

Neenah-Menasha Fire Rescue
Joint Finance & Personnel Committee
Meeting Minutes
May 7, 2013 – 6:00 p.m.
Hauser Room – City of Neenah

Present: Ald. Stevenson, Ahles, Benner and Langdon

Excused: Ald. Englebert and Ramos

Also Present: Chief Auxier, Director Easker and Officer Manager Theisen

Ald. Benner called the meeting to order at 6:00 p.m.

No members of the public were present.

Meeting Minutes: The Committee reviewed the meeting minutes from April 23, 2013. **MSC Stevenson/Langdon to approve the meeting minutes of April 23, 2013 and place of file, all voting aye.**

Budget Report: The Committee reviewed the April 2013 budget report. Ald. Stevenson asked why the health insurance line item was so high. Director Easker said he would look into this and report back. **MSC Stevenson/Ahles to approve the April 2013 budget report and place on file, all voting aye.**

Activity Report: The Committee reviewed the April activity and automatic aid report. Ald. Benner asked about the response times with automatic aid and asked Chief Auxier to put together the call stats and report back to the Committee and both Councils. **MSC Stevenson/Langdon to approve the April activity and automatic aid reports and place on file, all voting aye.**

2013 Dive Team Budget: Chief Auxier discussed the need for putting in actual budget numbers for the dive team for this year. It was noted when the 2013 budget was put together we were not sure where we would be with funding our Dive Team in 2013. Now that we have reached the goal of fundraising for the Dive Team we would like to have actual budget numbers reflected for the dive team. It was noted this is a tentative budget and it may change as we get more established with the team. Ald. Langdon questioned why this Committee has the control of this budget if this is all donated dollars. Ald. Stevenson noted that there does need to be oversight of these funds to make sure these monies are spent they way they were intended when the fundraising was going on. Ald. Benner noted that due to this being donated dollars we have to make sure that we are only spending the money that we have in the account. Director Easker also noted that the auditors audit these funds yearly and their needs to be oversight, regardless, if it is donated money versus money collected through taxes.

MSC Stevenson/Ahles recommends the City of Neenah and City of Menasha Common Councils create a 2013 NMFR Dive Team program budget and authorize the City of Neenah Finance Department to amend the current budget on file for the Dive Team to reflect \$2,000.00 for Overtime/Wages, \$660.00 Fringes, \$1,000.00

Schools/Seminars/Training, \$1,500.00 Maintenance of Operating Equipment and \$1,000.00 All Other Equipment for a total budget of \$6,160.00. The budget will be funded through the donated dollars currently in the Dive Team Trust Account, all voting aye.

Michels Quarry Agreement Update: Chief Auxier noted he did talk to both City Attorneys regarding this agreement. They have both reviewed this document and this agreement does not have to go through both Common Councils for approval. They also advised that anyone who enters the quarry should sign their own waiver. Ald. Ahles asked if we are going to place vehicles in the quarry and if we need a waiver for this. Chief Auxier said if this agreed upon we would discuss this with both City Attorneys before we placed vehicles in the quarry.

Review of Lease/Purchase Agreement for 2011 Demo Engine: The Committee reviewed the memo from Chief Auxier regarding the lease/purchase of an engine from Pierce Manufacturing. It was noted the request is for \$370,000 this includes monies for decaling the vehicle and also miscellaneous equipment that is needed to put this vehicle into service. After reviewing the lease/purchase information with Director Easker and Mayor Merkes both agreed the 5-year lease options we best for the Cities. If we move forward with leasing this vehicle we can remove refurbishing of any vehicles in the 2014 budget and push back the replacement of Command 32 to keep the budget from increasing due to the added lease payment for the next five years. It was also noted that we continue to push back the replacement of current Engine 35 due to budget concerns and at this time we do not have a reserve engine we can use when a front line vehicle is out of service for maintenance.

