahue, current Firefighter/EMT with Fire District 3. He stated that he was speaking on behalf of Local 2933 and stated that the Union does not support the sale of the Johnston property. He stated that he appreciated the attempt to earn revenue but asked the Board to “please make the right decision and do what is right”.

### CONSENT AGENDA

- 1.) Regular Meeting Minutes, January 6, 2026.
- 2.) Volunteer Pay in the amount of \$28,235.00
- 3.) Claims  
Accounts Payable Claim check numbers 113373 through 113426 dated January 20, 2026, totaling \$745,260.69, and Payroll EFTs and IRS Deposit for Monthly Payroll dated January 9, 2026, for a disbursement grand total equaling \$1,659,525.35.

Commissioner Nicholas moved, and Commissioner Mingee seconded to approve the Consent Agenda with amendments to the minutes. **MOTION CARRIED.**

**GOOD OF THE ORDER**

Commissioner Miano reported –

- A candidate for Clallam County Commissioning Board will be speaking at the next Olympic Peninsula Fire Commissioners meeting; that will be held at 255 Carlsborg Road Thursday, January 22<sup>nd</sup>, 2026, at 6:30p.m.

Commissioner Mingee reported –

- The study for Fire District 3, Fire District 2 and PA Fire consolidation has had three respondents to the Request for Proposals; two of which will be interviewed Thursday, January 22<sup>nd</sup>, 2026.

**Battalion Chief Reports –BC Turner reported:****■ A-Shift –**

- Calls are still being vetted in ESO for accurate numbers, but as of last, there were roughly 9,824 calls in 2025.
- Continues to work with probationary Firefighters on the probationary task books.
- Undergoing the switch to the new NERIS reporting system, this has been difficult as there was no training from the software provider ahead of the transition; BC Turner is trying to send out as much communication as he can to support staff with this reporting.
- The final NFIRS report for 2025 was submitted.
- He and Fire Code Technician John McKenzie are working on setting up First Due for Pre-Fire plans and inspections.
- December was a busy month for Community Risk Reduction activities; the group held its monthly meeting, helped with the Santa Brigade for all five days it ran, attended five events and helped install fire alarms.
- Fire Code Technician John McKenzie piloted a program he called “10 Ways to Pass your Fire Inspection”; this was designed to help businesses plan prior to their inspection so they could pass their inspection. This program was well received and supported by the City of Sequim. FCT McKenzie reported that he is strengthening his relationships with local businesses and they are frequently contacting him for support. Twenty-six inspections were completed in December.

**■ B-Shift –**

- Reported that B-Shift had 230 calls for December.
- They continue to work with their probationary firefighters and are discussing updates to the probationary tests with the help of Firefighters Romberg and Cupps.
- Held Acting Battalion Chief Scenarios which resulted in Captain Albers finishing his task book becoming eligible as an Acting BC.
- Posted multiple social media posts with the assistance of EA Coleman.

**■ C-Shift –**

- Reported that there was a total of 765 calls for service in December, of which 85.6% were EMS and 13.7% were others.
- Compared to 2024 and 2025 call data and transports: there were 9,192 calls for service in 2024 and roughly 9,816 (final numbers still to be determined) in 2025 and the District transported 239 patients in 2024 and 321 in 2025.
- Included a report from the Community Paramedic highlighting some of his interesting stories.

- Included a 2025 Year in Review report – Commissioner Mingee said he would like more information on the Top Concerns he addressed within the report.

**Agenda Bill 1: 2025 CERT Annual Report** – Charlie Meyer was present and reported on the 2025 CERT Annual Report. He gave a brief overview of the executive summary. Blaine Zechenelly thanked Charlie for his work on the report and all that he does for the CERT program. **NO ACTION REQUESTED. INFORMATION ONLY.**

**Agenda Bill 3: Resolution 2026-01 – Sole Source Resolution for Purchase of Locution Alerting** – Deputy Chief Tony Hudson reported that he is advancing this resolution to the Board for consideration. This resolution will allow the District to purchase Locution, a new emergency alerting system. This system will allow the ability for alerting to go directly to the crews that are being dispatched and will allow tones and lighting to be ramped up slowly which is proven to help with responder wellness. This resolution has been vetted by the District’s legal counsel. Commissioner Mingee moved, and Commissioner Nicholas seconded to approve Resolution 2026-01 – Sole Source Resolution for Purchase of Locution Alerting. **MOTION CARRIED.**

**Agenda Bill 4: Project Manager** – Chief Grider is advancing this topic to the Board so they can make a documented decision in the Open Public Meeting as to who will oversee the new Station 33 building project. Commissioner Mingee asked to be the lead on this project, he would like it to be called “Point of Contact” and not Project Manager. Finance Manager Misty Shaw reported that if a commissioner is going to oversee this project they will need to ensure that their salary does not exceed the allowable amount for the commissioner role as defined by law. Commissioner Nicholas moved, and Commissioner Miano seconded to approve Commissioner Mingee to be the Point of Contact for the new Station 33 building project. **MOTION PASSED.**

**Break – Commissioner Miano called for a five (5) minute break at 2:10 to return at 2:15.**

## **EXECUTIVE SESSION**

Chairman Miano called for an Executive Session beginning at 2:15 p.m., expected to last for sixty (60) minutes, returning at 3:15 p.m. under - RCW 42.30.140 (4) - Collective bargaining sessions with employee organizations, including contract negotiations, grievance meetings, and discussions relating to the interpretation or application of a labor agreement; or that portion of a meeting during which the governing body is planning or adopting the strategy or position to be taken by the governing body during the course of any collective bargaining, professional negotiations, or grievance or mediation proceedings, or reviewing the proposals made in the negotiations or proceedings while in progress, RCW 42.30.110 (g) to evaluate the qualifications of an applicant for public employment or to review the performance of a public employee and RCW 42.30.110 (c) to consider the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause a likelihood of decreased price. In attendance were Commissioners Miano, Mingee, and Nicholas and Fire Chief Justin Grider, Deputy Chief Tony Hudson and Finance Manager Misty Shaw. At 2:50 p.m., Commissioner Miano excused Finance Manager Misty Shaw. At 3:15, Commissioner Miano extended the meeting an additional thirty (30) minutes, returning at 3:45 p.m. Commissioner Miano called the meeting back into Regular Session at 3:45 p.m. No decisions were reached during the Executive Session.

**Agenda Bill 2: Johnston House**– Chief Grider reported the commissioners had requested that this topic be brought back up. Commissioner Mingee reported that he wants more information on options before making this critical decision. Commissioner Mingee moved and Commissioner Nicholas seconded to reconsider the previous motion made during the January 6<sup>th</sup>, 2026, Regular Board Meeting where the Board approved the sale of the Johnston property and to gather more information to make a more informed decision on the disposition of this property. **MOTION PASSED.**

**NEXT MEETINGS –**

2/3/2026 – Regular Board Meeting

2/5/2026 – Special Board Meeting at 0900 to set 2026 District Priorities

**ADJOURNMENT**

Commissioner Miano called for adjournment at 3:48 p.m.



Bill Miano, Chairman



Jeffrey Nicholas, Commissioner



Michael Mingee, Vice Chairman



Attest:

Lori Coleman, District Secretary



**CLALLAM COUNTY FIRE DISTRICT 3**

Agenda Bill No: Consent 3

Subject: Approval of Claims and Payroll for the period ending Tuesday, February 3, 2026

Attachments: Accounts Payable Claims & Payroll Registers

Date: Tuesday, February 3, 2026

Prepared By: Misty Shaw, Finance Manager

Approved By: Justin Grider, Fire Chief

Discussion: Approval of regular claims and payroll expenses as follows:

Payroll Claim Numbers:		805-818
for DRS Corrections		
dated:		January 15, 2026
Totaling:	\$	102,367.57
Payroll EFTs and IRS Deposit		
for Monthly Draw and Quarterly Volunteer Points		
dated:		January 23, 2026
Totaling:	\$	25,354.32
Accounts Payable Claim Numbers:		113427-113460
dated:		February 3, 2026
Totaling:	\$	81,826.71
Total Accounts Payable Claims and Payroll:	\$	<u>209,548.60</u>

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**Recommended**

Action: Recommended Motion:

Move to approve EFTs and Accounts Payable Claim Numbers:		113427-113460
and Payroll Claim Numbers:		805-818
For a Disbursement Grand Total of:	\$	<u>209,548.60</u>

