

Carlos Area Fire Joint Powers Agreement (JPA) Meeting Minutes

Date: Monday, October 27, 2025

Start Time: 6:30 PM

Location: Carlos City Office

1. Call to Order

- Roll Call / Members Present
 - Ronna Berghoff, City of Carlos
 - Colten Steidl, Carlos Fire Department
 - James Young, City of Carlos
 - Bill Krivanek, Carlos Township
 - Dwayne Waldorf, Carlos Township
 - Andy Miller, Belle River Township
 - Jason Murray, Drown and Associates
 - Sign In List
 - Attendance via Zoom, representatives from Morton
 - Scott Prior
 - Kirk Dilly
 - Jeffery Zimmerman
 - Introduction of Board and those in attendance.
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2. Approval of Meeting Minutes

- Review and approval of minutes from October 13th, 2025
 - Motion to approve minutes: **Waldorf, second Krivanek – Passed**
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3. Reports

a. Treasurer's Report

- No Treasurers Report
- Current Balance \$9,966.53

4. Old Business

a. Project Discussion

- Morton Buildings Financing Option. Previous work on financing options Medical clinic in Glenwood, and Danvers Fire Hall.
 - Jeff Zimmerman – specialist in real estate law
 - 2 phases
 - Design phase – 1% of what the project would be valued at.
 - Final design phase
 - Morton can general as much of the project as we want them to.
 - Scott Prior – lease with options to purchase
 - No approval from the public
 - Project does not need to be put up for bid – not considered a capital improvement project, it's a lease.
 - Does not affect statutory debt limit, will show up as an annual debt
 - Payment comes from operating budget, can not create or levy for these funds, add it into your operating budget.
 - Morton is not constructing a building for us, it is for Scott's company
 - We enter into a lease agreement with them, then when pay off we own it.
 - Payments are yearly, can pay off early. Equal annual payment.
 - Finance locally if they can, to keep building local relationships.
 - Similar rates compared to a bond issuance. Approximately 6.3% at this time, could possibly get lower. Length of Lease can fluctuate.
 - Can enter in a base lease, with our Dist 206 lease, that ends shortly after it is paid off.
 - First step would be a design contract with Morton buildings, that is signed by Financiers, and then we sign a lease/agreement with Financiers.
 - Kirk Dilly– Morton Buildings Salesman
 - 1% fee for design fee – (approximately \$30,000 if budget of 3 million). Kirk describes what the process with Morton would then look like.
 - Written scope of work, renders, and cost estimates; Morton gives a HARD number at this point so there are no surprises.
 - 5-7% for phase 2 – and this also gets applied to the building, essentially recouping these dollars.
 - Timeline – if went with them, and started right away, they likely could start construction work in the Spring 2026.
 - PROs of Morton
 - Quick erection process
 - Efficient buildings and high quality steel, paint is longer lasting

- Warranty stand point, Morton doesn't point fingers and take accountability of their work
 - Been around since 1903
 - Morton are framers – everything else would be sub-contracted out. Morton would be open to getting bids for some of the sub work and JPA could have some say in those conversations.
 - Offered tours of buildings they have completed.
- Jason Murray – Drown and Associates
 - Consider lease impact
 - He would continue to be a municipal advisor to the JPA
 - Get Morton legal documents, have Jason and Fryberger review these documents.
 - Jason discuss with Fryberger to ensure that it works with current JPA agreements
- Discussion with Architects
 - Dustin at Ringdahl Architects –
 - 2.6 million-2.7 million range if we took one bay off, combination of wood and metal for the different parts of the building.
 - Feels that a construction manager would not be necessary since Dustin would be able to do himself.
 - 5-7% fee of the total project.
 - Widseth – called back on Friday, Bill haven't called back yet.
 - JLG – called back, James will return their call.
- What does insurance companies say, they may dictate steel vs. wood?
 - Directly from Faber Insurance:
 - To answer your question, there aren't any specific requirements on the type of building materials the City must use. However, the insurance premium will vary depending on the materials chosen. For example, a fire-resistive building will typically have a lower premium than a frame building. Additionally, if the fire hall is 100% sprinklered, an extra discount would apply.

5. New Business

a. Building Committee

- Committee Members:
 - Mike Swendsrud
 - Lawrence Keenan
 - Fire Department Members
 - 2-3 Fireman
 - Nobody from this committee present at tonight's meeting.

b. Bonding

- Jason continuing to get rates from local banks, but hasn't heard back on specific rates to help guide decisions.

c. Fundraising

- No discussion at this meeting
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6. Miscellaneous

- a. None
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7. Next Meeting Date and Time

- Confirm: **November 10th, 2025** – 6:30 PM at **Carlos City Hall**
 - Preliminary Agenda Items:
 - Hear from Morton Buildings about their leasing
 - Jason from Drown and Associates to discuss bonding
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8. Adjournment

- Motion to adjourn: **Waldorf, second Berghoff – passed.**
- Adjournment time recorded: 8:02 pm
- Notes completed by: Ronna Berghoff, Carlos Area Fire JPA, Secretary; City of Carlos, Mayor

JPA BOARD CONTACT INFORMATION:

Dwayne Waldorf - Dwayne.waldorf@icloud.com; (320) 219-0409

Andy Miller - andysautorepair1@gmail.com; (320) 815-4142

Colten Steidl – cfd1251@gmail.com; (320) 766-0183

Bill Krivanek - bkrivanek1961@gmail.com; (320) 815-9751

Ronna Berghoff – rberghoff@cityofcarlos.com; (320) 491-1892

James Young – jyoung@cityofcarlos.com; (320) 805-0294