

# KLICKITAT COUNTY FIRE DISTRICT 3

200 Husum Street, Husum, WA 98623

## Special Meeting

Friday May 27 2016

Minutes

The Commissioners of KCFD3 held a meeting

### To discuss and take action on the current situation of the Ambulance

- Call to order 10:10
- **Attendance:** Commissioner Connor (vice Chair), Commissioner Montag, (Quorum), Chief Long.  
**Absent:** Commissioner Zoller, Secretary Plumb.
- **Approval of agenda: *Motion to approve the agenda made by Commissioner Connor, seconded by Commissioner Montag. (3 yay, 0 nay).***

#### Discussion:

The ambulance M-316 has suffered unexpected engine failure. KCFD3 Commissioners declared an emergency on May 12<sup>th</sup> 2016. The Commissioners reviewed all the options available to return a transporting ambulance service to the community it serves promptly, options included reaching out to other agencies to rent an ambulance to allow time for the district to follow state bidding procedures, but none were available. Having reviewed the finances of the district, the commissioners approved resolution 2016-13 to purchase a new ambulance. The ambulance is a 2016 demonstration model from Braun which is available immediately. Captain Renault asked another manufacturer but they did not have a suitable 4x4 ambulance available for immediate purchase. The Commissioners subsequently instructed the staff to follow up with financing options.

Finance options included;

1. The State Treasurer's Office 'Local Loan' which has been used by the district in the past has very low interest rates. However this option does not allow for immediate purchase of the vehicle as funds are not available until the end of August, and there is no option to pay the loan off early.
2. 'First government finance' – has high interest rates (3.99%).
3. 'REV vehicles for life'. This option is the cheapest option outside of the state funds. It offers reasonable interest rates. The financing would ultimately be a municipal package through Wells Fargo bank and allows for early payoff.
4. Columbia bank has also been contacted but there has been no information forthcoming at this time.

Chief Long reviewed the questions the commissioners had at the last meeting regarding the REV contract. He confirmed that the loan can be paid off early without incurring interest fees. There were 3 options offered; 3 years, 5 years and 7 years, each with the option to pay in advance or arrears.

Chief Long conveyed Commissioner Zoller's opinions to the Commissioners present. Commissioner Zoller has reviewed the options and the contract and offered his opinion to Chief Long prior to the meeting. Commissioner Zoller recommends entering into the 3 year contract with the payment up front; he acknowledged that while it dips deeper into the reserve funds it allows for a short term loan. It is the most economical in terms of the interest incurred on the loan. He is concerned about the total cost of the loan over a longer period (3 years interest accrued is \$3,504, 5 year interest is \$7,497) he does not recommend the 7 year option as the interest would be almost \$12,000. Commissioner Zoller verbally directed Chief Long to let the other Commissioners know that he is comfortable with the sample contract but noted there will be adjustments to make the contract specific to KCFD3. Down payment for the 3 year advance option will be \$49,429.68, the interest cost would be \$3,504.03. The 5 year interest cost is \$7,497. Commissioner Zoller also expressed concern over the 5 year plan if the board seeks to request additional funding from the community in a the form bond measure while the district is still paying for a vehicle. Commissioner Zoller also wished to express that if the Commissioners decide to use a different option he will support them 100%.

Chief Long also recommended the 3 year loan and the 5 year loan be considered, but not the 7 year loan.

To conform with state regulations the commissioner approved the following resolutions;

Resolution 2016-14 Authorizing non-voter approved indebtedness. **Motion to approve resolution 2016-14 made by Commissioner Montag, seconded by Commissioner Connor. (2 yay, 0 nay).** Commissioners Connor and Montag signed the resolution.

