

Board of Fire Commissioners

Greenfield Fire District
P.O. Box 103
Greenfield Center, NY 12833
(518) 893-0723

April 3, 2008 Workshop

Workshop began at 7:03 pm.

Present were: Commissioners B. Bishop, Kugler, Robarge, Spackmann, Waite; Secretary Petkus, Chief McConkey. Others in attendance: various officers and members of the Greenfield Fire District.

Special Guest: Jay Farrell, Tyler Fire Equipment

❖ Chairman Kugler:

- Suggested passing a resolution at the next regular meeting in April to send the LOSAP money to RBC Dain Rauscher for investment; if you have been following the stock market, now is a good time to buy.

Commissioner Robarge:

- Went and looked at the Kohler generator in Schenectady with Commissioner B. Bishop and A/C Kemp. Commissioner Waite also stopped down. Thought it was a great looking unit, well built and quiet;
- Spoke with Jim Curran from Curran Electric; he will sign the form that he will be paying prevailing wage, with a completion date no later than June 15th, which leaves Joyce enough time to complete the generator grant paperwork before the deadline;
- Will award generator installation to Curran Electric at the next regular meeting in April, just waiting for his certificate of liability insurance;
- Kinsley Power Systems to supply generator;
- Mr. Curran to do the pad and Kinsley to set the generator when it is delivered.
- Letter to go out to all bidders after they are awarded on April 9th;
- Walt Barss suggested possibly combining a generator with the new Town garage and Porter's firehouse. May be a problem in that the Town garage may be 3 phase and the firehouse is only 1 phase.

❖ Secretary Petkus:

- Last week she was asked to rush Brandon Ray's arson check, and it came in the mail; do you want to officially accept him tonight along with new member Thomas Merrills?

RESOLUTION #127 TO ACCEPT NEW MEMBERS THOMAS MERRILLS AND BRANDON RAY.

MOTION: Waite

SECOND: B. Bishop

RESOLVED to accept new members Thomas Merrills and Brandon Ray.

VOTE: All in favor, motion carried.

- Reminder about the disciplinary policy because she was given an end of April deadline to get the District manuals out. The Chief did not get a copy of the policy until last night.

❖ **Commissioner Waite:**

- 273 broke and it is going to be a hefty bill;
- Everyone given a list of events Porter's is planning, would like approval;

RESOLUTION #128 TO APPROVE THE ATTACHED LIST OF EVENTS PORTER CORNERS WILL BE HOLDING.

MOTION: Kugler

SECOND: Robarge

RESOLVED to approve the attached list of events Porter Corners will be holding.

VOTE: All in favor, motion carried.

Joyce to forward the list of events to Jill to put on the District website. Joyce also directed to speak to Bill Young when he returns from vacation regarding an alcohol policy for comedy Night on August 22nd.

❖ **Commissioner Spackmann:**

- Website modifications close to being completed. Ability now to have separate accounts for each company to log into and update their company information, photo gallery extended, news section updated;
- Newsletter almost complete;
- Commissioner Spackmann asked to meet with the Chief over the weekend to go over some of the pictures before they go on the website.

Chairman Kugler asked if there was anything else before they get into the discussion about the trucks:

❖ **Captain Bullard:**

- Asked for the password for the wireless; Joyce to give to him after the meeting;
- Sunday's burn may or may not be on, will keep everyone updated.

❖ A/C Gibbins noted that now until the end of June they are going to be busy here on Mondays and Thursdays with FF1. Commissioner B. Bishop suggested that maybe the workshops can be held at the different firehouses each month, like the regular meetings, just need to publish the changes.

❖ **Special Guest: Jay Farrell:**

Chairman Kugler introduced Jay Farrell to all present. Then he went around the room to each Commissioner and asked for their thoughts on the trucks:

Commissioner Waite:

- Handed out a letter drafted by Co #2 that they feel the two trucks ought to be leased and keep the money in the reserve for future purchases;

Commissioner B. Bishop:

- Apologized for the marbles in his mouth, he had a wisdom tooth pulled late this afternoon;

- Still believes leasing the trucks for the two 10 year leases with the purchase at the end would be a good idea;
- Wants to maintain the Equipment Reserve fund;
- Could possibly use the LOSAP money to put into the ERF, unless that money was earmarked to go back to the taxpayers. Would need to double check on that first;
- The establishment of the truck committee and the way that committee worked together was unprecedented and was definitely the way he would like to see things work in the future, rather than an antagonistic relationship;
- If there are concerns about hearings, he would be favorable in doing a straight eight year lease, but at least to solve the problem that was created many years ago, lease them and save up enough money for further purchases.

Commissioner Spackmann:

- Agreed with Commissioner B. Bishop;
- Concerned about the flexibility with the reserve;
- Agrees that the committee as it stands should make the ultimate decision;
- Biggest concern is not allowing this problem to happen again in the future and cannot stress this enough. Should have a more solid plan.

Commissioner Robarge:

- In favor of getting both trucks;
- Should lease the aerial platform truck and replace it every 10 years with a new one and never buy it, that way it does not put us in a bind where we have to deal with repairs;
- Not sure 100% regarding Co #1 truck whether to lease or buy it, must consider finance and interest charges;
- Asked Mr. Farrell if we were to bid Co #1's truck could we bid it with a 2006 engine? Mr. Farrell noted there were no 75 foot ladders with 2006 engines.