# CHECK REGISTER

Clallam County FD 3

Time: 16:50:33 Date: 01/29/2026

02/03/2026 To: 02/03/2026

Page: 1

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
238	02/03/2026	Claims	1	113427	A-1 AUTO PARTS, INC	952.82	Quilcene Filters; Shop Stock Filters and Brake Pads; Pump Trainer ORing; Pump Trainer ORings; Pump Trainer ORings Return; F50 Pigtail; G32, G33 Filters and Oil for Stock; F69 Engine Oil Filter; DEF FI
239	02/03/2026	Claims	1	113428	AG INVESTIGATIONS LLP	2,093.04	Career Background - Beck; Career Background - Bedenkop
240	02/03/2026	Claims	1	113429	ALL BATTERY SALES & SERVICE, INC.	1,556.14	Quilcene E21 Battery; G16 & Disco Bay Batteries
241	02/03/2026	Claims	1	113430	CARDINAL HEALTH 112, LLC	609.58	EMS Supplies and Medications
242	02/03/2026	Claims	1	113431	CLALLAM COUNTY PUBLIC WORKS DEPT	224.56	ST33 Sewer; Shop/Classroom Sewer; Shop/Classroom Sewer
243	02/03/2026	Claims	1	113432	CLALLAM COUNTY PUD	5,028.28	ST33 Water and Electricity; ST32 Water and Electricity; ST35 Electricity; ST34 Electricity; Shop Water and Electricity; ST37 Electricity; Classroom Water and Electricity; Shop/Classroom Irrigation Wat
244	02/03/2026	Claims	1	113433	FERRELLGAS	2,123.17	Shop Propane
245	02/03/2026	Claims	1	113434	FIRST WATCH	1,875.00	ESO Fire RMS (NFIRS to NERIS Conversion) - 1st Half
246	02/03/2026	Claims	1	113435	FREIGHTLINER NORTHWEST PACIFIC	202.04	Quilcene Parts
247	02/03/2026	Claims	1	113436	HARBOR AUDIOLOGY & HEARING SERVICES	195.00	Hearing Assessment - Beck; Hearing Assessment - Lowman; Hearing Assessment - Smithson
248	02/03/2026	Claims	1	113437	KENT D BRUCE CO, LLC		CM Applied Incorrectly
249	02/03/2026	Claims	1	113438	KRONOS, A UKG COMPANY	63.18	WFTS - IVR Service
250	02/03/2026	Claims	1	113439	L.N.CURTIS & SONS	96.14	Rescue Belt Parts
251	02/03/2026	Claims	1	113440	LIFE ASSIST, INC.	2,710.54	EMS Supplies; EMS Supplies and Medications; EMS Supplies; EMS Supplies; EMS Supplies; EMS Supplies; EMS Supplies
252	02/03/2026	Claims	1	113441	MCKESSON MEDICAL SURGICAL	806.31	EMS Supplies; EMS Supplies; EMS Supplies; EMS Supplies; EMS Supplies; EMS Supplies; EMS Supplies
253	02/03/2026	Claims	1	113442	NIKOLA ENGINEERING, INC	6,930.00	Internet Endpoint Connections - Jan-Jun 2026
254	02/03/2026	Claims	1	113443	NORTHWEST PLASTICS, INC	1,434.61	F80 Labor on Windshield
255	02/03/2026	Claims	1	113444	BRUCE LEIPER -SEC/TREASUR OLYMPIC PENINSULA FIRE COMM ASSOC	150.00	Annual Dues Jan-Dec 2026 for Board
256	02/03/2026	Claims	1	113445	PACIFIC OFFICE EQUIPMENT, INC	60.98	Copier Staples
257	02/03/2026	Claims	1	113446	PENINSULA HEAT	1,650.38	ST34 HVAC Repair
258	02/03/2026	Claims	1	113447	QUAIL ELECTRIC, LLC	18,021.70	ST34 Kitchen Remodel
259	02/03/2026	Claims	1	113448	QUAIL ELECTRIC, LLC	16,250.20	ST34 Kitchen Remodel - Retainage
260	02/03/2026	Claims	1	113449	SEATTLE AUTOMOTIVE DISTRIBUTING, INC	291.28	G31 Screen Assembly; G29 Gasket; G29 Kit and Gasket; G33 Filters

# CHECK REGISTER

Clallam County FD 3

Time: 16:50:33 Date: 01/29/2026

02/03/2026 To: 02/03/2026

Page: 2

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
261	02/03/2026	Claims	1	113450	STATE AUDITOR'S OFFICE	6,815.90	2024 Accountability & Financial Audit Fees
262	02/03/2026	Claims	1	113451	STERICYCLE, INC.	76.11	EMS Disposal Fees
263	02/03/2026	Claims	1	113452	STRYKER SALES LLC	544.28	EMS Supplies
264	02/03/2026	Claims	1	113453	SUMMIT LAW GROUP	4,508.50	Legal Services - Collective Bargaining - Dec 2025; Legal Services - General Labor - Dec 2025
265	02/03/2026	Claims	1	113454	SYSTEMS DESIGN WEST, LLC	3,381.90	EMS Billing - Q4 2025
266	02/03/2026	Claims	1	113455	TACTICAL MEDICAL SOLUTIONS, LLC	149.96	Tourniquets
267	02/03/2026	Claims	1	113456	TRUE NORTH EMERGENCY EQUIPMENT	1,644.69	Ladder Parts
268	02/03/2026	Claims	1	113457	VESTIS GROUP, INC	101.80	Cleaning services - mats - ST33; Cleaning services - mats - ST37; Cleaning services - mats and laundry - ST34; Cleaning services - mats and laundry - Shop; Cleaning services - mats and laundry - Shop
269	02/03/2026	Claims	1	113458	BLAINE ZECHENELLY	77.85	CERT Medical Supplies - From Donation/Grant Funds - Reimb
270	02/03/2026	Claims	1	113459	ZOLL MEDICAL CORPORATION	340.18	EMS Supplies
271	02/03/2026	Claims	1	113460	KENT D BRUCE CO, LLC	860.59	MDT Docks for New Engines; Return Docks
001 Maintenance & Operations						81,826.71	
						81,826.71	Claims: 81,826.71

CERTIFICATION: We, the undersigned do hereby certify under penalty of perjury, that the materials have been furnished, the services rendered or the labor performed as described and that the claim(s) are due and unpaid obligation(s) against Clallam County Fire Protection District #3 and that we are authorized to authenticate and certify to said claim.

Signed By: \_\_\_\_\_  
Lori Coleman, Secretary of the District

Date: \_\_\_\_\_

Signed By: Misty Shaw  
Misty Shaw, Finance Manager

Date: 01/29/2026

Signed By Commissioners:

[Signature]  
William Miano

[Signature]  
Jeffrey C. Nicholas

[Signature]  
Michael Mingee

**CHECK REGISTER**

Clallam County FD 3

Time: 13:56:53 Date: 01/21/2026

01/15/2026 To: 01/15/2026

Page: 1

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
211	01/15/2026	Payroll	2	805	Benjamin J Andrews	9,654.99	DRS Corrections
212	01/15/2026	Payroll	2	806	John E Brygider JR	14,287.78	DRS Corrections
213	01/15/2026	Payroll	2	807	Scott D Dickson	0.48	DRS Corrections
214	01/15/2026	Payroll	2	808	Justin M Grider	3,412.00	DRS Corrections
215	01/15/2026	Payroll	2	809	Tony J Hudson	13,036.42	DRS Corrections
216	01/15/2026	Payroll	2	810	Tharin A Huisman	16,481.72	DRS Corrections
217	01/15/2026	Payroll	2	811	John D McIntyre	4,109.08	DRS Corrections
218	01/15/2026	Payroll	2	812	Matthew D Newell	7.78	DRS Corrections
219	01/15/2026	Payroll	2	813	Daniel James Orr	14,794.20	DRS Corrections
220	01/15/2026	Payroll	2	814	Steven R Phillips	3,032.40	DRS Corrections
221	01/15/2026	Payroll	2	815	Misty Shaw	1,488.24	DRS Corrections
222	01/15/2026	Payroll	2	816	Kevin C Smith	8,876.68	DRS Corrections
223	01/15/2026	Payroll	2	817	Alwynn M Whitaker	11,644.74	DRS Corrections
224	01/15/2026	Payroll	2	818	Patrick D Young	1,541.06	DRS Corrections

001 Maintenance & Operations

102,367.57

102,367.57 Payroll: 102,367.57

CERTIFICATION: We, the undersigned do hereby certify under penalty of perjury, that the materials have been furnished, the services rendered or the labor performed as described and that the claim(s) are due and unpaid obligation(s) against Clallam County Fire Protection District #3 and that we are authorized to authenticate and certify to said claim.

