

PUBLIC MEETING MINUTES
BOND OVERSIGHT COMMITTEE MEETING
AUGUST 7, 2018

1. CALL TO ORDER

The meeting was called to order at 2:02 pm by Chairman Paul Bull.

2. ROLL CALL

Present: Committee Chairman: Paul Bull
Committee Member: John Tesar
Committee Member: Randy Sierra
Committee Member: Karla Brady
Committee Member: Mandy Doumit
(Member Tesar joined the meeting after roll was called.)

Absent: Committee Member: John Pynakker
Committee Member: Heather Brennan

Staff Present: Assistant Chief: Patrick Moore
Administrative Manager: Paula Acker

3. CHIEF COMMENTS

Briefly Chief Moore mentioned that two items have been included in the packets for the committee: an expenditure sheet, that will be revised and updated, and some river statistics for the last 12 months.

4. PUBLIC COMMENTS

There were no public comments.

5. BUSINESS

- a. Approval of Meeting Minutes – August 7, 2018:

Randy Sierra made a motion to accept the meeting minutes, Mandy Doumit seconded the motion, there was no opposition and the motion carried to approve the meeting minutes from the August 7, 2018 meeting.

b. Discussion/Possible Action – Equipment Group:

Chief Taylor presented the committee with the findings of the department's internal gurney committee. Two gurney manufacturers were evaluated over the course of several months, each product was researched, tested and evaluated. After careful consideration the gurney committee has decided that the Stryker Power-Pro XT gurneys are the best option moving forward for several reasons. Chief Taylor listed many reasons for the decision including: The standardization of the fleet, light weight, ease of cleaning and decontamination, Oxygen tank mounting, and the ability for one person to load and unload a patient. The product not chosen, the Ferno iN/X gave several causes for concern, Chief Taylor also listed some of those concerns including: Wheel design not favorable over rocky terrain, complicated features, and the durability of plastic parts that broke during testing. The cost for eight (8) Ferno gurneys would be \$291,461.95, the cost for eight (8) Stryker gurneys is \$402,460.32. Initially the cost difference is great, however there are additional items to take into account. The Ferno cost did not include a 7-year warranty that Stryker included, to add the 7-year warranty it would be an additional \$52,000, additionally Stryker offers a credit to trade in our current Stryker, that credit will total \$20,000. Including these costs and credits the adjusted cost for Stryker would be \$382,460.32 and Ferno \$343,461.95, resulting in a closer price comparison. Chief Taylor explained that taking into account the accessories, service, and preventive maintenance, that over the long term the best value is with Stryker as opposed to Ferno. Mandy Doumit asked what the life expectancy of the stretchers? And if Stryker will be giving 2 years of preventive maintenance? Forrest explained that the life expectancy varies by usage and other factors. Mandy Doumit asked if the gurneys we turn in are out of commission? Chief Moore answered that they are, and that they are at the end of their service life, they have been evaluated. Paul Bull asked if we know how old they are? Chief Moore believes them to be at the 7 to 8-year mark, Chief Neal mentioned he has been here 6 years and in that time we have not purchased gurneys. John Tesar asked about the batteries and if there are any concerns? Chief Taylor answered that with this product once you lock it into place it starts to charge, this eliminates a lot of battery issues we currently have with batteries needing to be removed and put on a charging station. Randy Sierra asked if the purchase includes a bariatric gurney? Chief Taylor responded that this model is integrated with a XPS option, that means the "arms" fold out to make the gurney wider and each gurney has a 700lbs weight capacity, so each gurney has a bariatric capability. Mandy Doumit asked where the O2 tank is? Chief Taylor answered that the holder is located under the head and almost acts as a headrest; it's a very convenient location. Karla Brady asked for

clarification of the “power load capability”. Chief Taylor explained it is a track system, the gurney is lined up at the back of the ambulance where the track catches the gurney, with one push of the button the gurney goes up and into the ambulance on its own. Karla Brady asked to go over the price difference, and cost again. There was discussion explaining the breakdown and what was included, that the Ferno price did not include tax which would be an additional \$20,000 added to their cost, making the difference in price around \$20,000 between the two companies. Mandy Doumit made a motion to approve the Stryker (\$382,460.32) purchase over the Ferno. Karla Brady Seconded the motion, however recommend in future to include the quotes for all products and make cost clearer. All were in favor, motion carried.

