

RECORD OF PROCEEDINGS

Minutes of the Special Vermilion City Council Meeting

Minutes of

Meeting

BARRETT BROTHERS - DAYTON, OHIO

Form 5101

Monday, April 1, 2021

Held

Videos and minutes of council meetings are available to the public to view online at www.cityofvermilion.com under 'meetings' tab (City Meeting Minutes or Videos).

Vermilion City Council: Steve Herron, Council President; Monica Stark, Council at Large Emily Skahen, Ward One; Steve Holovacs, Ward Three; Barb Brady, Ward Four; Brian Holmes, Ward Five. Absent: Frank Loucka, Ward Two

Administrative Staff: Jim Forthofer, Mayor; Amy Hendricks, Finance Director; Chief Stempowski; Chief Engineer B. McCale

CALL TO ORDER:

Steve Herron, President of Council called the Monday, April 1, 2021 Special Vermilion City Council meeting to order via Zoom.

PLEDGE OF ALLEGIANCE:

The members of Council, administrative staff, and audience participants recited the Pledge of Allegiance; a moment of silence followed.

NEW BUSINESS:

Mayor Forthofer explained that Chief Stempowski and his staff has identified a replacement for the Heavy Rescue Truck that was totaled on Route 2 some months ago and they are extremely lucky the firefighters were not outside of the truck when the car plowed into the back of it as they may have been looking at something far more serious than replacing a truck. He said the Chief and staff identified a truck that is equipped relatively the way they want it, and they are willing to hold the truck for 72 hours. If they can secure the truck with council's approval, then it could save the Fire Department a year of waiting to get another truck. They would miss a lot of opportunities to serve the community if they did not have this vehicle relatively soon.

Chief Stempowski said on February 6 their fire truck was struck from behind on State Route 2 while they were on an incident involving another motor vehicle crash. Subsequently, this truck has been determined to be a total loss and they had multiple representatives give their opinion based on the age, some vendors being out of service, parts that would need to be specially made for this truck, and other items. They strongly felt the cost to repair this vehicle was far more than the vehicle was worth. He said their Chief Engineer, Bill McCale did a lot of research to see what was available for a replacement vehicle that would meet the needs of the department. This truck is different than a fire truck, aerial, or tanker in the sense they use this truck to carry specialized equipment for a vast array of emergency incidents they respond to as far as rope rescue, water rescue, ice rescue, motor vehicle crashes – entrapment. The equipment they carry on this truck is equipment they do not carry on their other engines. They can replace this truck and these trucks are not manufactured as much as fire engines are, so there are slim pickings on them. Of all the trucks B. McCale entertained, they recently found there were two trucks mid-production, and one was already spoken for before they could react. However, the production date of the other truck is around June of this year and if they were to spec and build a truck from today it would be about 14 months out, which is too long for them to consider. However, this truck fits their needs, and they were able to make a few minor changes in the production schedule to meet the needs of their department and they were able to secure the truck for 72 hours for them to get approval. These new trucks range from \$500,000 to \$1,000,000, and this truck came in at \$616,619.00, so they are in a position to get a truck relatively quickly and back in service for the department and the community if council would grant the approval this evening.

Amy Hendricks explained the truck was deemed a total loss with the salvage value of just over \$102,000. This is being settled upfront from the city's insurance carrier. The driver of the other vehicle who struck the fire truck carried State Minimum Insurance and their amounts for coverage is relatively low. They looked at current policies and past policies and the language was the same, so there was no change in the coverage level. She inquired about future changes to coverage to see if they could further insure themselves in the future and it was advised from a couple of sources that the city's insurance is the standard type of coverage that is offered. It is just a larger gap because of the type of vehicle they are dealing with. They have money in the fire capital fund that will more than cover the cost of this vehicle.

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The proceeds from the insurance will come in and will reimburse this small portion, about 20%. Also, the manufacturer did offer a two percent early payment discount that gives the City a little more of a discount. She said this is better than what they could get at the bank right now. While this is a surprise to this capital fund, this is one of those things they need to continue to do to serve the community.

B. Brady said in addition to the \$102,000 salvage amount is the city getting 20% from the insurance. A. Hendricks said the salvage amount is 20% of the total price on the vehicle. There is no additional insurance money coming in. B. Brady asked why the driver's insurance money is not coming to the city. A. Hendricks said the city insurance company will go back and recover that, but they will not get anything additional. The maximum on the state insurance is around \$10,000. S. Herron said the insurance is frustrating and that carrier should be responsible to some extent, but it is what it is, and the law is written that way, so there is not really anything they can do about it.

E. Skahen confirmed the truck will cost \$600,000. Mayor Forthofer said the truck is \$616,619 and they will get \$102,000 back from insurance leaving the city to pay around \$505,000.

M. Stark asked the finance director if the two percent reduction is like cash without taking financing. A. Hendricks confirmed this is correct. M. Stark said this is a nice incentive to pay cash. She asked Chief Stempowski that if he was ordering a new truck, will this truck have the items they need. Chief Stempowski said if they had to order a new truck - this truck meets the needs and if they were to design, spec, and build one it would be very similar to this truck. Fortunately, they are in the position that the additional items they need on the truck were able to be included prior to the conclusion of production. B. McCale said it would be very similar and this truck allows them to carry everything they have now and maintain the services they have, but also allows them to add new equipment, so they can respond to different incidents in better ways.