Signed By: \_\_\_\_\_  
Lori Coleman, Secretary of the District

Date: \_\_\_\_\_

Signed By: Misty Shaw  
Misty Shaw, Finance Manager

Date: 01/21/2026

Signed By Commissioners:

[Signature]

William Miano

[Signature]

Jeffrey C. Nicholas

[Signature]

Michael Mingee

# CHECK REGISTER

Clallam County FD 3

Time: 17:28:23 Date: 01/20/2026

01/23/2026 To: 01/23/2026

Page: 1

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
191	01/23/2026	Payroll	2	EFT	Neil C Borggard	2,886.68	January 2026 Draw
192	01/23/2026	Payroll	2	EFT	Lori L Coleman	761.39	January 2026 Draw
193	01/23/2026	Payroll	2	EFT	Jordon A Cook	2,388.70	January 2026 Draw
194	01/23/2026	Payroll	2	EFT	Christopher L Corbin	1,392.60	January 2026 Draw
195	01/23/2026	Payroll	2	EFT	Leonard L Horst	1,345.42	January 2026 Draw
196	01/23/2026	Payroll	2	EFT	Tony J Hudson	490.85	January 2026 Draw
197	01/23/2026	Payroll	2	EFT	Ivan J Hueter	2,201.25	January 2026 Draw
198	01/23/2026	Payroll	2	EFT	Ryan Hueter	2,365.20	January 2026 Draw
199	01/23/2026	Payroll	2	EFT	John D McIntyre	1,499.48	January 2026 Draw
200	01/23/2026	Payroll	2	EFT	Mark O Mullvain	2,274.81	January 2026 Draw
201	01/23/2026	Payroll	2	EFT	John C Riley	929.98	January 2026 Draw
202	01/23/2026	Payroll	2	EFT	Misty Shaw	725.00	January 2026 Draw
203	01/23/2026	Payroll	2	EFT	Bryan K Swanberg	1,410.93	January 2026 Draw
204	01/23/2026	Payroll	2	EFT	Libby L Swanberg	2,388.70	January 2026 Draw
205	01/23/2026	Payroll	2	EFT	IRS	2,293.33	941 Deposit for Pay Cycle(s) 01/23/2026 - 01/23/2026

001 Maintenance & Operations

25,354.32

25,354.32 Payroll: 25,354.32

CERTIFICATION: We, the undersigned do hereby certify under penalty of perjury, that the materials have been furnished, the services rendered or the labor performed as described and that the claim(s) are due and unpaid obligation(s) against Clallam County Fire Protection District #3 and that we are authorized to authenticate and certify to said claim.

Signed By: \_\_\_\_\_  
Lori Coleman, Secretary of the District

Date: \_\_\_\_\_

Signed By: Misty Shaw  
Misty Shaw, Finance Manager

Date: 01/20/2026

Signed By Commissioners:

[Signature]  
William Miano

[Signature]  
Jeffrey C. Nicholas

[Signature]  
Michael Mingee



# Fire Chiefs Report

## 02/03/2026



**Staffing** – We have 5 career personnel out on extended leave from all Shifts. Shift assignments have been underway to balance staffing. The five new recruits are assimilating into their stations, and crews report positive feedback from line staff and are counting towards staffing. The week of January 5<sup>th</sup> saw us extend conditional offers to 5 FF/EMTs, 1 FF/Paramedic, and 2 paramedics (who will attend Kitsap Fire Academy). The offers are contingent on successful medical, psychological, and background testing. The FF/Paramedic has since turned down the offer. We are exploring other options on filling that position. The start date for the remaining 7 will be March 1, 2026.

**Board Direction – Annual Priorities** – As a reminder, we have a work session on Thursday, February 5, 2026, to establish 2026 Goals and Priorities. 2025 Priorities have been adopted, and there is active work being done with staff to continue to address them. Teams have been established, and they are working on their respective priorities and establishing goals. BC Turner and DC Hudson continue to update to the Standards of Cover and Service Delivery. A presentation is forthcoming.

**Grant Updates** – I have not received official word from FEMA on the AFG grant that was applied for; however, since the Government shutdown, the portal does show that we were unsuccessful in obtaining our micro-grant for the mobile repeaters. We will continue to monitor.

**USDA Grant** – No new update since the government has reopened.

**2026 AFG, SAFER, and FP&S Grants** - This grant cycle is shaping up to be different. The Assistance to Firefighters Grant (AFG), Staffing for Adequate Fire and Emergency Response (SAFER), and Fire Prevention and Safety (FP&S) programs are all expected to open together in early February, with a longer application window of six to eight weeks instead of the usual four. While this might seem like extra time, having all three open at once puts significant pressure on departments that are not prepared.

**Sequim City Manager** – I continue to meet with Matt Huish monthly and had a one-on-one meeting with him this month regarding City and District interests. These include Eastern Clallam County Emergency Operations and other city/district needs.

**County Emergency Management** – I continue to meet with EOC Staff monthly and work with them on courses and meetings.

**Jamestown S'Klallam Tribe** – We met with 7 Cedars regarding payments to the District. This was spurned when the volunteer association began receiving checks thought to be a donation, but which were in fact meant for the District. As an update, 7 Cedars is investigating where the error occurred, and the Volunteer Association is to hold onto the checks until they have concluded their internal audit. – No new update to provide.

**DRS Audit:** An update to the BOC: Misty and staff have been working to address the findings. We have sent notification letters to all members who would be affected, whether currently with the District or have left. We have a letter of redress to DRS on the wording of the wages in lieu of medical. We expect an answer on or before March 16, 2026.

# Fire Chiefs Report

## 02/03/2026

### Meetings and Activities for the Month of January –

- Continue to represent with the Chamber of Commerce
- Negotiations are underway with bargaining units
- Continue to meet with the City of Sequim
- Participated in the Acting Battalion Chief scenarios
- Met with Joey, Misty, and Chief Jones on Olympic Ambulance contract. We are close!
- Continue my one-on-one discussions with the Commissioners
- Continue to represent the District with the City of Sequim Emergency Management
- Met with the District's legal team
- Continue weekly meetings with Chiefs of PAFD and C2FR
- Met for Labor Management
- Met with Maintenance and Mechanics and Firefighters bargaining units
- Have been meeting with the Skilled Nursing, Assisted Living, and Memory care Facilities on reducing call volumes
- Chief Hudson received E-37 in January. Apparatus committee will work on putting it in service.
- Met with retirees affected by DRS audit.
- Restarted Operations meeting in January. Will continue monthly.
- Represented the District on the East Clallam County CERT Association Board
- Attended with Government Leadership on Tsunami vulnerability meetings
- Met with City of Sequim staff on staffing of city-operated events
- Attended the regionalization meeting with PAFD and C2FR where we conducted interviews and followed up with the selection of the vendor.
- RFP for the Human Resources Manager closed on the 29<sup>th</sup>. A review committee is being formed.
- BC Turner, Commissioner Mingee, and I met with the Jefferson County Fire Marshal regarding discussions on assisting one another with fire investigations and sharing ideas on inspections.
- The new Spartan Engines for 33 and 34 are now in service. A push-in ceremony is being scheduled with the addition of Engine 37. A huge thank you to the apparatus committee, the training division, the maintenance division, our commissioners, management team and our constituents for supporting the District to replace our aging fleet

### BOC informational update:

Leaving this on to review for the agenda bill. We received word back from Zenovic regarding the Johnston house. In summary, the building is a legally existing single-family residence. The building can maintain that use without any upgrades as far as the building code is concerned. If you change the use to an office or a bunk house, it would need to go through a change of use permit. This would require upgrades to the energy code, including the insulation, windows, doors, and heating system. Depending on the changes, if any, that are being made to the structure, this may require some structural upgrades as well. Generally speaking, though, as long as it does not go to a more hazardous occupancy and you do not alter any of the exterior or load-bearing walls, you would only need to update the energy code. The unfortunate thing about this building in particular is that it is very old and would require extensive work on the energy code side of things to make it into an office.

