

LOWELL AREA FIRE AND EMERGENCY SERVICES BOARD

MEETING MINUTES

Monday, June 12, 2017

At the Look Memorial Fire Station

1. ROLL CALL

Jim Herb called the meeting to order at 3:30 p.m.

Members Present: Jim Herb, Susan Reister, Carlton Blough, David Pasquale and Jim Hodges.

Member Absent: Tim Wittenbach. Also present: Peter Letzmann

2. APPROVAL OF THE AGENDA

IT WAS MOVED BY HODGES and seconded by BLOUGH to approve the agenda as presented.

Yes - all. Motion carried.

3. APPROVAL OF THE MINUTES

A. Approval of the Regular meeting minutes – May 8, 2017

IT WAS MOVED BY PASQUALE and seconded by REISTER to approve the minutes as written.

Yes – all. Motion carried.

4. FINANCIAL REPORTS. Olin presented the financial reports. She said at the end of June, all units had paid and the authority had \$248,512 in cash. She said there will be one payroll left in July that will be charged back to June. Herb questioned the authority fund balance. Olin said there is the voice over phone project pending, payroll, administrative expense and she was hopeful there will be a surplus at the end of the year.

IT WAS MOVED BY HODGES and seconded by BLOUGH to approve the financial report as presented. Yes – all. Motion carried.

5. PUBLIC COMMENT – No public comments were received.

6. OLD BUSINESS

A. Fund Balance Discussion – Board/Steven Thompson. Steve Thompson, of Dickinson, Carr and Huber was present. He said he has completed our audits since the fire authority was formed. Thompson added the authority's fund balance was \$164,000 last year. He said that cash is the main asset, and that you can commit a portion of this to spend on future things such as a new fire truck. He said you can segregate fund balance. Currently, it is all in unassigned. He said committed fund balance requires board action. He added assigned fund balance is a little less formal, and can still be segregated. Thompson said you could reduce fund balance by a reduction in dues or a credit back to the municipalities. He said \$50,000 would be a good cushion. Thompson mentioned the board could set a policy for fund balance to be \$50,000 or \$70,000. Hodges, mentioned the \$50,000 cash on hand. He expressed concerns of not being responsible and that we need to grow a fund balance for future equipment purchases. He mentioned to purchase trucks and apparatus's are most expensive. For our district, we need to be responsible for our citizens to have assets available to replace equipment replacement as necessary. Letzmann asked how much cash should be on hand. Pasquale added 15 – 20 % of expenditures. Pasquale, added it would be useful to be in a situation where we don't have to borrow having funds set aside. Pasquale added there are lots of things going on that are very expensive. Blough said we would like to know more about a sinking fund, put in something once every year so it bears interest. Hodges added equipment on the truck tends to be pricey. Reister questioned if the individual municipalities hold the funds themselves. Thompson

responded the funds stay with the authority. Herb questioned what the \$50,000 balance would be used for? Thompson said it is a cushion for general operating, payroll and things like that. Blough said without Wittenbach present, we should table to the next meeting.

B. Fire House Lease status – Burns/Letzmann. Burns said the first draft of the lease was presented to Letzmann. Letzmann stated there are two major items with the lease which included maintenance and risk insurance. Letzmann said he needs a more detailed description of the sidewalk and driveway by an attachment of a map. He also mentioned the EMS space and what will happen to it. He added if there was a total destruction of the building, what should be done with that. He said we may or may not want to replace it. Letzmann further added there needs to be a method of dispute so there is mediation and not litigation. Herb suggested this item be tabled until the next meeting.

C. Fire Engine # 6 Options – van Overbeek. Herb mentioned looking at the commercial worth of fire engine 6. van Overbeek said if we were to sell engine 6 right now, trade in would be \$50,000 – \$60,000. If we were to have a broker sell it, we could potentially get \$80,000 – \$125,000 and pay a ten percent broker fee. van Overbeek said the value will continually drop. Velzen presented the schematics of what was needed in a new truck. Velzen said he used front line services to spec it out. He said the spec includes a 3,000 gallon tank, 1000 gpm pump and a two man cab. He added the cost of a new truck is estimated at \$280,000-\$300,000. van Overbeek said to go used for a vehicle, we would be looking at someone else's problems. Hodges suggested looking into a lease program to purchase the truck. van Overbeek, said he would check to see if a lease program was available. Hodges questioned the next truck needed after this. Herb mentioned the county truck in 2022. Herb asked if you can extend the county truck. van Overbeek stated you could, but it would place you a long way out if you don't take your rotation. Blough mentioned using cash on hand and possibly a grant from the Grand Rapids Foundation. Herb suggested at the next meeting, van Overbeek report on used tenders. Also, does fire engine 6 needs to be idle if going with the brokerage route.