Chief Moore presented the committee with the details of the Exhaust Removal System in place of Battalion Chief Livermore who is out of town. Chief Moore explained there are two systems that we had to evaluate, the Direct replacement filter on the apparatus and the Trunk System. Once we started the evaluation process, there was one that was liked collectively better than the other. The Direct filter system was chosen for a couple of different reasons, one being that personnel is not required to connect the system to the vehicle, but primarily the product protects our employees at all times when the vehicle is running. This product is supplied by one manufacture, so it would be sole source purchase. Any additional vehicles we purchase we will specify the addition of the Direct filter system. We will need 21 units total. There is some maintenance that goes with the product, every two to four years the filters will need to be changed at a cost of about \$395 per filter, we will handle the replacement internally. The total with tax is \$195,477.52 for all 21 units. Mandy Doumit asked if there is any exhaust system currently in place? Chief Neal answered that 15 plus years ago, filters were installed high in the bays they were designed to catch particulate matter, but it is not an aggressive system and it nor is it fully functional anymore. The maintenance was not cost justified for the system. Chief Moore added that we have tried to be aggressive in the reduction of contaminates by adding double doors in and out of the bays trying to eliminate risk to our personnel. In our estimation this is the best product to go with, it also is significantly cheaper than the originally planned Trunk System. Chief Moore added that he does not know of any departments that are installing the Trunk system. Karla Brady asked if anyone has any experience working with the product? No one has, Chief Neal added that he has experience with the Trunk System, that it is a cumbersome system. Paul Bull asked if there is a possibility to get more that a one-year warranty? Chief Moore said we looked into it, but we believe the system to be very straight forward and any maintenance issues can be handled in house. Randy Sierra made a motion to approve the Direct Filter System (\$195,477.52), Mandy Doumit Seconded the motion. All were in favor, motion passed.

c. Discussion/Possible Action – Apparatus Group:

Chief Moore started a conceptual update for Apparatus. We have personnel that have been to E-ONE and currently have personnel at Pierce. Currently there are three vehicle manufacturers in our fleet: we have Pierce, E-ONE and Rosenbauer. Our Apparatus group collectively would like to stick with E-ONE or Pierce, based on the factors of customer service, availability and long-term operational issues. And has specifically identified avoiding the Rosenbauer line for the same issues. Today we would like to have a conceptual discussion, we felt like it was important to bring to the committee the direction we would like to go, additionally it will be important to have the same discussion with our fire board members. Part of the departments goal is to try to standardize our equipment, things that the committee has already seen us trying to put together. We would like for our firefighters to be able to work on the same equipment from one station to another. We have three manufactures in our fleet and would like to streamline that into one, if we can. During the bond process when it was initially planned, we were going to buy three new engines, a platform/ladder truck, and refurb two engines. The platform/ladder truck has a price tag of \$1.3 million, and we don't believe we would get the full value from a brand new platform truck. What we would like to do is redistribute some of the money from within the apparatus line. Instead of purchasing three new engines, we would like to purchase five new engines and a used platform truck. We would have that used platform refurbished. Essentially we can change the plan with the same budget. Our belief is that if we pay \$1.3 for one piece of equipment and it goes out on calls once in eight months or eight weeks, vs going out every day – we think that going out every day is a better value for us. We are putting together what we believe is a better strategic plan, which will save the department money in the long term, this will improve our overall service because we will have five new pieces of equipment out in the community. We are simultaneously trying to do the same thing with our ambulance fleet and our civilian staff vehicles, just for your information we are transitioning that thinking across multiple lines within the department. In the packet provided to the committee you will see how we have broken down how we can make some of that work with the original bond sale plan vs what we would like to do now. There are no restrictions on it, other than we did advertise we were going to buy three engines, refurb two and buy a new platform. What we would like to do is purchase five new engines and refurb a platform. Included in the packet is a breakdown of what our ideal engine should have, we would like to see some roof top a/c (RV air conditioning), we are starting to put them on our ambulances, because we carry drugs on all of our equipment and we have to keep them certain temperatures, additionally our personnel are out in the heat and when the temperature is like it has been the last couple months, keeping our personnel cool is a priority for us. Also we would like to continue with a top mount pump panel for a number of reasons, this is a configuration where the engineer stays in the middle of the engine, and besides a safety standpoint, they