# Fire Chiefs Report

## 02/03/2026

### Community Project Updates –

We continue to monitor. This is for our BOC to be aware of current projects and the community growth that is ongoing, with a number of large projects being submitted. Of note in the city of Sequim:

*\*new updates*

- \* 12 lot subdivision off Solana
- \* New application for a drive through coffee in Sequim. Part of a larger development
- Seabrook – Master Planned Community – John Wayne Marina and Whitefeather
  - Under new review and extended a year.
- 16-bed inpatient facility – Jamestown property on 7 acres behind Costco
  - Progress is well underway
- S. Olympic View Condominiums – Proposed two 5-unit attached. – Garry Oak Drive
- Rainshadow Loop Subdivision – Proposed 35 lot – McCurdy Road
- Bell Creek Subdivision – Proposed 104 lot, single-family homes- Brownfield Rd.
- Bella Vista Estates – Proposed 24-lot, single-family homes – Miller Road
- Bradley Ridge Apartments – Proposed 2-story, 16-unit apartments. – E. Hammond
- Heckman Subdivision- 11 Parcels East of 7<sup>th</sup> Ave. & W. of Cherry Blossom Estates
- Habitat for Humanity – Proposed 50-unit development- Brownfield Road
- Rolling Hills – Currently being developed, 215 lots at McCurdy Rd. & E. of S. 7<sup>th</sup> Ave. Update as we now have streets and names in. Working on mapping
- Cedar Ridge III – 25 lots as the 3<sup>rd</sup> phase to this development
- Foothills-Bell Creek – Proposed 90 lots between 3<sup>rd</sup> Ave and 7<sup>th</sup> Ave.
- Lavender Meadows. The development is filling in. Allotted 217 lots for the subdivision. Slow and steady influx of infrastructure being added
- Maple Street Apartments – 4 Buildings, each 4 story with a detached laundry facility, equaling 70+ Residential Apartments
- Proposed shopping center/retail stores located at Priest Road, East Washington, and Brackett Road. Still in review
- Expansion to Westerra subdivision off of Galloway Blvd and Cameron Farm Rd between West Fir and West Hendrickson. An additional 20 homesites.

Staff continue to work by gathering information from the county on their developments in our area.

- Runnion Development – 6 Duplexes & 2 Triplexes. Intersection of Carlsborg Rd. and E. Runnion. The second phase is underway
- Blue Fern Development – 220 homes. Located between W. Runnion and Spath Rd off of Carlsborg Road
- New construction has started at the intersection of Dragonfly and Critter Country for 9-12 homes
- A new development in Gardiner for 3-4 homes has started on Daisy King Lane near Old School House
- Proposed Development on Hooker Rd. and Brueckner Rd. ~20 Manufactured Homes
- Proposed Development - Carlsborg Manufactured Homes on Atterberry and Hooker. 66 single-family manufactured homes

# Fire Chiefs Report

## 02/03/2026

Confirmed with County Fire Marshal that the clearing of property East of Sequim Bay Lodge, S. of Highway 101 is not a housing development. He states they are 1-5-acre single-family parcels. Confirmed driveway concerns.

### Property Updates – Local properties of issue

Nothing new to report

### Blotter/Media:

Submitted by BC Turner on 1/19

From 1/11 to 1/18 FD3 saw 180 incidents.

FD3 responded to a “normal” variety of calls over the past week. Temperatures continue to be in the freezing range, and the incidence of falls is on the rise. Also, certain respiratory illnesses have seen an uptick within our community.

January 19, 2026 kicks off [CRR Week](#)! The 2026 CRR (Community Risk Reduction) Week theme is **Emergency Response**, shining a light on how fire departments’ response efforts are a vital part of Community Risk Reduction. This year’s toolkit emphasizes emergency response strategies that reduce risk, save lives, and strengthen community safety.

Visit our website at [www.ccf3.org](http://www.ccf3.org) for more fire prevention and safety related information.

Be safe out there!

~Chris

Sequim Gazette Article on “A year in review” submitted by Chief Grider for January.

CLALLAM COUNTY FIRE DISTRICT 3

Agenda Bill No. 1

Board of Commissioners meeting **2/3/2026**

**To:** Board of Commissioners  
**From:** Chief Justin Grider  
**Subject:** Recording Board of Commissioner Meetings

**Recommendation:** Approve recording meetings to support transparency and help staff with record-keeping.

**Background:** For staff, recorded meetings help explain what the Board has decided, what policies were discussed, and what the priorities are. This is especially important when a transcriber is not present, as recordings provide an accurate record of the discussion. Recordings help staff understand what the Board expects and carry out decisions correctly. Recording open public meetings also supports transparency, keeps a record of important information, and improves communication between the Board, staff, and the community.

**Discussion:** N/A

**Attachments:** None

**Alternatives:** None

**Fiscal Considerations:** N/A

**Impact to the Community:** Recordings increase accessibility by allowing members of the public to observe meetings they may be unable to attend in person, fostering informed engagement and confidence in the District's commitment to open and transparent government.

CLALLAM COUNTY FIRE DISTRICT 3

Agenda Bill No. 2

Board of Commissioners meeting **2/3/2026**

**To:** Board of Commissioners  
**From:** Fire Chief Justin Grider  
**Subject:** Five-member Board of Commissioners

**Recommendation:** TBD

**Background:** As per Board direction, staff gathered information on what it would take for the district to move from a three-person Board of Commissioners to a five-person Board. Staff reached out to legal and the county to inquire. Legal reported that the District, because it is a combination department, would need to follow RCW 52.14.015 (attached).

**Discussion:** Special elections in Washington State provide four opportunities annually to place items on the ballot—in February, April, or during the Primary or General Elections. The costs associated with these elections are variable and depend on actual expenditures, the number of districts involved, and the total items on the ballot. When multiple items share a ballot, costs are distributed, resulting in lower expenses for each participant. Conversely, being the sole item on the ballot means bearing the full costs.

For crowded ballots, costs can begin as low as \$0.75 per registered voter, with total expenses starting around \$23,000. If the ballot includes fewer items, costs might rise to approximately \$9 per voter, with potential expenses reaching up to \$200,000, and a maximum of \$300,000 in rare cases. When sharing with three to five items, the cost is likely to be between \$2 to \$5 per voter, translating to about \$60,000 to \$150,000 in total.

It is typically most cost-effective to place items on the General Election ballot due to shared expenses over a large number of items. However, strategic considerations might lead a district to choose other times of the year. Final costs are only determined after the election when all expenditures are fully accounted. This information serves as a guide for planning future ballot initiatives.

**Attachments:** RCW 52.14.015

**Alternatives:** TBD

**Fiscal Considerations:** The cost of a special election and future commissioner compensation.

**Impact to the Community:** The public is best served when the District has the appropriate ratio of commissioners to citizens.

**RCW 52.14.015**

**Increase in the number of commissioners—Election.**

In the event a board of commissioners of any fire protection district determines by resolution that it would be in the best interest of the district to increase the number of commissioners to five or seven, or in the event the board is presented with a petition signed by 10 percent of the registered voters resident within the district who voted in the last general municipal election calling for such an increase in the number of commissioners of the district, the board shall submit a resolution to the county legislative authority or authorities of the county or counties in which the district is located requesting that an election be held. Upon receipt of the resolution, the legislative authority or authorities of the county or counties shall call a special election to be held within the fire protection district at which election the following proposition shall be submitted to the voters substantially as follows:

Shall the board of commissioners of . . . . county fire protection district no. . . . . be increased from (three or five) members to (five or seven) members?

Yes . . . .  
No . . . .

If the fire protection district is located in more than a single county, this proposition shall indicate the name of the district.

If the proposition receives a majority approval at the election, the board of commissioners of the fire protection district shall be increased to five or seven members. The additional members shall be appointed in the same manner as provided in RCW 52.14.020.

[ 2021 c 34 s 1; 2012 c 174 s 4; 1994 c 223 s 50; 1990 c 259 s 14; 1989 c 63 s 20; 1984 c 230 s 85.]

CLALLAM COUNTY FIRE DISTRICT 3

Agenda Bill No. 3

Board of Commissioners meeting **2/3/2026**

**To:** Board of Commissioners

**From:** Chief Justin Grider

**Subject:** Board to appoint a fire commissioner to the committee to review the RFP for the recruitment of an HR Manager

**Recommendation:** Appoint a Commissioner to work with the Fire Chief and staff in reviewing the proposals that were submitted.

**Background:** On 11/04/2025, the Board of Commissioners authorized Chief Grider to pursue a recruitment firm to assist the District in the selection of an HR Manager. The RFP closed, and the selection of a vendor will be the next step.

**Discussion:** To discuss and appoint a Commissioner to the committee.

**Attachments:** None

**Alternatives:** None

**Fiscal Considerations:** N/A

**Impact to the Community:** Well-managed recruitment contributes to a more predictable financial planning and budgeting process.

**CLALLAM COUNTY FIRE DISTRICT 3**

**Agenda Bill No. 4**

**Board of Commissioners meeting 02/03/2026**

**To:** Board of Commissioners  
**From:** Misty Shaw, Finance Manager  
**Subject:** 2025 Financial Year in Review

**Recommendation:** None, for information only

**Background:** Staff reports on the financial status and condition of the District on a quarterly basis, with an expanded version of this report after the fiscal year end.