B. Holmes wanted to make sure they check the insurance coverage for the city's fleet as it seems ridiculous that this is all they are getting back from the insurance company. The administration needs to dive deep and look at the city's entire fleet to make sure it is covered correctly. He said it is unfortunate this happened and thank God nobody got hurt but looking to the future - what other vehicles will they need to update because they are moving forward with their fire department as they built a beautiful new fire station. Do they have enough money in the funds to replace other vehicles that may need replaced or are they putting all their eggs in one basket with this vehicle, which will not leave them any additional money for future purchases? As far as options, some have the ability to haul water and have a ladder lift, so he wants to make sure this is everything they need. Are they able to take the existing equipment and put it on this new vehicle? A. Hendricks said the fleet coverage is the same for the city, which was the same with the city's prior carrier. She talked with the agent and the representative from the insurance company from Traveler's to see if they had a greater level of coverage they recommended because of this situation, but she was advised this was the model of the coverage that is carried for organizations such as the cities. B. Holmes asked if they could still check with other municipalities to see if this is what they are getting too, because it seems ridiculous they are only getting \$100,000 back. He understands the age of the vehicle is part of this, but he still would like the administration to check with the other municipalities. B. McCale said they will be able to put the old equipment on the new truck. Most of it is currently on the other engines for right now, and the rest is at the station when they need it. This new truck has room as the old truck was a walk-in truck that had a lot of unused space. The new truck is a non-walk-in, so all the compartments are from the outside and they are deeper and hold more equipment. They can haul a lot more equipment which is better off to help the citizens. Chief Stempowski said they do have specialized trucks to haul water, including the tanker which has a 3,000-gallon tank. B. Holmes asked if they would incur additional costs to add anything else to the new truck. Chief Stempowski said they can put all the equipment from the old truck into the new truck. This is a prime opportunity for them to upgrade some of their rescue equipment, so they are looking into this as well, specifically extrication and stabilization tools. It is certainly something that would be beneficial. The extrication equipment that is currently on the truck at Station #2 is from the early 1980's, which they were looking into upgrading as well. B. Holmes said as far as the fund, is it secure for future purchases? A. Hendricks said they have about \$4.5 million in the fund, and they have a significant portion devoted to debt service towards the new station, which is experiencing growth with property value growth. In planning for the new station, they had conversations of looking into their long-term needs and budgeting for them. She did not anticipate future hardships necessarily because of this. B. Holmes thanked B. McCale, and the others involved for specking this truck out.

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M. Stark asked when the truck will be ready for service. B. McCale said around mid to late June. M. Stark said she is all for approving this purchase as it is a great opportunity to jump on the truck that is already in production, so she supports it.

B. Brady asked how old the totaled truck was. B. McCale said it was approaching 25 years. B. Brady said had the other driver had other insurance, would the city end up with more money. A. Hendricks said she did not think so as it would come from his insurance rather than the city's. They are not going to get twice the value of what the vehicle was. The city's coverage for comprehension and collision is the maximum amount that can be paid for a loss. It is either the amount that is the cost for repair or the cash value for the vehicle, whichever is less. They will never get more than the stated value of coverage just because you have two insurance policies.

Reading of the Ordinances:

First Reading – Ordinance 2021-24: AN ORDINANCE AUTHORIZING AND DIRECTING THE MAYOR OF THE CITY OF VERMILION, OHIO TO ENTER INTO A PURCHASE AGREEMENT WITH ATLANTIC EMERGENCY SOLUTIONS OF MANASSAS, VIRGINIA FOR THE PURCHASE OF A 2021 PIERCE RESCUE ENFORCER TO BE USED IN THE VERMILION FIRE DEPARTMENT THAT REPLACES THE 1996 SPARTAN HEAVY RESCUE UNIT THAT WAS TOTALED IN AN AUTOMOBILE ACCIDENT, AND AUTHORIZING THE FINANCE DIRECTOR TO MAKE PAYMENT IN AN AMOUNT NOT TO EXCEED SIX HUNDRED THOUSAND DOLLARS (\$600,000) AND DECLARING AN EMERGENCY.

B. Brady MOVED; M. Stark seconded to suspend the rules. Roll Call Vote 6 YEAS. MOTION CARRIED.

S. Holovacs MOVED, B. Brady seconded to adopt this ordinance as amended to change the amount to \$616,619.00 and by emergency. Discussion: S. Herron said he is grateful for the administration providing the information to City Council. He said the insurance industry is frustrating, but they are talking about a piece of equipment that was destroyed through no fault of their workers and at the end of the day they get a small amount of return. Roll Call Vote 6 YEAS. MOTION CARRIED.

Adjournment:

S. Herron adjourned the meeting upon no further discussion.

Transcribed by Gwen Fisher, Certified Municipal Clerk