Resolution 2016-15 authorizing assigned personnel to enter into lease contract for purchase of replacement ambulance **Motion to approve resolution made by Commissioner Montag, seconded by Commissioner Connor, all in favor (2 yay 0 nay). Resolution passed.**

Chief Long also requested the Commissioner give authorization for designated personnel to sign the agreement with Braun, stating that the district commits to purchasing the unit that is available, and so remove the vehicle from the market. The documents from Braun also indicate the removal cost of the Decals currently on the unit (\$350.00). The radio installation cost will not be part of the vehicle cost (\$1,200.00 will come out of the general budget). Chief Long requested the commissioners authorize the Fire Chief to enter into the agreement with Braun and the Fire Chief and District Secretary to finalize the loan agreement.

Discussion by commissioners on the length of the term of the loan included concern with the depletion of the reserves. Commissioner Montag commented that utilizing the payment in arrears option would give the district some time to build stronger reserve before payment is due, and budget for the payment in the next budget cycle.

Commissioner Connor, also agreed to the 3 year loan option and approved Chief Long and the district secretary to pursue that option.

**Motion to authorize Chief Long and the District secretary to pursue the 3 year loan, payment in arrears contract for funding. Made by Commissioner Connor, seconded by Commissioner Montag, all in favor (2 yay, 0 nay)**

Chief Long concurred that while it is preferable to put a payment down, we do not currently have the buffer to make an additional payment at this time. We need to ensure we have funding available for unforeseen issues.

Chief Long reviewed the costs, the total loan amount is \$144,785.00 the interest rate will be 2.53% payment will be \$50,724.04 for a 3 year contract (note this assumes we get approved for the loan – the Bank is currently working on that). Chief noted that the interest will be over \$7,000.00 over the length of the loan, however, we have the option to pay the loan off early.

For clarification:

**Commissioner Montag, made a motion to authorize Chief Long and the District secretary to sign off on the documents required to secure the ambulance and financing. Seconded by Commissioner Connor, (2 yay 0 nay).**

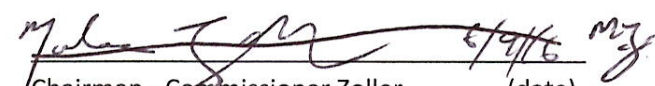
Chief Long noted there was no public representation at the meeting but confirmed the meeting was posted over 24 hours ahead of the time, in accordance with state regulations.

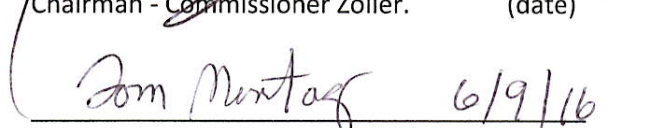
**Motion to adjourn the meeting made by Commissioner Connor seconded by Commissioner Montag, all in favor (2 yay, 0 nay).**

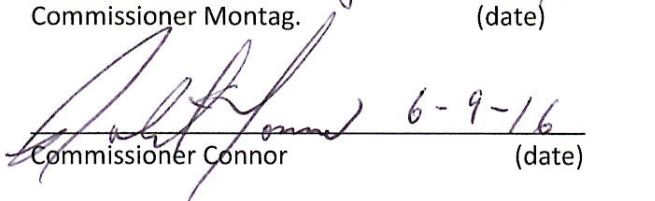
Meeting adjourned: 10:43.

**APPROVED BY:**

**Attest:**

  
Chairman - Commissioner Zoller. (date) 6/9/16 mz

  
Commissioner Montag. (date) 6/9/16

  
Commissioner Connor (date) 6-9-16

absent \_\_\_\_\_  
District Secretary Rozalind Plumb

\_\_\_\_\_ acting secretary Chief Long



Klickitat County Fire District 3 Commissioners Meeting  
200 Husum Street Husum, WA .

**Friday May 27nd, 2016 at 10:00 am**

**AGENDA**

## **Special Meeting**

**The Commissioners of KCFD3 will meet**

# **To discuss and take action on the purchase of the 2016 Ambulance**

- **Open Meeting:** Call to order.
- **Approval of agenda (A)**
  
- **Attendance:**
  
- **DISCUSSION:** Financing options available to the district to purchase an ambulance.
- **ACTION ITEMS: (A)** Commissioners to take any actions relating to purchasing the ambulance.
  