**Discussion:** FM Shaw will report on the financial results of 2025.

**Attachments:** 2025 Financial Year in Review Presentation

**Alternatives:** None proposed at this time.

**Fiscal Considerations:**

The annual financial report to the Board summarizes the most significant financial activity of the past year and helps assess the financial condition of the District.

**Impact to the Community:**

The Public is better served when the District's financial results are regularly communicated.



CLALLAM COUNTY  
FIRE DISTRICT 3

2025 FINANCIAL  
YEAR IN REVIEW

**Clallam County Fire District 3  
Statement of Revenue  
As of December 31, 2025**

	2025 Annual Budget	Actual as of December 31, 2025	Difference	Actual Receipts vs. Budget	Notes	Year-to-Year Comparative		Notes
						Actual As of December 31, 2024	Percent Change	
<b>Taxes</b>								
General Property Tax	\$ 10,512,599	\$ 10,654,858	\$ 142,259	101.4%	1	\$ 10,494,008	1.5%	1
EMS Property Tax	\$ 3,340,001	\$ 3,388,943	\$ 48,942	101.5%	1	\$ 3,339,930	1.5%	1
Leasehold Excise Tax	\$ 14,000	\$ 12,933	\$ (1,067)	92.4%	2	\$ 17,093	-24.3%	2
Timber Excise Tax	\$ 10,500	\$ 23,082	\$ 12,582	219.8%	2	\$ 14,345	60.9%	2
<b>Total Taxes</b>	<b>\$ 13,877,100</b>	<b>\$ 14,079,817</b>	<b>\$ 202,717</b>	<b>101.5%</b>		<b>\$ 13,865,376</b>	<b>1.5%</b>	
<b>State &amp; Local Grant Revenue</b>	<b>\$ 650</b>	<b>\$ 81,289</b>	<b>\$ 80,639</b>	<b>12506.0%</b>	<b>3</b>	<b>\$ 766</b>	<b>10512.1%</b>	
<b>Federal Grant Revenue</b>	<b>\$ 99,000</b>	<b>\$ 110,983</b>	<b>\$ 11,983</b>	<b>100.0%</b>	<b>4</b>	<b>\$ 159,417</b>	<b>-30.4%</b>	
<b>Sale of County Timber</b>	<b>\$ 50,000</b>	<b>\$ 209,451</b>	<b>\$ 159,451</b>	<b>418.9%</b>	<b>5</b>	<b>\$ 460,510</b>	<b>-54.5%</b>	<b>5</b>
<b>Charges For Services</b>	<b>\$ 137,200</b>	<b>\$ 407,507</b>	<b>\$ 270,307</b>	<b>297.0%</b>	<b>6</b>	<b>\$ 202,639</b>	<b>101.1%</b>	
<b>Ambulance Services</b>	<b>\$ 150,000</b>	<b>\$ 323,285</b>	<b>\$ 173,285</b>	<b>215.5%</b>	<b>7</b>	<b>\$ 207,041</b>	<b>56.1%</b>	<b>7</b>
<b>Miscellaneous</b>	<b>\$ 381,900</b>	<b>\$ 722,878</b>	<b>\$ 340,978</b>	<b>189.3%</b>	<b>8</b>	<b>\$ 1,081,198</b>	<b>-33.1%</b>	
<b>Total</b>	<b>\$ 14,695,850</b>	<b>\$ 15,935,210</b>	<b>\$ 1,239,360</b>	<b>108.4%</b>	<b>9</b>	<b>\$ 15,976,947</b>	<b>-0.3%</b>	<b>9</b>

**Clallam County Fire District 3  
Statement of Expenditures  
As of December 31, 2025**

Department	2025 Annual Budget	Actual as of December 31, 2025	Difference	Actual Expenditures vs. Budget	Notes	Year-to-Year Comparative		Notes
						Actual As of December 31, 2024	Percent Change	
Commissioners	\$ 152,662	\$ 112,499	\$ (40,163)	73.7%	1	\$ 70,877	58.7%	1
Administration	\$ 1,720,596	\$ 1,760,998	\$ 40,402	102.3%	2	\$ 2,100,688	-16.2%	2
Volunteers	\$ 192,514	\$ 180,394	\$ (12,120)	93.7%	3	\$ 217,091	-16.9%	3
Suppression	\$ 1,885,773	\$ 1,828,451	\$ (57,323)	97.0%	4	\$ 1,922,687	-4.9%	4
Prevention & Risk Reduction	\$ 69,817	\$ 67,250	\$ (2,566)	96.3%	5	\$ 41,574	61.8%	5
EMS	\$ 9,213,669	\$ 9,137,733	\$ (75,936)	99.2%	4	\$ 8,431,702	8.4%	4
Other Response	\$ 68,700	\$ 99,915	\$ 31,215	145.4%	6	\$ 35,704	179.8%	6
Emergency Management	\$ 6,000	\$ 15,474	\$ 9,474	257.9%	7	\$ 933	1558.2%	7
Facilities	\$ 619,705	\$ 558,668	\$ (61,037)	90.2%	8	\$ 609,510	-8.3%	
Vehicles	\$ 549,381	\$ 542,433	\$ (6,948)	98.7%	9	\$ 537,766	0.9%	9
Capital	\$ 3,028,072	\$ 2,321,087	\$ (706,984)	76.7%	10	\$ 681,278	240.7%	
<b>Total</b>	<b>\$ 17,506,889</b>	<b>\$ 16,624,903</b>	<b>\$ (881,986)</b>	<b>95.0%</b>	<b>11</b>	<b>\$ 14,649,810</b>	<b>13.5%</b>	<b>11</b>

**Clallam County Fire District 3  
Total Ending Fund Balance  
For the Years Ended December 31, 2017 - 2025**

	2017	2018	2019	2020	2021	2022	2023 Adjusted	2024 Adjusted	2025 Adjusted	Notes
Operations & Maint. Fund	\$ 1,629,630	\$ 2,594,076	\$ 3,751,661	\$ 5,922,770	\$ 7,625,242	\$ 9,570,669	\$ 8,014,936	\$ 7,990,744	\$ 5,561,233	
EMS Fund	882,173	932,252	944,030	35,919	229,441	110,984	176,846	354,024	208,026	
Capital Reserve Fund	323,776	334,496	351,689	353,342	811,926	127,152	1,727,825	2,719,977	4,605,793	1
Employment Liability Fund	1,135,000	455,000	523,000	523,000	523,000	635,000	663,000	845,000	845,000	2
<b>Total Ending Fund Balance</b>	<b>\$ 3,970,579</b>	<b>\$ 4,315,825</b>	<b>\$ 5,570,380</b>	<b>\$ 6,835,031</b>	<b>\$ 9,189,609</b>	<b>\$ 10,443,804</b>	<b>\$ 10,582,607</b>	<b>\$ 11,909,745</b>	<b>\$ 11,220,051</b>	3,4

**Clallam County Fire District 3**  
**Notes to December 31, 2023**  
**Financial Statements**

**Revenue Notes:**

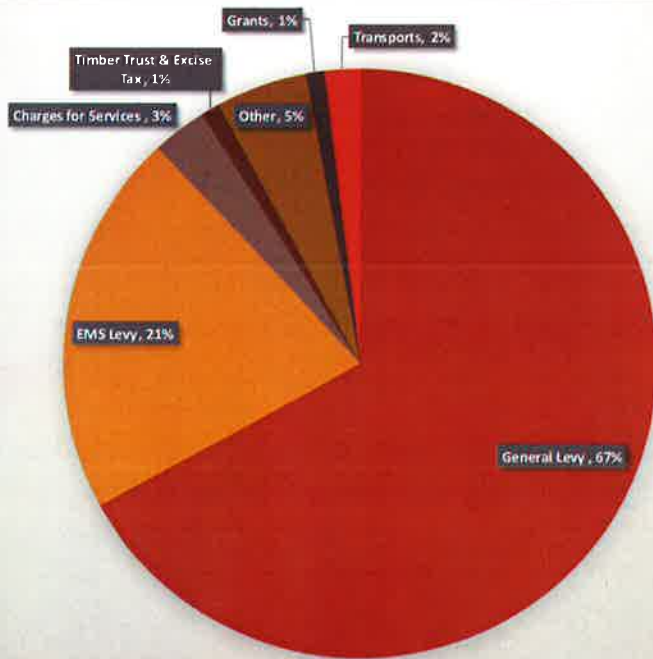
- Note 1. General & EMS Property Tax Revenue: Levy collectors were right on track in 2023 and year-to-year increases make sense for the first year without the General CPI Inflation in effect.
- Note 2. Excise Tax Receipts: These revenue streams are not in our control, exceeded our estimates for 2023, but remain far below 2023 levels.
- Note 3. State & Local Grant Revenue: A Title III Grant for Firewise Communities in the amount of \$28k was received from Clallam County in December.
- Note 4. Federal Grant Revenue: USDA grant funds received represent 33% of expenditures for the 3 new Ford F-150s and the Brush Truck. The majority of the funding was received in 2024. This represents the final outlay.
- Note 5. Sale of County Timber: Receipts exceed budget but are down 34.3% from prior year. Per District policy, revenue received in excess of \$50,000 is assigned to the Capital Reserve Fund.
- Note 6. Charges for Services: Receipts include \$252k for Wildland Deployments (budgeted at \$70k with \$130k received for 2024 deployments), Vehicle Service Revenue (\$138k), the City of Sequim's share of the Fire Code Technician position, school district receipts, and CTR training and related merchandise.
- Note 7. Ambulance Services: Revenue is up 36% over prior year primarily demonstrating an increase in transports and a slight increase from rate increases.
- Note 8. Miscellaneous: Current year revenue is down 33% from prior year due to land sales in 2024 and a 50% reduction in interest revenue due to declining interest rates and fund balances, partially offset by increases in donations and insurance recoveries.
- Note 9. Total Revenue: In total, 2023 revenue was 8.4% higher than planned and down under one half percent from the prior year.

