

**MINUTES OF THE COMMITTEE OF THE WHOLE MEETING OF THE  
PORTAGE CITY COUNCIL  
OF AUGUST 28, 2018**

Mayor Patricia Randall called the meeting to order at 5:15 p.m. The following Councilmembers were present: Councilmembers Chris Burns, Richard Ford, Lori Knapp, Terry Urban, Mayor Pro Tem Jim Pearson and Mayor Patricia Randall. Councilmember Claudette Reid arrived at 5:18 p.m. Also present were City Manager Laurence Shaffer, Deputy City Manager Rob Boulis, City Attorney Randall Brown, City Clerk Adam Herringa, Public Safety Director Nick Arnold, Senior Deputy Fire Chief John Podgorski, Assistant Fire Chief Stacy French, and Jack Michael, President of American Village Builders and Owners Representative.

Mayor Randall shared that this Committee of the Whole Meeting is to discuss the construction of a replacement to Fire Station No. 2 and invited the City Manager to begin discussion. City Manager Shaffer shared that City Council would hear from the experts when it comes to the need for the fire station and its design features. He shared that City Council would also be provided with an explanation as to why the proposed price tag has increased from \$2.5 million in 2015 to approximately \$6 million in 2018. Mr. Shaffer introduced Jack Michael of American Village Builders who is serving as the Owner's Representative and Construction Manager for the city on this project.

Mr. Michael explained that every building is unique and that he was not involved in the 2015 estimate for the cost of the fire station. He shared that he believes the initial 2015 estimate was very rough in nature and involved simple calculations based on pricing per square foot for a 14,101 square foot building. He pointed out that the initial cost estimate was based on an estimate of \$189/sq. foot. The current proposed building, he stated, will be 18,324 feet in size. Mr. Michael stated that the primary reasons for the price increase included: size increase, changes in code requirements, soil type, need for aggregate piers, disposal of potentially contaminated soil, training tower and training tunnel. In addition, he attributed construction cost increases to inflation, a competitive building trade and tariffs on construction materials.

Mr. Michael shared that two bids for construction were received with the bids being \$6,110,520 and \$6,113,000. He stated that these bids were reasonable and accurate based on similar projects. He then reviewed three case studies and pointed out costs and similarities between the case studies and what is being proposed. In response to a query about LEED certification and certification levels, Mr. Michael shared that the city is not seeking LEED certification for the proposed fire station.

City Manager Shaffer asked Mr. Michael to review the impact of only receiving two bids. Mr. Michael explained that the construction market is very competitive and there is question of capacity in the industry. He then reviewed the bid process and explained that, despite only receiving two bids, he believes the bids are fair and reasonable. Councilmember Reid inquired as to whether more bids might be received if the project were initiated next spring. Mr. Michael indicated that bidders were given the option of starting this fall or next spring. He continued by stating that if the project were bid next spring there may be more bidders but he questioned whether that would result in better pricing and lower costs.

Councilmember Urban questioned the capability of the bidders if they need the work during a hot construction market. Mr. Michael assured Councilmember Urban that the two bidders asked lots of good questions, were engaged in the process and had the experience needed for the project. Mr. Michael also stated that either bidder could construct a facility that is energy efficient, economic and will have low maintenance and operating costs.

Councilmember Urban inquired as to why a bigger building was necessary and Mr. Shaffer explained that the Department of Public Safety Representatives would review building details

and recommendations. In response to a question from Councilmember Reid, Deputy Fire Chief John Podgorski stated that Fire Station No. 2 was built in 1974 and is 7,236 square feet in size. He also shared that Fire Station No. 1 is approximately 13,000 feet in size.

Director of Public Safety Nick Arnold explained that Public Safety had several goals in mind when meeting with the architect including a building that can meet current and future needs, fits in with the neighborhood, is durable, functional, has a long-life and promotes safety for firefighters. Director Arnold shared that when it first opened Fire Station No. 2 responded to 168 calls per year and that it has grown to over 2,200. Mr. Arnold reviewed five key features of the proposed station including built in training features and capabilities, availability as an Emergency Operations Center, energy efficiency, functionality as a work space for current and future firefighters regardless of gender and attention to the health and safety of employees. With regard to health and safety, Mr. Arnold pointed to the “clean room” and “dirty room” design features which allow firefighters and staff to better and more safely handle contaminated gear and equipment.

Mayor Pro Tem Pearson inquired as to the training tower and whether and how often the City of Portage utilizes the training tower offered by Kalamazoo County. Deputy Chief Podgorski shared that Portage does utilize the Kalamazoo County’s training tower on a quarterly basis but that sending a crew to the County training facility results in a shift plus its assigned equipment being out of commission. A local training tower, he stated, would permit training to take place while a fire crew is on their shift. The result is availability of the crew and a reduction in training costs. In response to a query from Mayor Pro Tem Pearson, Mr. Podgorski explained that there would be up to six staff on duty at Fire Station No. 2 at any given time but that the city population, number of structures in the community and call volumes continue to grow. The proposed facility, he stated, would equip the city to meet increasing demands while at the same time allowing for a diverse workforce. Mayor Pro Tem Pearson commented that in 2015 there were conversations about remodeling or replacing the fire station and likened the circumstance to current efforts to replace the Senior Center. He shared his belief that caution must be taken to avoid a similar situation as the Fire Station No. 2 costs increases.