- **Motion to adjourn: (A) Time** \_\_\_\_\_



# Klickitat County Fire District 3

200 Husum Street – P.O. Box 151 Husum, WA 98623

(509) 493-2996

**RESOLUTION 2016 -14**

## RESOLUTION AUTHORIZING NON-VOTER APPROVED INDEBTEDNESS

WHEREAS, the Board of Fire Commissioners of Klickitat County Fire District deem it essential and necessary for the protection of public health, life and property that **\$145,000.00** be obtained for purchase of Emergency Medical equipment of the District; and,

WHEREAS, in the judgment of the Board of Fire Commissioners, it is therefore necessary that the District obtain the sum of **\$145,000.00** for the purpose of Purchasing a **2016 Ford F-350 ambulance to replace the 1999 ambulance that has recently experienced fatal engine problems;** and,

WHEREAS, in the judgment of the Board of Fire Commissioners it would be to the advantage of the taxpayers of the District to incur debt as authorized in *RCW 52.16.061* for no more than **7 years** to secure this amount;

NOW, THEREFORE BE IT RESOLVED, that Fire Protection District No. 3 authorize a General Obligation of the District and that the Commissioners of Klickitat County Fire Protection District 3 be authorized to issue non-voter approved indebtedness in the amount of **\$145,000.00** to be redeemed by payment out of regular property tax levies as authorized under RCW 52 and RCW 84.

All as authorized in Chapter 52 of the Revised Code of Washington

Adopted at a meeting of the Board of Commissioners of Klickitat County Fire District 3 on this **27** day of **MAY 2016**.

\_\_\_\_\_  
Commissioner Chair Mark Zoller

  
\_\_\_\_\_  
Commissioner Thomas Montag

  
\_\_\_\_\_  
Commissioner Robert Connor

Attest: \_\_\_\_\_

District Secretary Rozalind Plumb



## Klickitat County Fire District 3

200 Husum Street – P.O. Box 151 Husum, WA 98623

(509) 493-2996

### RESOLUTION 2016 -15

#### Authorization to Approve and Assign Personnel to Enter Into Lease Contract for Purchase of Replacement

WHEREAS, The Board of Fire Commissioners of Klickitat County Fire District #3 have approved, by Special Meeting to seek financing to purchase a an ambulance.

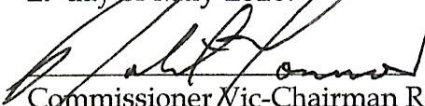
WHEREAS, The Board of Fire Commissioners have deemed it necessary to purchase a new ambulance as soon as possible to allow emergency medical transport capability to return to the District.

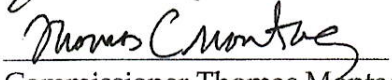
WHEREAS, The Board of Fire Commissioners approve and instruct the Fire Chief and District Secretary to proceed with financing options that have been reviewed by the Board and approved by Commissioner Zoller as agreed in Special Meeting on May 23, 2016.

WHEREAS, Commissioner Zoller has reviewed the lending documents and has approved the terms and has provided his recommendation to the remaining Board Members of his preference of financing options.

NOW, THEREFORE BE IT RESOLVED, that the Fire Protection District No. 3 Board of Commissioners authorize the Fire Chief and Secretary to enter into contractual agreement with REV Vehicles for Life, vendor, and financing vendor that meets the best financial needs of the Fire District. The Board of Fire Commissioners also authorizes the Fire Chief and Board Secretary to enter into secondary financing if the municipal lending does not succeed, so long as the maximum amount does not exceed authorized amount previously approved in Special Board meeting.

Adopted at a meeting of the Board of Commissioners of Klickitat County Fire District 3 on this 27 day of May 2016.