**Reserve Notes:**

- Note 1. The Capital Reserve Fund was adjusted after year end when all of the 2023 revenue & expense information had been received.
- Note 2. Employment Liability may be adjusted during the SAO Annual Report process.
- Note 3. Total Ending Fund Balance decreased \$689,893 in 2023.
- Note 4. Funds are listed by operating fund, see accompanying chart for the assignments of Ending Fund Balance based on District Policy.

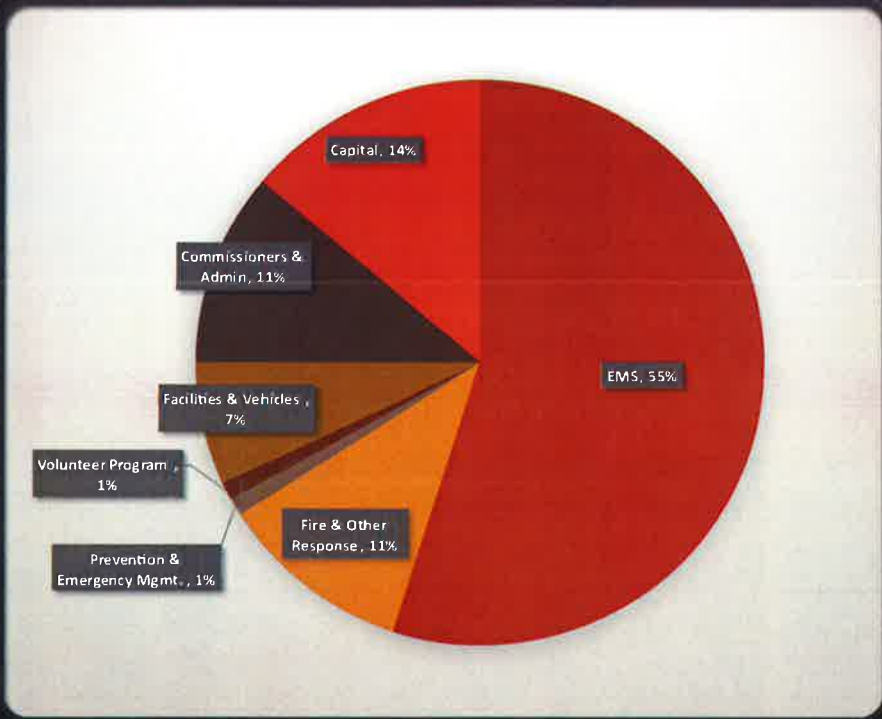
**Expenditure Notes:**

- Note 1. Commissioners: Costs are up 58% over last year primarily due to election cost increases related to the levy bid lift.
- Note 2. Administration: Costs are down 16% due to overlap of Finance Managers and Chiefs prior to retirement in prior year offset by increases in legal services, IT consulting, and software, in addition to cancer screenings (\$45k) that were budgeted in 2024.
- Note 3. Volunteers: Costs are down due to changes in the reimbursement pay schedule. Prior year included 13 months while current year includes 11 months.
- Note 4. Suppression & EMS: Overtime costs exceed budget by 21% (\$205k) and prior year by 53%. However, over all payroll costs remain at budget. Suppression PPE costs are down significantly due to prior year bunker gear purchases while EMS Operating Supplies are up due to increased transports. Total Suppression & EMS costs were at 99% of budget.
- Note 5. Prevention & R/I: Expenditures are right on budget but up 62% from last year. The Fire Code Technician position was unfilled in prior year until May. Public Education Supplies exceed budget by \$5.9k but are offset by grant funds.
- Note 6. Other Resonse: The 2023 budget separates out wildland overtime resulting in a large increase in the budget and expenditures for this category. Wildland costs exceed budget but are reimbursed by DNR. Tactical EMS and HazMat expenditures exceed budget but were allocated very little funding in 2023.
- Note 7. Emergency Management: Costs exceed budget and prior year but reflect CERT spending of donated funds.
- Note 8. Facilities: Costs are 10% under budget due to savings in building maintenance and operating supplies.
- Note 9. Vehicles: Costs are right on budget and slightly exceed prior year. Vehicle Repair & Maintenance costs exceed budget by almost \$50k but are offset by insurance recovery revenue and savings in other categories such as overtime.
- Note 10. Capital: Large purchases include the balance of two new Spartan Engines and equipment, the purchase of property on Gold Dust Lane, 5134 Kitchen Remodel, Brush Truck, and Year 3 of the LifePak Lease Purchase. Planned expenditures that were not completed are the Station Alerting and balance of the third Spartan Engine.
- Note 11. Total Expenditures: All other expenditure categories were reviewed and no concerns or issues were noted. On an overall basis, 2023 costs were approximately 5% lower than planned and 14% greater than in 2024.



# 2025 TOTAL REVENUE

15.9 MILLION



# 2025 TOTAL EXPENDITURES

16.6 MILLION

2025 - Capital Expenditures		
Capital Item		Cost
Year 3 of 5, LifePak Lease Purchase	\$	61,064
ST34 Kitchen Remodel	\$	290,732
Ford 2025 F550 Brush Truck & Equipment	\$	146,181
Balance of Two 2025 Spartan Gladiator Engines	\$	1,282,433
New Engine Outfitting & Equipment	\$	232,559
Gold Dust Ln Land Purchase	\$	264,971
Ford F150 (3) Outfitting & Equipment	\$	7,267
<b>Total Capital Expenditures</b>	<b>\$</b>	<b>2,285,207</b>

## 2025 CAPITAL EXPENDITURES

2025 Capital Account Activity		
Beginning Balance 01.01.2025:	\$	2,719,977
Additions:		
Board Directed Transfer	\$	3,688,275
USDA Grant for Brush Truck	\$	110,983
Sale of Surplus Equipment	\$	14,095
Interest Earned	\$	198,219
Sale of County Timber, net of 50k for Operations	\$	159,451
Total Additions:	\$	4,171,024
Reductions:		
Capital Expenditures	\$	2,285,207
Calculated Ending Capital Balance 12.31.2025	\$	4,605,793