D. Fire Building Stucco and Repair Bid Review – van Overbeek. van Overbeek mentioned the building stucco bid through Mark Batchelor to spray on clear sealer over all masonry 60 square feet per gallon, labor and material was \$2,800. He added he will seal the entire building. Herb questioned if the bid includes tuck point. Van Overbeek said it would be another \$4,500. Herb said he can't see waterproof and spray without having the building tuck pointed van Overbeek said the door project will be started tomorrow. Hodges suggested doing the tuck point project now.

It was moved by HODGES and seconded by BLOUGH to have Architectural Building Restoration tuck point the Fire Station, at a cost not to exceed \$8,000. Yes all. Motion carried.

7. NEW BUSINESS

A. Budget Amendments. Olin read the proposed budget amendments. She stated she is not requesting additional money, only amending our revenue line items to cover our expenses for items approved through the year.

IT WAS MOVED BY PASQUALE and seconded by REISTER to approve the budget amendments as provided. Yes all. Motion carried.

B. Voice Over Phone Systems Approval. van Ovebeek said the VOIP project is city wide. He said the monthly savings for this facility will be around the \$300 dollar mark per month. He added \$15,354 was the total cost for this facility for the VOIP project. However, due to unexpected occurrences it may go up to \$18,000.00. Herb questioned the benefit of the phone system for the

department. Burns said everything will be on an internet basis, fiber optic lines will make communication faster and more in line with modern technology. Also, there will be a savings on the monthly AT&T bills. van Overbeek said if you dial someone's extension, your call will go directly to their office phone. Reister questioned how long before AT&T is not serving us. Olin responded she thought around the first of July. van Overbeek said phone training is scheduled for June 21, and the live date for the system June 22nd.

IT WAS MOVED BY BLOUGH and seconded by PASQUALE to approve up to \$18,000 for the VOIP system. Yes all. Motion carried.

8. COMMITTEE REPORTS

- A. Capital appropriations
- B. Financial

9. FIRE CHIEF REPORT AND UPDATES. van Overbeek said it was another busy month with 73 calls, 23 fire and 50 medical. He added the department received a 60 kw generator from the DNR. Reister questioned if it was new? van Overbeek said no, it is a military generator. Velzen added all of the generators needed a little work, however this was free of charge. Herb questioned if a tower light needs a generator? van Overbeek said no, they are self-sufficient. van Overbeek said open tryouts were held and five people applied. He said job offers were made to 3 of them however, only two accepted. He mentioned one was fully trained and works for Alto fire, so he will be running with both departments. The other individual lives on the north end, no training but is very excited. van Overbeek mentioned firefighter Jim Weiler has left the department and has taken a job in Denver Colorado and he will be missed. He added during the annual hose testing, 19 sections of hose failed. He added some of the hose was repaired in house and will be retested this week. He added other sections cannot be repaired. He said Velzen received one quote from Westshore right around the \$2000.00 mark to repair the hose. He added the new door on the station will be replaced tomorrow. He mentioned a home was donated near Timpson and Cascade Rd. He said it took a long time to get things coordinated and multiple trainings were held on site. van Overbeek added a donation was made to replace the bushes in front of the fire station and soaker hose replaced as well. He added Riverwalk concert standby by the department starts this Thursday, and the UTV will be utilized. He said the punch list is going on and things are getting done, moving forward with lots of things.

Herb suggested Saturday training, moving to Monday night. Van Overbeek said training works better on Saturday and the topic has been discussed frequently.

10. MEMBER COMMENTS. Blough mentioned he has been appointed to the Kent County Fire Commission board and they met last Friday. He said meetings are held once a month. He said they are reworking the agreements with the townships and how the appropriations are made. Reister questioned if the Board was newly formed? Blough said no, it has been around since 1942 when outlying fire departments got together to help make major purchases. He added now, there is a big benefit purchasing insurance as one unit. Reister questioned how many were on the board? Blough responded six, along with Cal Brinks and a secretary.
11. DATE FOR NEXT MEETING(S)
Herb mentioned skipping the July meeting. He stated August 14 will be the date for the next meeting.

IT WAS MOVED BY PASQUALE and seconded by HODGES to adjourn at 4:51 p.m. Yes – all. Motion carried.

Respectfully submitted,

Jim Herb, Chairman

Suzanne Olin, Recording Secretary