have a view of both sides of the engine. We also want to shorten our wheel base and that is very difficult to do when you go to a top mount pump so we are looking to take away some cabinet and compartment space to shorten up our overall wheel base. We also propose to go from a 1,000 gal tank to a 750 gal tank, that will lighten our overall weight. We want to make sure our engines are good for a 12 to 14-year run. And then the last couple of items on there, we would like to move to a clean cabin configuration which would reduce the risk to our personnel by placing their contaminated personal protective equipment elsewhere. We want to eliminate the hydraulic ladder racks, which will save us a few dollars along the way, another item that is critical is to update the led package, our scene lights, arrow sticks on the rear of the apparatus, as well as rail lights, we call them our side lights that illuminate the area on scene. Those are the items we want included no matter the manufacturer we go with. Also included in the packets is our capital acquisition plan, all the highlighted areas are the things we need to update. We believe that revising our plan with five new engines, will give us the best return for the dollar amount. Also the best long term strategic plan in terms of our bond funding, as well as a reduction in our overall expenditures. This plan will save us from the need to purchase two refurb engines, sooner than we would have too with new engines. Frankly a refurb ladder truck platform will grow out of years before they run out of miles, for us that is a problem. We believe we can pick up a used platform truck fairly reasonably and have it refurbished, it's just a better value for us to go that route. Karla Brady asked for the justification to replace five of our current engines. Chief Moore answered the engines that for instance engine 731 is due to go into reserve status in 2021 or 2022 it has 65,000 miles on it, we hope to recoup some of those monies from it \$100-115,000, and we would put that money right back into our capital replacement fund so we do not end up in this position again. Karla Brady asked for more justification, what is another example of one you want to sell? Chief Moore responded, we would like to keep ladder 711 and engine 751. Engine 711 was recently refurbished (2001 E-1) and 751 is the 2013 Rosenbauer. If we go off the 13 to 15-year replacement cycle which is fairly standard for fire apparatus, you can see that we will have 731 which is a '04 come up in the next two years to be replaced, so would 761, and the 1995 Pierce should not even be in our fleet anymore. Those are the pieces we are looking to remove from service. Ladder 711 we have had extensive maintenance and reliability issues with. Karla Brady questioned further the negatives to replacing all five and once: how would that effect the schedule? in five to ten years you will have to replace all of them again, instead of spreading them out? Chief Moore responded yes, and we are prepared for that, this is why we wanted to have these discussions. We know that 711 is our busiest engine, if we look at a 13 to 15-year replacement cycle, we would say 711 is going to go at year 11 or 12 because that is the busiest engine, the next busiest engine is 721 so that would go the next year, then 751 the third year, so now we have two engines that get replaced before the "magic years" and two