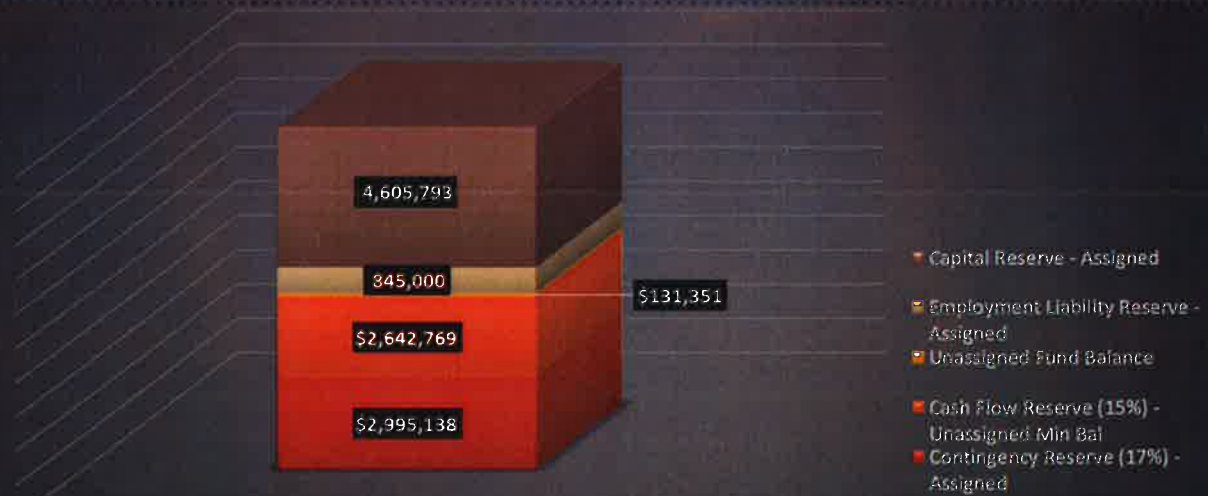
# 2025 CAPITAL ACCOUNT ACTIVITY

2026 - 2029 Planned Apparatus Purchases		
Capital Item		Cost
Rotator Ambulance - Unfunded \$350k	\$	-
Fire Chief Vehicle - Unfunded \$90k	\$	-
Shop Vehicle - Unfunded \$160k	\$	-
Maintenance Supervisor Vehicle - Unfunded \$95k	\$	-
Forklift - Unfunded \$10k	\$	-
Balance of Remaining Spartan Engine	\$	642,000
Aid 31 Ambulance Used	\$	75,000
Tender 37	\$	725,000
Rescue 34	\$	700,000
Brush 33	\$	200,000
Rehab Ambulance	\$	75,000
Aid 37 Ambulance Remount	\$	300,000
Ladder 34	\$	1,750,000
Motor Pool Explorer	\$	45,000
Motor Pool Van	\$	70,000
Aid 33 Ambulance Remount	\$	300,000
Brush 34	\$	200,000
Deputy Fire Chief Vehicle	\$	90,000
<b>Total Planned Apparatus</b>	<b>\$</b>	<b>5,172,000</b>

2026-2029

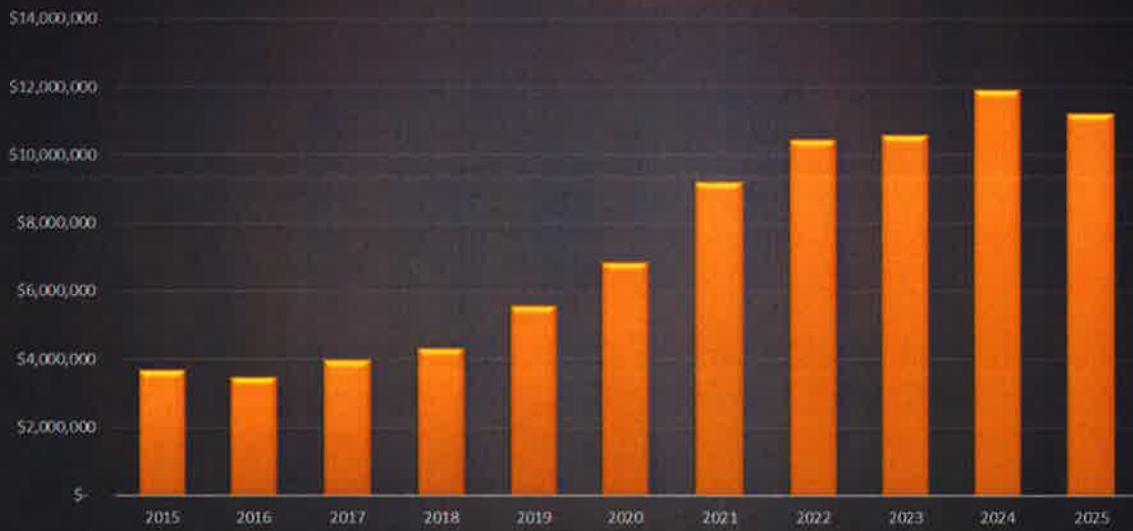
PLANNED APPARATUS  
PURCHASES

Adjusted Fund Balances at 01.01.2026  
Totaling \$11,220,051  
Allocations Based on District Policy



TOTAL FUND BALANCE – YEAR END ALLOCATIONS

Total Ending Fund Balance  
For the Years Ended December 31, 2015-2025



YEAR END FUND BALANCE HISTORY



# 2025 FINANCIAL YEAR IN REVIEW

QUESTIONS AND COMMENTS

CLALLAM COUNTY FIRE DISTRICT 3

Agenda Bill No. 5

Board of Commissioners meeting **02/03/2026**

**To:** Board of Commissioners

**From:** Finance Manager Misty Shaw

**Subject:** Continued Discussion on Capital Improvement Financing Options

**Recommendation:** If the Board chooses to move forward with financing future construction, Staff recommends choosing D.A. Davidson to help guide us through the process due to their extensive knowledge and experience with WA Fire Districts and lower interest rates presented.

**Background:** The Board previously requested a comparison of financing options to fund future capital projects. Commissioner Mingee has asked for next steps, costs, and interest rate comparisons.

**Discussion:** Next steps in the financing process and interest rate impact on total cost of financing will be presented. D.A. Davidson is still working on cost estimates. Previous estimates will be discussed.

**Attachments:** Amortization Schedule - \$5M at 4%; Amortization Schedule - \$5M at 6%; Capital Improvement Financing Options – Information from D.A. Davidson; Capital Funding Matrix 08.2025

**Alternatives:** TBD

**Fiscal Considerations:** Information for financial planning of capital projects.

**Impact to the Community:** The public is better served when the District's capital projects and related funding are planned.

### Enter Values

Loan amount	\$5,000,000.00
Annual interest rate	4.00%
Loan period in years	20
Number of payments per year	2
Start date of	6/1/2026

Optional extra payments \$0.00

### Loan Summary

Scheduled payment	\$	182,778.74
Scheduled number of payments		40
Annual Payment Total	\$	365,557.48
Total early payments		\$0.00
Total interest		\$2,311,149.56

Total Cost of Borrowing **\$7,311,149.56**

Payment Number	Beginning Balance	Scheduled Payment	Extra Payment	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest
1	\$5,000,000.00	\$182,778.74	\$0.00	\$182,778.74	\$82,778.74	\$100,000.00	\$4,917,221.26	\$100,000.00
2	\$4,917,221.26	\$182,778.74	\$0.00	\$182,778.74	\$84,434.31	\$98,344.43	\$4,832,786.95	\$198,344.43
3	\$4,832,786.95	\$182,778.74	\$0.00	\$182,778.74	\$86,123.00	\$96,655.74	\$4,746,663.95	\$295,000.16
4	\$4,746,663.95	\$182,778.74	\$0.00	\$182,778.74	\$87,845.46	\$94,933.28	\$4,658,818.49	\$389,933.44
5	\$4,658,818.49	\$182,778.74	\$0.00	\$182,778.74	\$89,602.37	\$93,176.37	\$4,569,216.12	\$483,109.81
6	\$4,569,216.12	\$182,778.74	\$0.00	\$182,778.74	\$91,394.42	\$91,384.32	\$4,477,821.70	\$574,494.14
7	\$4,477,821.70	\$182,778.74	\$0.00	\$182,778.74	\$93,222.30	\$89,556.43	\$4,384,599.40	\$664,050.57
8	\$4,384,599.40	\$182,778.74	\$0.00	\$182,778.74	\$95,086.75	\$87,691.99	\$4,289,512.65	\$751,742.56

## Enter Values

Loan amount	\$5,000,000.00
Annual interest rate	6.00%
Loan period in years	20
Number of payments per year	2
Start date of	6/1/2026
<b>Optional extra payments</b>	\$0.00

## Loan Summary

Scheduled payment	\$	216,311.89
Scheduled number of payments		40
Annual Payment Total	\$	432,623.78
Total early payments		\$0.00
Total interest		\$3,652,475.58

### Total Cost of Borrowing

**\$8,652,475.58**

Payment Number	Beginning Balance	Scheduled Payment	Extra Payment	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest
1	\$5,000,000.00	\$216,311.89	\$0.00	\$216,311.89	\$66,311.89	\$150,000.00	\$4,933,688.11	\$150,000.00
2	\$4,933,688.11	\$216,311.89	\$0.00	\$216,311.89	\$68,301.25	\$148,010.64	\$4,865,386.86	\$298,010.64
3	\$4,865,386.86	\$216,311.89	\$0.00	\$216,311.89	\$70,350.28	\$145,961.61	\$4,795,036.58	\$443,972.25
4	\$4,795,036.58	\$216,311.89	\$0.00	\$216,311.89	\$72,460.79	\$143,851.10	\$4,722,575.79	\$587,823.35
5	\$4,722,575.79	\$216,311.89	\$0.00	\$216,311.89	\$74,634.62	\$141,677.27	\$4,647,941.17	\$729,500.62
6	\$4,647,941.17	\$216,311.89	\$0.00	\$216,311.89	\$76,873.65	\$139,438.24	\$4,571,067.52	\$868,938.86
7	\$4,571,067.52	\$216,311.89	\$0.00	\$216,311.89	\$79,179.86	\$137,132.03	\$4,491,887.65	\$1,006,070.88
8	\$4,491,887.65	\$216,311.89	\$0.00	\$216,311.89	\$81,555.26	\$134,756.63	\$4,410,332.40	\$1,140,827.51

