



SPECIAL COMMITTEE WORK SESSION JULY 21, 2008

Committee Members Present: Ken Braman
Brenda Hlas
Tom Jones
Dennis McGlone
Bill Mowery
Mike Zita
Scott Pelot

Also Present: Mayor David Koontz-Excused
Rick Ryland
John Moss
Peter Kostoff
Lt. Copen-Norton Fire Dept.
Karla Richards
Ann Campbell

The Special Committee Work Session convened on Monday, July 21, 2008 at 6:30 PM, in Council Chambers of the Safety Administration Building. The meeting was called to order by Council President, Scott Pelot. Following a salute to the flag and the Pledge of Allegiance, there was a moment of silent prayer.

Committee Work Session Discussion

Mr. Pelot thanked all of Council for coming in during recess to take care of this issue and because we are tight on time he reminded the residents to please limit your appearance to once at the podium when speaking on this subject.

New Business

Equipment Consideration -Fire Dep. Heavy Rescue Vehicle

Mrs. Hlas stated that in May, Council approved the purchase of a used vehicle after the Fire Department's inspection. Mrs. Hlas stated that the vehicle did not meet their standards and they have been searching for another vehicle. Mrs. Hlas stated that Chief Schultz would like to purchase a demo model and one has been on site all last week for inspection. Mr. Ryland indicated that a used unit was brought in from Royal Oak, Michigan and upon our inspection a number of items were found to be unacceptable to the city and we did not accept that vehicle. Mr. Ryland stated that we also contacted three

(3) other dealers of used fire and rescue trucks and we were not able to bring anything together.

Special Committee Work Session
July 21, 2008
Page #2 of 5

Equipment Consideration -Fire Dep. Heavy Rescue Vehicle Continued:

Mr. Ryland indicated that E-One came forth with this demo truck which was in route to the Ohio Fire Chief's show in Sandusky. This vehicle was loaned to us for the week so that we could look it over and to see if our equipment would fit. Mr. Ryland stated that this vehicle has a 1500 gallon capacity for pumping and there were three (3) other communities in line looking to purchase this truck. Mr. Ryland stated that our cost for this demo unit is \$409,000.00 fully equipped with a light tower, and it does qualify for a higher ISO rating. New vehicle pricing is \$466,000.00 Lt. Copen stated that this vehicle comes pre-plumbed with the reels for the extraction equipment, which is a huge time saver and time is critical when you have to cut someone from a vehicle. Lt. Copen stated that the used vehicle we originally looked at had a large list (see attached) of the items that were wrong, and the most significant defect was the issue with the alternator. These alternators usually last one year and cost \$2,000.00 to replace and when they go bad they shut down the pumps. The used vehicle was "as is" and the new vehicle has a 5 year warranty on the drive train. The body, tank, frame and paint have a lifetime warranty. Mr. Ryland stated that if we miss the purchase of this demo we would have to order it new. To purchase it with the same features as the demo, as built would cost \$466,000.00 plus the cost of light tower and it would take 18-22 months to get it. Mrs. Hlas asked when would the city receive this vehicle if Council approves this tonight, and Mr. Ryland indicated 2-3 weeks. Mr. Pelot clarified that if we purchased this demo now, we would be saving the city approximately \$57,000.00 and Mr. Ryland concurred. Mr. Jones asked if we extend going out for more money and buying this vehicle, what is the cost on the interest costs relating to Ord. #51-2008? Mr. Moss roughly calculated that it would be approximately \$24,000.00 per year. Mr. Jones questioned how long would it take us to pay that off? Mr. Moss stated that we could pay it off within the year, it depends on the flow of the levy revenue. Mr. Moss indicated that it really does not make sense to carry any debt for vehicles when you have the money to pay it off. We are at the beginning of the revenue stream and you should be able to pay it off. Mr. Jones asked how much money we would have at the end of 12 or 20 months to buy it outright with cash? Mr. Moss replied that we would have the money from the levy to pay for it. Mr. Jones stated that some people can't afford to buy a new car so they buy a used car. Mr. Moss stated that some people can't get to work and they have to buy a car so they can get to work. We have a situation where this vehicle is needed for the everyday work that this department does. Mr. Jones stated that we are looking at saving over \$20,000.00 here. Mr. Ryland disagreed, you are looking at \$409,000.00 and \$24,000.00 for interest for a total of \$433,000.00. The costs of a brand new truck is \$466,000.00, which is still a savings \$33,000.00 without the light tower on it. Mr. Jones stated that on the other hand if you stop and think about it, a year from now a newer truck would have even better designs. Mr. Moss reminded everyone that the prices we are discussing are today's prices and next year would be different pricing. Mr. Jones stated that money is tight today for everyone and you are wanting an additional

\$180,000.00 on top of the \$231,000.00 and that's awful heavy. Mrs. Hlas reminded everyone that there is a 3 mil levy that was passed last November by the residents for the exact kind of purchases we are discussing.

