

## POLSON FIRE DEPARTMENT

(406) 883-8220 106 1st Street East Polson, Montana 59860

www.polsonfire.org

Bid Opening

July 26, 2006 at 17:00 hrs

17:00 hrs: Call to order by Chairman Hoyt

17:00 hrs: Chief Maloney opened the bids:

One from Smeal Fire Apparatus offering a letter of no bid.

One from Pierce Manufacturing:

Engine/Tender for \$192,147.00

Engine for \$360,260.00

The Board referred the bid to the committee for a review of the incentives. Chief Maloney stated that five bid packages were sent out. One manufacturer called "Montana Metal Works" stated they would save us money if we did not want NFPA compliant trucks. They never did submit a bid.

Board member Nelson expressed concern that there was only one bid and it was from Pierce. It was stated to Trustee Nelson that three manufacturers were requested to meet with the committee but only one submitted specifications. It was further noted that manufacturers will not bid on specialty items unless it is specifically designed for that company.

The truck committee made every option generic to promote competition for the bidding process.

I 7:30hrs Adjourned.

## SPECIAL MEETING

### POLSON RURAL FIRE BOARD

#### MINUTES — JULY 31, 2006

Board trustees present: Ross Hoyt, Steve Lozar, Alison Meslin, Fred Nelson.

Board trustee absent: Ron Ryan

Staff Present: Fire Chief Tom Maloney.

Guests: Roy Mills, Paul Mauer, Janice Phillips, Lester Johnson, and volunteer fire personnel: Joseph Cope, Jeff Meslin, Karen Sargeant, Terry Gembala, Chris McGuinness.

Visitors: Martin and Leila Walton

Meeting called to order by Chairman Hoyt 5:07 p.m. The purpose of the special meeting is to award the bid for new fire equipment.

Fire Chief Maloney presented the fire truck committee report.

The fire truck committee met Thursday evening; July 27th to review the only bid submitted by Pierce Manufacturing and created four proposals. The committee recommends proposal #2 at \$527,000 for the purchase of two new fire trucks. The financing package will include a loan of \$503,000 and \$24,000 from the capital reserve fund. The annual payment will be \$85,000 at an estimated interest rate of 4.75%. The five mills should provide \$74,000 and \$11,000 from the annual operating fund. The annual

operating budget FY'06-'07 contains a budget line item of \$32,000 for fire truck expenses. Board discussion:

Trustee Lozar requested information regard the incentive package. The total bid cost without the incentives is \$552,000 the incentives create a savings of approximately \$25,000 One incentive is to pay for the chassis when it is completed, pay remaining balance upon arrival inspection at manufacturer to pick up fire trucks, deduct performance bond, prepayment for the truck paying everything up front. Terry Gembala indicated the bid package and incentive are a good deal. Trustee Meslin had a question on the original resolution that the public voted on the wording in that is to approve an increase in the annual tax levy in the Polson Rural for five additional mills for the purpose of capital outlay to purchase two additional fire apparatuses together with cost incidents thereto. The authorized expenditure being approximately \$70,000 annually for seven years which is \$490,000; while that should include the interest for the equipment and everything else. The board then asked for an operational increase because the district could not manage on previous annual budgets. It seems now what is being proposed is against what the board originally asked for and what was voted on. In 2005 the board asked for too high a mill levy and were turned down by the voters. Now we saying we are going to spend the five mills but also more to purchase the trucks. She is not certain the public agreed to the additional spending in the operation funds. Previously the board pledged making extra payments to reduce the length of the debt and be frugal with the operating budget; while it is understandable the truck is a lot more expensive than anticipated. The board has a responsibility to the public. Chairman Hoyt indicated the board should consider eliminating one truck. Trustee Nelson asked water capacity on the equipment. Chief Maloney replied the engine tender has 2,000 gallons capacity with a 1,000 gallon high pressure pump and also carries hose, tap line and portable tanks. The amortization payment for seven years is approximately \$85,000; therefore at the present taxable value for budget purposes money will be need from the operating fund. There is also a concern of using most of the money in the capital reserve fund for prepayment. The capital reserve account will have a remaining balance of \$4,000. Trustee Meslin noted using operating funds to pay the loan interest will reduce the amount that should be spent to equip new volunteer firemen. Trustee Nelson indicated moving water is a main concern; therefore he proposes purchasing two engine tenders each with 2,000 gallons water capacity with high pressure pumps one for the Big Arm Station and one for the Poison station. The proposal should also allow for a new chassis for the slide-in. The proposal should allow for early debt retirement, an opportunity to build up the reserve fund and purchase an engine later. The fire personnel commented an engine has foam and foam is more effective; while a tender moves water. Chief Maloney indicated the committee has put a lot of work into the proposal and there is a savings of \$32,000 at this time by purchasing a 2006 power plant.

