

Lee Township
Special Meeting Minutes
March 26, 2016

The Special Meeting of the Lee Township Board was called to order at 9:00 am at the Lee Township Hall, 877 56th Street, Pullman, MI 49450

Members Present: Trustee Galdikas, Treasurer Lowery, Supervisor Owen and Clerk King. Absent: Trustee Black.

Purpose of the Special Meeting was to further discuss the bids of the proposed purchase of a new fire truck.

Chief Chamberlain provided information regarding the replacement of Engine 16 which is currently the oldest truck in service in the County and was purchased in 1991. Most stations replace their trucks every 15 to 20 years. The proposals that are being reviewed are all similar to Engine 16. The proposed bids are as follows:

Spencers: \$474,877.00

West Shore Services: \$484,870.00

After the bids were reviewed it was discovered that the Spencers' bid was missing the heat shield which was a difference of about \$5563.00 which would make their bid \$479,307.00. With this information Chief Chamberlain recommended the West Shore Service's bid.

Trustee Galdikas questioned the chassis that was approved through Spencers and wondered if we are obligated to continue with the purchase. Chamberlain stated that there is no obligation for us to continue with the purchase. It was also questioned why we would keep the old Engine 16 if replaced with a new truck. Chamberlain stated that it could be used in the other townships that receive our aid. We have a mutual aid agreement with Valley and Cheshire. We currently receive \$20,000.00 from Cheshire and \$450.00 per month from Valley Township. Chamberlain also stated that our township reports the largest amount of structure fires in the County.

Currently the township has 10 trucks 4 of which are grass trucks and for having 2 stations Chief Chamberlain stated we do not have an excess number of vehicles for our townships size. He added it is important to have these trucks available as new building materials burn quicker.

A question was asked by Treasurer Lowery if the ISO rating would go down if a new truck was purchased. Chamberlain couldn't say for certain but stated that it would definitely help to have this truck because of the volume of water that could be pumped and this was one of the factors used to determine the ISO rating.

The board reviewed what amounts were currently in the Fire Departments funds. There are two certificates of deposit that total an estimated \$421,013.00. One investment is through Huntington which holds \$284,895.86 and is earning minimal interest. The other investment is through Mercantile Bank \$264,666.92 earning a low rate of interest at 1.39% and has recently renewed.

A question was asked by Clerk King regarding if any grants could be sought. Chamberlain stated that there are no FEMA grants for trucks currently.

Supervisor Owen felt that it would make more sense to use available funds for the purchase of the new truck versus having the money in an account earning almost no interest. The money saved in financing would far exceed in savings. It was discussed to use one of the investment accounts to pay off the Fire Station which

currently has a balance of \$171,308.00 and use the remainder as a down payment on the new truck. More information will be obtained regarding the terms of financing with USDA and what types of penalties would be charged to withdraw the funds from one of the accounts.

Motion was made by Owen and seconded by Galdikas to table this discussion until the Regular Board meeting on April 11th. All voted "Aye." Motion carried.

Meeting adjourned at 10:10 am.

Minutes submitted by:
Jacquelyn King, Clerk