Commissioner Kugler:

- Noted he was on the phone with the attorney and if it is a straight 8 year lease, no hearing is necessary. If you go for the 10 year lease and buy the truck it is considered a lease purchase and you then need a hearing. Secretary Petkus noted there was a large section of the law book dedicated to leasing and is very detailed.
- Mr. Farrell noted it was 109B, and he goes back to the Comptroller's law as it cuts to the chase. On a turn in lease where you actually turn it in at the end, then that is different than if you decide to buy it out. If the decision is made to buy it out, at the 24-18 month period prior to end of term you would then have to go to a mandatory referendum if you were going to refinance it through a local bank or take money out of capital reserve. A turn in lease with no money down, with the annual lease payment taken out of the annual operating budget, only requires a public hearing and permissive referendum. A walkway lease requires only a resolution by the Commissioners at a regularly scheduled meeting and must be on the agenda. Further discussion continued regarding hearings, mandatory and permissive referendums and advice of legal counsel.
- It was asked how the value of a truck is determined at the end of the lease; Mr. Farrell noted that as long as it has had normal service done and all the records were kept, passes pump and aerial test, the balloon at the end is the guaranteed minimum value at the end of the 10 years. Oshkosh capital guarantees that Pierce will pay that balloon payment; it is a dealer/broker agreement.

- Contract price on any lease is not necessarily what you are paying, as there are pre-pay discounts, etc. Lease agreement will have the actual net worth of the truck and the leasing payments are figured after the discounts are taken off.

Figures on a straight 8 year lease with a current interest rate of 5.30% were as follows:

- 100 foot platform with add ons:
 - Currently \$869,328.00
 - Walk away 8 year lease, 102 months with annual payments
 - 5 payments of \$146,500.00
 - 3 payments of \$88,685.68
 - Last month payment is \$85,000.00
 - 1st payment due one year after lease is signed.
- 75 foot stick, original spec:
 - Currently \$689,104.00
 - Turn in lease for 7 years would be 8 annual payments of \$87,675.49 with a balloon of \$227,367.60
 - 10 year term with 10 payments would be \$75,425.04 with a balloon payment of \$159,157.32
 - Did not do a straight 8 year lease, but can run the numbers and will email to Joyce to forward to everyone;
 - Since then Greenfield added options (see attached sheet) that would add an additional \$47,505.00.
- Discussion about CAFS system: total for just the CAFS is \$19,320.00 plus additional upgrades to accommodate CAFS.
- Currently 2 stock units are available, one at the end of May and the other at the end of August. Also have a 75 foot stock unit that has everything but the CAFS, that comes in at \$664,841.00. No pre-pay discounts because the truck is already built. Build to order truck takes about 7-8 months.
- Truck in August may have the CAFS, just need to check if axel can be changed.
- Service contracts also discussed:
 - Aerial service only: \$1500.00 per year. Aerial Inspections are done separately by another company;
 - Do not need to do aerial checked for the first 5 years per NFPA
 - Pump/chassis/ladder service is \$6000.00 per year for both trucks.
- Cannot take trade ins on a walk away lease;
- Can probably take the 2 trade ins for the new aerial platform:
 - Approximately \$60,000.00 for the aerial
 - Approximately \$25,000.00 for 262
- Recommended foam is National foam, UL listed is knock down;
- Brief discussion about the new engines; a couple of problems here and there but nothing really drastic.

Chairman Kugler thanked Mr. Farrell for coming to the meeting.

General discussion continued, with the following points made:

- Commissioner Spackmann noted that if you buy 262 and lease 293, there would not be enough money in the ERF to do that with the add ons. Only option is to buy both trucks through either the 8 year straight lease or the 10 year turn in.
- Commissioner B. Bishop proposed leasing both trucks through the 8 year straight leases and the ERF has not been depleted and continue to build the

- ERF. Discussion continued regarding hearings and mandatory and permissive referendums as they relate to the different types of leasing options.
- Other discussion continued including budget concerns, long term financial concerns, trend toward consolidation of trucks in the District, avoiding this same predicament in 15 years, tax assessments, importance of apparatus and gear, tightening the belt on other line items in the budget.
 - Commissioner Spackmann asked if the truck committee considered the continuous leasing of 293.
 - Mr. Farrell noted as long as things keep moving forward we are price protected with the build to order; received that from Dave McAllister, regional manager. Noted that a letter of intent would be needed to hold the stock truck.
 - Discussion held regarding truck specs, options, warranty, bidding, financing, 2nd and 3rd party leasing.

The following decisions were made:

- Jay Farrell to find out about CAFS on 75 foot and then put in specs;
- Gary Gibbins to check with his truck committee regarding the CAFS or foam system, depending on Jay Farrell's information;
- Joyce to call Bill Young tomorrow morning and ask for proper procedure on a 10 year turn in lease, and also do you need to go out to bid as well?
- Go forward with the hearing scheduled for next Wednesday, April 9th at 6:30 pm. Jay Farrell to attend;
- Write letter of intent and have ready for next week's meeting;
- Need to determine if special meeting must be scheduled.

Motion was made by Commissioner B. Bishop, with a second from Commissioner Robarge to dispense with the reading of the minutes. All in favor, motion carried.

Motion was made by Commissioner Robarge with a second from Commissioner Spackmann to adjourn the workshop. All in favor, motion carried.

Workshop was adjourned at 9.39 pm.

Respectfully submitted,

Joyce A. Petkus
District Secretary