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Poison Rural Fire Board Special Meeting Minutes

July 31, 2006

Trustee Nelson has a good point; although if there is a choice the department should choose an engine. Paul Mauér suggested the tax collections may be more than 90% annually; and also thought community organizations could contribute additional funds to the department. The taxable value is not available for this year; the average on the 5 mills could be approximately \$74,000 on an average over the next 7 years. The board needs to keep the campaign promise; but at the same time should not compromise the type of equipment available to the firefighters and perhaps find some other ways to make it work with perhaps going back to the public for additional funds. Jan Phillips requested information regarding the bidding process. Chief Maloney replied four bid packages were sent out, while only one bid was received. Jan suggested looking at used equipment; a volunteer indicated a recent used engine was priced at \$285,000 for a good truck while others were 20 years old. Ronan just purchased a Central States for \$298,000. Trustee Meslin said the trustees represent the public first and would like to purchase two trucks, but the budget is a concern. Trustee Lozar believes in living in the budget especially the budget in the resolution, but purchasing two new trucks was the original object and it is silly to take half less. He also has great respect for the volunteers on the units and should provide what they need and will take the committee's recommendation into consideration. Trustee Nelson is concerned with draining the capital reserve fund.

Chairman Hoyt asked the effect of purchasing just the engine. Chief Maloney said the bid price of the engine is \$360,000 with the incentives the cost is \$340,000; if not paid up front the cost is about \$350,000. Chairman Hoyt suggested in his opinion and satisfying everybody eliminating one truck and in the future when the engine is paid purchase the tender. He is not in favor of looking at used trucks. Summing the comments — the board needs to be fiscally responsible to the public, fire fighter safety should be evaluated, concentrate on conservative budget with putting money back into the reserve fund, purchase good equipment with conservative budget, concern with draining capital reserve fund, some big dollars items were taken off the truck. Motion Trustee Lozar to accept proposal #2. Motion died for lack of second. Motion Chairman Hoyt to purchase engine with new equipment, don't use capital reserve funds and in two or three years purchase second truck; seconded Trustee Nelson. Open for discussion: public voted for two trucks; but must stay in budget and guarantee of payments. Possibility of requesting additional bids, change specs for chassis, Trustees Hoyt, Nelson, Meslin in favor; Trustee Lozar opposed. Motion Carried. Chairman Hoyt thanked the committee for their time. Paul Maurer is disappointed, and suggested the committee contact the manufacturer for a 3 or 4 percent reduction in the bid.

Adjourned 6:14 p.m.

Ross Hoyt, Chairman Alison W. Meslin, Secretary-Treasurer

SPECIAL MEETING  
POLSON RURAL FIRE BOARD  
MINUTES - AUGUST 7, 2006

Board trustees present: Ross Hoyt, Alison Meslin, Fred Nelson, Ron Ryan

Board trustee absent: Steve Lozar

Staff Present: Fire Chief Tom Maloney.

Guests: Dean Hermes, Janice Phillips, Torn Jones, Lee Manicke, Rosanne Pfeifer Jones, Sid Rundell, Kristen Osborne, Tim Beebe, Lester Johnson, and volunteer fire personnel: Joseph Cope, Jeff Meslin, Terry Gembala, Chris McGuinness.

Meeting called to order by Chairman Hoyt at 12:00 noon. The purpose of the special meeting is to discuss the bid for the purchase of a pumper/tender. Note the purchase of a Pierce Class "A" engine was approved at a Polson Rural Fire Board special meeting held Monday, July 31, 2006 at 5:00 p.m. in the Poison Council Chambers. The cost of the Class "A" engine with incentives is \$340,630; the cost of the pumper/tender with incentives is \$186,784.

Trustee Meslin indicated the meeting is called at short notice. It is a concern since meetings have been advertised in the local newspapers per the Montana Code. The meeting today regards an important decision and an interest to the general public. The concern is that the meeting notice did not go out and someone might reject the long term validity of the decision made today. Has the board considered this? There are people that don't know the meeting is being held. Chairman Hoyt requested an interpretation of the Code. Trustee Meslin indicated the requirement is to publish meeting notice in a newspaper published at least once a week of general circulation of the county. It is an important decision and affects a number of people. Motion Trustee Meslin to postpone the decision to purchase a pumper/tender to the advertised scheduled meeting Wednesday evening, August 9, 2006 at 7:00 p.m. at Big Arm Fire Station. Trustee Nelson, seconded motion. Motion Carried. Chairman Hoyt asked those in attendance for comments or exceptions. A comment from the audience indicated the public meeting notice should be followed.

Meeting adjourned 12:08 p.m.

Ross Hoyt, Chairman Alison W. Meslin, Secretary-Treasurer