because they are not as busy go after. If we continue with what we have been doing which is cycling engines around then they all become old at the same time, it's a different concept for us to go through, to not move them around, apparatus will stay at one station until it's time to replace. The benefit to doing it this way is we get a better value buying five at one time, we standardize our apparatus, if we are putting the money into our account like we are supposed to be and we make our budgeting process the way it is supposed to be and we are putting \$420-460,000 a year into that line item, even if we in 15 years have to do it all at one time we will be sitting on enough money to negotiate a better value to get five of those engines all at one time. If we put for the sake of argument 460,000 in the line item for 10 years we would have \$4.6 million, for that we definitely would be able to buy 5 new engines, even with inflation. The key there is you have to put the money there. Paul Bull said he track record is we don't put the money away. Chief Moore responded that conceptually it is a different plan. We have to relay that to the Board and if you look at what we are trying to established, even our employees know, we have talked internally, that we have to put money aside. This year we were able to put money into capital (\$380,000), this is the first year that I am aware of that we have put money into that line item. We have another \$420,000 that is proposed, but that is hinged on if we sell the apparatus. Regardless we put real money aside this year in the capital line item, and we will continue to do so as long as the same philosophy is in play for us to do that. Paul Bull asked what the timeline is from purchase to delivery? Chief Moore explained it is a 12-month process, and added that we don't have enough money to order all five at one time, we would have to move some monies around, unless for some reason we don't do the facility portion which is discussion for another time. It takes 12 months to get a fire engine, we are bumped up against a couple of increases that are coming our way – steel and other products, we are looking at a 4.5% increase post October. We want to move this project forward, that's why the guys are off getting information now, but when they are back we will want to meet again. In order to save 4.5%, 4.5% of 2 million dollars is enough that we want to act on that. Karla Brady asked if the reason we don't want to space them out, even over the next five years is the increase in costs? Chief Moore answered, yes, we are already paying the interest, we would essentially be double dipping ourselves, paying interest and then to add escalating costs to build. We are also going to save on maintenance across the board, and we will be able to dump that into our capital as well. We are shifting money around a little bit, but we are shifting taking our dollar and instead of making it worth 80 or 90 cents because of interest, we want to make it worth \$1.10, with paying cash up front and then maximizing our warranty. We are doing the same thing with our staff vehicles and trying to do the same thing with our ambulances. We keep an ambulance typically 10 years and we'll get rid of it, our old philosophy is we will run it until it has 280,000 miles on it, and we have some of those and we have them not making it to the hospital. Our new philosophy is to

run them until they get 150,000 miles, sell them and take the money generated from that, partner it with new money and make sure our ambulances and engines are always making it to the hospital. Right now we have staff vehicles that people are not comfortable driving out of town, so we are trying to standardize our fleet, upgrade and maximize our value across the board, making our dollar worth more. Frankly, when they sprung five new apparatus on me I told them there was no way I could support that, then on the drive home I was thinking of all the ways we could do that, some of the very same things that Karla has asked. And I said well if we do manage to put the money in there in ten years we would have more than enough, and let's see what the discount is for five engines, and then it started to make sense. From a maintenance issue which has been an issue for us, it's on engine, it's one set of parts. We had an ambulance that broke down yesterday that needed an alternator, there is not an alternator available in bullhead, it's a new GMC it's got 40,000 miles on it, we would be able to stock some of those parts and not have to rely on others, an ambulance was out of service for 24 hours and the ambulance that replaced it has 280,000 miles on it. If we have an ambulance with 40,000 miles breaking down, we know we are going to have an ambulance with 280,000 miles breaking down, our goal is to standardize our fleet, it will make our maintenance schedule better and this will be the best win-win situation with what we have before us. Battalion Chief Flummer added he is chairing the internal group that is off right now at Pierce. Another dynamic that goes with putting in capital and future planning, the group that is on this committee will be in the organization the length of these trucks, that is something that has never been a factor before, these trucks are going to last 12-15 years, our employees that are in this group, that are doing the legwork will be here for the entire duration of the trucks service to the community and I think that has some added value moving forward, they will be able to pass this knowledge on down the road when we need to replace apparatus again. Paul Bull asked if there is an approximation on what the cost savings is by buying in bulk? Chief Moore answered, we do not because we have tried to steer clear of breaking down with either manufacturer yet, I don't think it would be fair for us to be doing that yet, when they came back from E-ONE and they were super excited, and when they come back this week from Pierce they will be just as equally excited about Pierce. I would hope that we could save 3 or 4 % by buying in bulk, again, it doesn't sound like much until you start talking about buying a \$550-600,000 fire engine. John Tesar asked for clarification about the ladder truck listed on the needs assessment from May. Chief Moore clarified that it would be a used apparatus that we would purchase, we believe we can get a used one for \$350-400,000 it would be sent off for refurbishment, it would still be new, we would still have the platform, and we would shift the bulk of that \$800,000 or so saved from refurbishing into the apparatus line item and use that money to fund the other two purchases. John Tesar asked if that would be the second after the bond? Chief Moore answered, potentially that is something we