Ald. Stevenson noted in the past we didn't take stock vehicles since we had certain specifications that we needed for our vehicles. Chief Auxier said the customizing the vehicles is good for our Department. However, this demonstration vehicle closely matches the specifications of recently purchased engines. NMFR mechanics, DC DeLeeuw and Shift Commander Schultz did also review these specifications of these demo models and it was noted that the things that we have spec out in the past when purchasing new vehicles are now becoming stock options. There are some items we would prefer that are not included on this new vehicle but these are things we could live without. Ald. Ahles asked if this is enough of a discount based on the age and miles on the vehicle. Chief Auxier said we would not move forward with this purchase until we actually were able to look at this engine. This engine is currently out of state and Pierce does not want to bring it back to Wisconsin for us to view unless there is an intent for a possible purchase due to the costs associated with them bringing it back to Wisconsin. This engine only has highway miles, runs without water in it and has minimal pumping time on it. We would ensure it passes a pump test; brakes and tires are reviewed, etc. before we would move forward. Pierce is also committed to making sure this vehicle is in appropriate condition before we would lease/purchase the vehicle. Ald. Ahles asked if we would have to put earnest money down for bringing it to Wisconsin. Chief Auxier said there are no costs to us to bring the vehicle back but Pierce is looking for a letter of intent before they incur these costs. Ald. Benner said the chassis on this truck is designed to last. He does have concern with the gear mechanisms as is not designed for highway miles. It was also noted the equipment does not have 60,000 miles on it and the chassis and tires are the only items that really have the miles. However, our utilization of miles is a lot less and feels over all there is not a major concern. Ald. Stevenson does support having a letter of intent to bring the vehicle to Wisconsin to look at. He feels this is an opportunity we should pursue. Chief Auxier also pointed out that we could take delivery of this vehicle

immediately and the first payment is not due for a year, which would give us time to work this into our future budget. Ald. Benner did feel it was worthwhile to have a special Council Meeting for the City of Menasha. Ald. Langdon asked what the current condition of the vehicle is for Engine 35. Chief Auxier said the current vehicle is 18 years old and the current Engine 35 would be placed in our fleet as a reserve pumper. Ald. Langdon asked why we would not purchase this up front versus leasing. Ald. Stevenson said this is a vendor-financed purchase. Ald. Benner asked Director Easker about the lease. Director Easker said we do need to explore who would technically “lease” the vehicle, as we are required to have bonding for this lease. He feels this can be worked out. Based on the numbers this is a good value based on a 5-year lease. If we spread this out for 7 or 10 years then the lease amount is not a good value based on the interest rates we can borrow at. The City of Neenah can either lease the monies or borrow the monies and pay for the vehicle up front. For the City of Menasha a lease option may be a better fit versus borrowing the money and pay for it up front as the City of Menasha prefers to put monies aside and pay cash. However, the City of Menasha has not had time to look at the process. Ald. Benner asked that Chief Auxier meet with Mayor Merkes and the City of Menasha Finance Department regarding funding. Ald. Stevenson noted a replacement truck was put in the budget for 2015 for \$550,000 and this lease option would be less than what is budgeted and noted we do continue to push back vehicle purchase. This engine has been pushed back twice for replacement. All aldermen present feels this is something we should explore. Ald. Ahles asked that we also look at seeing if Pierce will extend the warranties on some of these items. **MSC Stevenson/Langdon recommends the City of Neenah Common Council and City of Menasha Common Council look at the lease/purchase agreement of this demo vehicle in a timely fashion and Direct Administration to pursue reviewing this vehicle and discussing financing options with both Communities, all voting aye.**

Review and Approve Proposed Joint Neenah-Menasha Emergency Response Plan: MSC Ahles/Stevenson to place on hold until the next meeting, all voting aye.

MSC Ahles/Stevenson to adjourn at 7:10 p.m., all voting aye.

Respectfully Submitted,

Al Auxier
Chief

AA/tt