  
Commissioner Vic-Chairman Robert Connor

  
Commissioner Thomas Montag

\_\_\_\_\_  
Chairman Mark Zoller – absent

Attest: \_\_\_\_\_  
District Secretary Rozalind Plumb

**Your equipment lease payment will be \$49,429.68.**

#### Payment Summary

Event	Amount	Term	Period
Lease	\$144,785.00	1	
Advanced Payment	\$49,429.68	1	
Lease Payment	\$49,429.68	2	Annual
Lease Residual	\$0.00	1	

#### Payment Schedule

Event	Lease	Payment	Interest	Principal	Balance
Lease 1	\$144,785.00		\$0.00	\$0.00	\$144,785.00
Advanced Payment 1		\$49,429.68	\$0.00	\$49,429.68	\$95,355.32
Lease Payment 1		\$49,429.68	\$2,326.67	\$47,103.01	\$48,252.31
Lease Payment 2		\$49,429.68	\$1,177.36	\$48,252.32	(\$0.01)
Lease Residual 1		\$0.00	\$0.00	\$0.00	(\$0.01)
<b>Grand Total</b>	<b>\$144,785.00</b>	<b>\$148,289.04</b>	<b>\$3,504.03</b>	<b>\$144,785.01</b>	<b>(\$0.01)</b>

This amortization schedule is powered by: TimeValue Software



**Your equipment lease payment will be \$30,456.48.**

#### Payment Summary

Event	Amount	Term	Period
Lease	\$144,785.00	1	
Advanced Payment	\$30,456.48	1	
Lease Payment	\$30,456.48	4	Annual
Lease Residual	\$0.00	1	

#### Payment Schedule

Event	Lease	Payment	Interest	Principal	Balance
Lease 1	\$144,785.00		\$0.00	\$0.00	\$144,785.00
Advanced Payment 1		\$30,456.48	\$0.00	\$30,456.48	\$114,328.52
Lease Payment 1		\$30,456.48	\$2,961.11	\$27,495.37	\$86,833.15
Lease Payment 2		\$30,456.48	\$2,248.98	\$28,207.50	\$58,625.65
Lease Payment 3		\$30,456.48	\$1,518.40	\$28,938.08	\$29,687.57
Lease Payment 4		\$30,456.48	\$768.91	\$29,687.57	\$0.00
Lease Residual 1		\$0.00	\$0.00	\$0.00	\$0.00
<b>Grand Total</b>	<b>\$144,785.00</b>	<b>\$152,282.40</b>	<b>\$7,497.40</b>	<b>\$144,785.00</b>	<b>\$0.00</b>

This amortization schedule is powered by: TimeValue Software




**Your equipment lease payment will be \$22,391.72.**

**Payment Summary**

Event	Amount	Term	Period
Lease	\$144,785.00	1	
Advanced Payment	\$22,391.72	1	
Lease Payment	\$22,391.72	6	Annual
Lease Residual	\$0.00	1	

**Payment Schedule**

Event	Lease	Payment	Interest	Principal	Balance
Lease 1	\$144,785.00		\$0.00	\$0.00	\$144,785.00
Advanced Payment 1		\$22,391.72	\$0.00	\$22,391.72	\$122,393.28
Lease Payment 1		\$22,391.72	\$3,341.34	\$19,050.38	\$103,342.90
Lease Payment 2		\$22,391.72	\$2,821.26	\$19,570.46	\$83,772.44
Lease Payment 3		\$22,391.72	\$2,286.99	\$20,104.73	\$63,667.71
Lease Payment 4		\$22,391.72	\$1,738.13	\$20,653.59	\$43,014.12
Lease Payment 5		\$22,391.72	\$1,174.29	\$21,217.43	\$21,796.69
Lease Payment 6		\$22,391.72	\$595.05	\$21,796.67	\$0.02
Lease Residual 1		\$0.00	\$0.00	\$0.00	\$0.02
<b>Grand Total</b>	<b>\$144,785.00</b>	<b>\$156,742.04</b>	<b>\$11,957.06</b>	<b>\$144,784.98</b>	<b>\$0.02</b>

This amortization schedule is powered by:  TimeValue Software