Special Committee Work Session
July 21, 2008
Page #3 of 5

Equipment Consideration -Fire Dep. Heavy Rescue Vehicle Continued:

This is not costing the residents a dime more and the fact that we are borrowing it now is actually going to save us money because we are getting a demo. Mrs. Hlas stated that she is all for this, it is a great purchase. Mr. Ryland stated that we were scheduled to buy a new engine in 2011 and because of the purchase of this vehicle, we are postponing that until 2016 because this new vehicle qualifies as our first engine out. Ms. Megan Booth, a Norton resident, stated that she had just a few minutes to check some websites for used fire equipment and was able to locate 5 different units for sale, all within just two (2) minutes of her time. One was a 1998 for only \$190,000.00 with 1500 gallons per minute and a 1,000 gallon tank, and 30,000 miles. Ms. Booth was questioning the amount of time and research that went into making the decision on this vehicle. Mrs. Hlas indicated that she did talk with the Chief over a week ago and he did a ton of research looking for the type of vehicle to meet the standards and requirements they need. Mrs. Hlas asked Ms. Booth if she was a firefighter, and Ms. Booth replied no. Ms. Booth stated that Mrs. Hlas indicated the money is there but we have to borrow it? Mrs. Hlas stated that the money is there because we passed the 3 mil levy and the Fire Chief has looked everywhere, that is his job. Mr. Kostoff interjected, adding that this is not a question and answer portion, Ms. Booth has the floor to give her comments. Ms. Booth stated that as a city that is struggling for sewer and water it makes more sense to save the money here and consider that. Lt. Copen stated that they have looked, and the closest vehicle to what they are looking for was located in Texas, and it was still over \$230,000.00 and we have to send 2 people out there to look the vehicle over. If we made that purchase we would have to send them back to Texas, and to retrieve that vehicle which is not cheap. Lt. Copen stated that waiting another year would end up costing the city more money and this was the best deal we could find locally. Mr. Jim Lino, a Norton resident, commented about the vehicle and stated that he agreed that it was needed, however, he cautioned borrowing more than we need and getting the city in a bind if we can't pay for it. Ms. Charlotte Whipkey, a Norton resident, stated that back in May, we heard that the proposed used truck was exactly what we needed and we supported that decision. Ms. Whipkey discussed the travel expenses if we needed to go to Texas, and questioned if anyone went to Michigan to look at the used vehicle before making that decision? Now two months later we learn that it was not sufficient, it just seems like a broken way of doing things. Ms. Whipkey questioned why we are not having three (3) readings on this legislation in order to spend this kind of money? Ms. Whipkey stated that this is an awful lot of money. Ms. Whipkey stated that we have already purchased a vehicle this year for the Fire Department, and earlier tonight you approved \$18,000.00 for hose replacement. Ms. Whipkey stated that with the levy money coming in at over \$800,000.00 and these other purchases and now this new rescue vehicle,

we have already surpassed half of that. Mr. Jones asked Mr. Ryland how the Mayor felt about this purchase. Mr. Ryland stated that the Mayor trusts the Fire Chief's decision, adding that this is not just a rescue vehicle, it is also a fire truck with foam capacity, a water holding tank, it is the first pumper called out, and the Mayor supports this decision. Mr. Jones asked Mr. Kostoff as the former Mayor of Fairlawn and since he prepared the legislation if he was comfortable with this legislation?

Special Committee Work Session
July 21, 2008
Page # 4 of 5

Equipment Consideration -Fire Dep. Heavy Rescue Vehicle Continued:

Mr. Kostoff replied yes. Mr. Kostoff stated that when he was Mayor, they borrowed money in anticipation of levy proceeds to purchase equipment. The Norton Fire Dept. did it's due diligence and after realizing the used rescue vehicle didn't cut it decided to look for other options. Mr. Kostoff stated that they should be commended for getting a deal on a demo, not criticized for it. Buying a demo has the benefits of a new vehicle with a similar warranty, and Mr. Ryland concurred that the warranty is in place. Mrs. Elaine Tompkins, a Norton resident, questioned what would happen if we did not buy this equipment, do we have a lower ISO rating or do we continue as we have in the past? Mrs. Tompkins stated that the timing of this is strange, sounds like a new toy I found and the old one isn't good enough. Mr. Braman questioned the age of the rescue truck we are replacing and Mr. Ryland answered that the one with the broken frame was a 1989 vehicle. Mr. Ryland stated he didn't understand the concerns about the timing of this vehicle, it was built nearly two (2) years ago for this years Fire Chief's show in Sandusky. It just so happened to be in our back yard and we had the opportunity to pick it up for a week to demo the vehicle. Mr. Ryland indicated that our ISO rating is due to change in 2009 because our first engine out is 30 years old. Mr. Zita stated that he saw the demo vehicle when it was here and was able to go for a ride in it. Mr. Zita stated this vehicle does have about 8,000 miles on it, and was built in Florida. Mr. Zita stated that he would support this purchase. Mr. Pelot stated that this purchase is a demo and the timing could not have been more perfect for our city. Mr. Pelot stated that this is spending smart money and we are short a vehicle, which places additional wear and tear on all of the other vehicles. This costs money and you will experience more breakdowns and we would drop more money here for repairs. Mr. Pelot stated that this demo is saving the city \$33,000.00 and the safety of the residents is where the concerns should be, and he supports this. Mr. Mowery stated that he also had a chance to go down and look this vehicle over while it was here. This is an excellent opportunity to spend smart money and to save lives, and he supports the issue. Mr. McGlone stated that safety of the citizens of Norton is his #1 concern on his list, and he will support this. Mrs. Hlas moved to add Ord. #65-2008 to the Special Council Meeting agenda, waiving the second and third readings, as an emergency, seconded by Mr. McGlone.

Roll Call: Yeas: Hlas, McGlone, Braman, Jones, Mowery, Zita, Pelot
Nays: None

Motion passed 7-0.

Special Committee Work Session
July 21, 2008
Page #5 of 5

Adjourn

There being no other business to come before the Committee Work Session, the meeting was adjourned at 7:02 PM.

Scott Pelot, President of Council

****NOTE: THESE MINUTES ARE NOT VERBATIM****

All Committee Meetings will be held at the Norton Safety Administration Building, unless otherwise noted. If you do not have access to Time-Warner Channel #15, you may request to view a copy of any VHS recorded meeting in Council Chambers. Please contact Ann Campbell in the Administration office to make the necessary arrangements at (330) 825-7815 ext. 14.