Councilmember Urban inquired as to the proposed increase in the building size. Mr. Podgorski shared that it is derived from 400 square feet for the Emergency Operations Center, utilization of the “clean room” and “dirty room” and, most significantly, additional space in the apparatus bay which includes space for an additional aerial vehicle should it be necessary in the future. In response to a question from Councilmember Ford about training, Assistant Fire Chief Stacy French explained that the training budget is approximately \$25,000 per year. Mr. French shared that he anticipates being able to train at Fire Station No. 2 would cut down on training and overtime costs. City Manager Shaffer stated that an analysis would be conducted to estimate how much the savings would be.

With regard to the tunnel/pipe training Councilmember Knapp inquired where that training occurs presently. Mr. French stated that the Department of Public Safety cooperates with Pfizer in this regard and then reviewed some of the challenges with this arrangement. Councilmember Reid followed up by inquiring if other area first responders would be able to utilize the training opportunities afforded by the proposed station. Mr. French responded in the affirmative and reviewed the benefits of mutual aid partners training at this location. Councilmember Reid next inquired if improvements to the other fire stations were being considered. Mr. French responded in the affirmative and explained where the department is in planning for safety and facility enhancements to Fire Station No. 1 and No. 3.

Councilmember Burns inquired as to urgency of the proposed fire station. Public Safety Director Arnold reviewed the age and challenges of Fire Station No. 2 along with growing

demands on the facility. Deputy Chief Podgorski explained that the building is at the end of its life cycle and a replacement is needed.

City Manager Shaffer reviewed the budget impact of the project and explained how it would be funded with a mix of debt service, capital improvement dollars and cash. However, before the funding is finalized, he stated that City Administration would need to conduct a thorough analysis of the proposals. Regardless of the final cost, Mr. Shaffer emphasized the importance of limiting the taking on of additional debt. Mayor Pro Tem Pearson pointed to the 2017-2027 and 2018-2028 Capital Improvement Plans and the difference between the two for the fire station cost. Mr. Pearson wondered if the \$7.5 million in the current CIP was to provide a safety cushion for the project. Mr. Shaffer responded that staff anticipated the cost of the new station might be approximately \$7 million.

Mayor Randall questioned the goal of building a fire station with aesthetics to “fit into the neighborhood” and whether savings could be realized by reducing emphasis on outward appearance of the building. She expressed support for the floor plan but encouraged City Administration to take a harder look at outward design features. Mayor Randall stated that, when complete, the fire station could be the most expensive building the city owns yet be one of the least utilized by the public and house a handful of employees. She contrasted this project with efforts related to a new senior center which would be open to the public and utilized by thousands. Mr. Michael responded by stating that proposals can and would be reviewed to look for opportunities to reduce costs.

Mayor Pro Tem Pearson questioned efforts related to LEED certifications and whether the city would realize a return on investment on energy efficiency enhancement efforts. Mr. Michael stated that much of the highest levels of LEED certification are related to sourcing materials. With this project, he stated, energy efficiency enhancements would result in a short return on investment and speculated that it would be three years or less. Mr. Shaffer assured City Council that energy efficiency efforts with the project would only occur if a return on investment would be realized. He stated that the increment of investment would be compared to the increment of return. Councilmember Ford inquired as to the cost per square foot of this project vs. the cost per square foot of the case studies provided. Mr. Michael explained that the cost per square foot of the examples reflected only the “build cost” and did not include site preparation.

Mayor Randall opened the floor to questions from the audience. Mr. Fernando Costas, 7639 Harvest Lane, inquired as to how city staff could miscalculate the anticipated cost of the fire station such that a change order of twice the magnitude for architectural services became necessary. Mr. Shaffer stated that the initial design firm, Paradigm Design, was hired and developed a schematic based on needs identified in 2015. Assistant Fire Chief Stacy French displayed a sample of the fire station envisioned by the Paradigm design vs. what is being considered today. Mr. Shaffer and Mr. Michael pointed to the difference in quality and lifespan of the building. In 2018 a more thorough and detailed plan was developed that was based on different assumptions, costs and a functionally different building. Mr. Shaffer stated that Mr. Costas is correct that City Administration should have taken a harder look. Mr. Costas encouraged City Administration to take a different and more thorough approach in the future so that a crisis such as this can be avoided.

Mr. Tim Earl, 6862 Shallowford Way, stated that he was attending the meeting to advocate and support the inclusion of the “clean room/dirty room” concept in the design. He stated that he is involved in the profession of fire safety and pointed out that, had the station been constructed in 2015, such a concept would not have been included. Mr. Earl then referenced the training opportunities that would be afforded with the proposed new station and expressed his strong support for the facility and ability to train in-house. In response, Councilmember Urban

shared that he used to train with Portage firefighters and that the ability to train on both the common and uncommon is extremely important.

Mayor Randall adjourned the meeting at 6:39 p.m.

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Adam Herringa, City Clerk