**Clallam County Fire District 3  
Capital Project Funding Alternatives Matrix  
Tuesday, August 19, 2025**

	Non-Voted Financing					Voted Bonds
	DA Davidson		Holman Capital (Presentation to BOC 08.05.2025)	WA LOCAL Lending Program	USDA Community Facilities Direct Loan	DA Davidson
	Limited Tax General Obligation Bonds Public Bond Sale	Private Bank Placement	Direct Lending	Borrowing through State Program - Certificates of Participation	Borrowing through Federal Program	Unlimited Tax General Obligation Bond Voted
<b>Funding Limits Description:</b>	Legal Debt Limit of 375% of AV	Legal Debt Limit of 375% of AV	Legal Debt Limit of 375% of AV	Legal Debt Limit of 375% of AV	Legal Debt Limit of 375% of AV	Legal Debt Limit of 375% of AV, less Non - Voted Debt Borrowing
<b>Funding Limits Amount:</b>	\$ 35,926,319	\$ 35,926,319	\$ 35,926,319	\$ 35,926,319	\$ 35,926,319	\$ 71,852,638
<b>Voter Approval Requirements:</b>	None - Paid from General Levy	None - Paid from General Levy	None - Paid from General Levy	None - Paid from General Levy	None - Paid from General Levy	Special Excess Levy, Super Majority of 60% & Voter Validation ( turnout of > 40% of voters in the most recent general election)
<b>Maximum Funding Term:</b>	20 Years	20 Years	Up to 30 Years	25 Years for Real Estate, Up to 20 years for Equipment Based on Type/Useful Life	Up to 40 years	20 Years
<b>Types of Cost (other than Interest):</b>	Underwriting, Legal, Bond Placement	Underwriting, Legal, Bank Placement	Underwriting, Legal on us	All Costs included in Interest rate, Legal on us	All Costs included in Interest rate	Underwriting, Legal, Bond Placement
<b>Interest Terms</b>	Interest Rate Set On Sale Date	Interest Rate Set On Sale Date	Interest, 30-45 day rate lock	Interest Rate Set On Sale Date	Interest Rate Max Set on Project Obligation Date, May Float Down During Construction	Interest Rate Set On Sale Date
<b>Borrowing Fees (not in interest rate), Estimate as of 08.14.2025:</b>	TBD - Last Estimate \$48k	TBD - Last Estimate \$22k	\$10k initial; \$5k subsequent	\$	\$	Not Analyzed
<b>Interest Rate As of 08.14.2025:</b>	Less than 5% Depending on Rating	Less than 5% Depending on Rating	6.12%	4.29%	4.875% - expected to drop by COM	Less than 5% Depending on Rating
<b>Other Important Factors:</b>	<p><i>Underwriting may limit borrowing to less than legal limit</i></p> <p><i>Significant Underwriting Process</i></p> <p><i>Flexibility with payment schedule - can do escalating payments</i></p> <p><i>Municipality must intend to spend 85% of bond proceeds within 36 months</i></p> <p><i>Prepayment or rolling into voted bonds to be considered prior to issuance</i></p> <p><i>Ability to access and "shop" both the private bond and bank markets</i></p> <p><i>Extensive Experience with WA Fire District Funding - Over 85 Fire Districts</i></p>	<p><i>Underwriting may limit borrowing to less than legal limit</i></p> <p><i>Significant Underwriting Process</i></p> <p><i>Potential to be rolled into Voted Bonds, if borrowing is for "district improvements"</i></p> <p><i>Municipality must intend to spend 85% of bond proceeds within 36 months</i></p> <p><i>Will "shop" bank markets for best terms, similar to an insurance agent</i></p> <p><i>Pre-payment option available</i></p>	<p><i>Underwriting may limit borrowing to less than legal limit</i></p> <p><i>Underwriting &amp; Qualification Process</i></p> <p><i>Flexibility with payment schedule - can do escalating payments</i></p> <p><i>Flexibility with Guidance (Master) Line of Credit</i></p> <p><i>One source of funding, similar to an "insurance company"</i></p> <p><i>Borrowing can be rolled into Voted Bonds, Prepayment penalty applies</i></p>	<p><i>Underwriting may limit borrowing to less than legal limit</i></p> <p><i>Funds are available 3 times a year, February, June and October</i></p> <p><i>Construction Contract must be signed prior to borrowing</i></p> <p><i>No prepayment allowed for 10 years, prepayment penalty then applies</i></p>	<p><i>Underwriting is done by USDA Rep with approval by Program Manager</i></p> <p><i>Local office authority to 10 mil, National office approval for loans exceeding 10 mil</i></p> <p><i>Funding available year round with no submission deadlines</i></p> <p><i>Important: Must secure interim financing during construction</i></p> <p><i>Flexibility in payment schedule</i></p> <p><i>No prepayment penalties</i></p>	<p><i>Underwriting may limit borrowing to less than legal limit</i></p> <p><i>Public Process and Significant Underwriting Process</i></p> <p><i>Flexibility with payment schedule - can do escalating payments</i></p> <p><i>Municipality must intend to spend 85% of bond proceeds within 36 months</i></p> <p><i>Can go to voters once and issue a series of bonds with different timing to meet 36 month spend requirement</i></p> <p><i>Very important: No borrowing for Equipment Replacement per RCW 8A.52.055</i></p> <p><i>Extensive Experience with WA Fire District Funding - Over 85 Fire Districts</i></p> <p><i>Additional Election Fees</i></p>

## Capital Improvement Financing Options - Information from D.A. Davidson

### Next Steps Provided by Jim Davis of D.A. Davidson per Email Dated January 15, 2026

- 1 Engage D.A. Davidson to service as a Bond Underwriter/Placement Agen to begin the financing process.
- 2 D.A. Davidson will review to determine if a public bond sale or private placement directly to a bank is the most cost-effective
- 3 D.A. Davidson will provide a comparison for a public bond sale versus a private placement that details the net borrowing costs with fees, the net borrowing rate (with fees), the annual payments, and the total principal and interest costs over the life of the loan. Financing costs are sized into the financing so there are no out of pocket costs.

### Public Bond Sale

- 1 D.A. Davidson will prepare a draft Schedule of Events and Distribution List
- 2 Bond Counsel begins an Information Request from the District and County, then Bond Counsel begins drafting the Bond Resolution and the draft Preliminary Official Statement
- 3 D.A. Davidson then begins drafting the Rating Presentation
- 4 D.A. Davidson contacts S&P to schedule a rating presentation via Teams
- 5 D.A. Davidson completes a draft Rating Presentation and then coaches the District during a rehearsal meeting
- 6 A few days after that, we have the formal Rating Presentation
- 7 Seven business days later we receive the rating grade
- 8 Two days after that notification, D.A. Davidson releases the Preliminary Official Statement and markets the bonds for two weeks setting the interest rates as low as possible while still getting orders for the bonds form investors
- 9  
Ten business days after the bond pricing/setting the final interest rates, bond proceeds are wired to the Clallam County Treasurer's office

### Private Placement Directly to a Bank

- 1 D.A. Davidson will help gather all the credit related information, prepare an RFP Term Sheet and send it out to 50 banks
- 2 D.A. Davidson will gather the bank bids and summarize the results for selection

### Estimated Payments Provided by D.A. Davidson

1. Target an annual payment of \$400,000, financed over 20 years, estimated construction fund deposit is \$5,268,541, estimated All-In True Interest Cost is 4.28%.
2. Target an annual payment of \$400,000, financed over 15 years, estimated construction fund deposit is \$4,462,250, estimated All-In True Interest Cost is 3.85%.
3. Fund a construction fund deposit of \$10,000,000, financed over 20 years, estimated average annual payment is \$750,235, estimated All-In True Interest Cost is 4.22%.
4. Fund a construction fund deposit of \$10,000,000, financed over 15 years, estimated average annual payment is \$883,848, estimated All-In True Interest Cost is 3.76%.

*These estimates are preliminary and subject to change.*