will have to debate and look at. If we are not going to spend some of this money on the facilities side, then we would see if the fire board would let us shift some money over to make that one-time purchase. We are about 1 million short of being able to pull off the five new engines and One refurbished platform. If that does not work out, we can go three new engines with a refurb platform and then buy two more engines in the second phase. Cost wise it would be cheaper for us now rather than to wait 2 cycles, we are looking at a 5-10% increase if we split the purchase. I think this is the best value of making our dollar work and the most we can get for it. Karla Brady requested that all of the information be included when making the proposal, any discount information for buying all five at once. Battalion Chief Flummer responded, that absolutely, we have a meeting scheduled already, we are going to sit down again as a committee and as an organization to go through the pros and cons of both manufacturers. Karla Brady asked if there will be proposals from both manufacturers? Chief Moore answered no, we will be buying through a purchasing outlet either Houston-Galveston or Fire Rescue GPO, it's already government priced. Karla Brady asked if we will be able to project some actual numbers? Chief Moore answered that we will compare both manufacturers and we will prepare cost approximations for both. Karla Brady clarified would we provide the estimation for both options: buying all five at once or spreading them out in two purchases? Battalion Chief Flummer answered yes, that will be provided. Chief Neal had a quick note about standardization, don't mistake that for the department having one brand of everything, it's not feasible. As an we are attempting to platform all of our ambulances in Dodge chassis, however Dodge is backed up almost 12 months, if we ordered today we would not get it until next summer, so it's not feasible for us sometimes, in this case we are forced to go with Ford or Chevy. What we are hoping for is a high percentage of one brand, but there will be some one-offs here and there. In the next year or so we will be able to standardize more than we are now, currently it's a cornucopia of brands across everything we do and we are trying to reel that in a little bit. Karla Brady mentioned she appreciated the heads up on this, from her perspective, she is looking to what was approved when the bond was presented to, so to start to see some justification of any changes to is necessary. The committee is here to hold the department accountable to that bond election and the sale of those bonds. Chief Moore responded he agreed and that is why this situation is being brought to the committee and the board. It would be irresponsible to just charge blindly ahead because that was the plan, things do change sometimes, we are trying to maximize the investment for everybody and minimize the long term impact. If we have some money to give back, we certainly are wanting to do that too. We are trying to make our dollar worth more than a dollar. Karla Brady added, at the end of the day, we can show that the board has been very judicial in their expenditures of that bond money and are under budget on multiple items then you ask for an adjustment back here whether that is facility or the vehicles, it shows the public they saved money

here, it's okay if we go a little over here because you justified the change. Battalion Chief Flummer added to clarify that even if we go with five engines and refurb the platform, we believe we will come in under the original \$3.85 Million requested. If we make the change, we will be saving \$100,000 in that line item (the platform).

d. Discussion/Possible Action – Facility Group:

Chief Moore quickly gave an update, the department is looking at some options for the Station 2 location, the internal committee has been given direction to continue. Chief Moore and Chief Neal will be more involved in the process moving forward, and we are continuing to look at different sites.

6. FUTURE AGENDA ITEMS/COMMITTEE DIRECTION TO STAFF

A similar agenda that we have been using. Next meeting scheduled for August 21, 2018 at 2pm, however if there are no presentations that meeting will be cancelled and the next meeting would be September 4, 2018 at 2pm.

7. ADJOURNMENT

Meeting was adjourned at 2:57pm.

Minutes prepared by,



Sarah Zink, Administrative Clerk

Approved by,



Paul Bull, Chairman
Bond Oversight Committee