

## Finance Committee Meeting

May 18, 2016

The Finance Committee met Wednesday, May 18, 2016 at 6:00 p.m. in the City Hall Conference Room. Present were Committee Chairperson Susanne Galbraith and Committee Members Rachel Sloan, Kathy Wilcox and Dwayne Andrews.

Also present were Public Utilities Director Allen Kelm, Fire Chief Gary Warren, Fire Captain Mike Miller and Fire Fighter Eric Hartse, Branden Stevens, Sarah Lewin, Tanner Harbaugh, Ben Shipp and Taran Harbaugh.

Committee Chairperson Galbraith called the meeting to order.

**1. Request of Citizens:**

None

**2. Review and discussion of ambulance purchase**

Firefighter/EMT Eric Hartse explained the Miles City fire and rescue organized a steering committee for the purchase of ambulances because its current fleet is not safe or viable. He explained the three types of ambulances available:

- Type I- With this type it is everything the ambulance needs:
  - Fully functional
  - 4X4 option
  - Increased equipment storage
  - Increased patient and provider safety
  - Would not need to be replaced for 10 years
  - Prices ranged from \$195,000 to \$289,000

The majority of use would be in the County because of the gravel roads, but would be used in City on snow days.

- Type II- A smaller van and would be used on extended transport and would be a valid option:
  - Not viable for 911 response
  - Limited storage
  - Most payloads are limited to 1,600 pounds
  - Cannot be remounted and, once out of service, would need to be totally replaced- Considered as a throwaway because of a  $\frac{3}{4}$  to  $\frac{1}{2}$  ton chassis
  - Prices ranged from \$95,000 to \$160,000
- Type III- Considered a good match for both:
  - Fully functional 911/transfer ambulance
  - Can be remounted, but limited to the same style chassis
  - More space than Type II, less space than Type I
  - No 4X4 or diesel options
  - Prices ranged from \$190,000 to \$255,000

In conclusion the steering committee felt the Type I would provide the best option for current response model and is functional under all future response models, help to avoid future interruptions in service and would allow it to plan and build for the future in the best possible way. Added to the conversation was that not only were the ambulances used to respond to 911 medical calls, interfaculty transfers, and flight teams. The duty crew uses them to flow hydrants, perform company inspections, and perform all other non-medical duties. Anytime the crew travels outside the station, an ambulance needs to be used to be response ready for any service call such as fires, ambulance rescue and hazardous material situations.

The finance committee felt that the City could not afford to purchase the vehicles as new. It recommended looking at purchasing a used type I vehicle and possibly purchasing a new vehicle down the road.

Chief Warren said that he felt there were two other options to consider:

- A lease purchase- at the end of the term the vehicle could be purchased for one dollar.
- A group purchase agreement- An enrollment due would be paid up front, but then an ambulance could be purchased at a reduced price.

3. Review and recommendation on sending debt to collection for the Ambulance fund  
*Tabled until further information is available.*

4. Review and recommendation on minimum bid to be received for lease of Lagoon land

Clerk Pearce explained that Attorney Rice said the City cannot accept a bid that did not make the minimum bid. The City will have to put the lease out for bid again. She asked the Committee for a recommendation on a minimum bid.

*\*\* Committee Member Wilcox moved to recommend to Council to decline the two current offers for leases they fall under the minimum bid requirement and secondly recommend additional discussion to set a new minimum bid limit and re-advertise.*

*\*\* Committee Member Wilcox amended her motion to recommend obtaining range condition analysis, set an AUM rate, and know the cost of getting the water right, seconded by Committee Member Sloan. **The motion passed 4-0***

5. Review and discussion on City Council budget

The budget was discussed and final results, subject to change, were agreed by all.

6. Review and discussion on City's cash report

All cash accounts were reviewed.

7. Review and recommendation on revising Resolution No. 2989- A Resolution Providing for Procedures to Manage and Monitor Leases of Property Owned by the City of Miles City

Committee Member Andrews wanted to add to page one, number one under Lease Administrator:

- The vegetated condition in the lease shall provide to maintain 50 percent of the current year forage after the grazing season has ended
- The City shall own all permanent improvements

Committee Member Galbraith suggested to delete the sentence on page two, number two, section a, “annual rental by ten percent (10%) per five year term”. In its place add “lease to the current market rate”. She felt that all leases should be evaluated every year or after the five year agreement had expired.

Clerk Pearce explained that she asked for the resolution to be put on the agenda to discuss page two, section two, c. She felt the base rate had not been looked at for over twelve years and should be updated.

*\*\* Committee Member Sloan moved to revisit Resolution No. 2989 when more information was available, seconded by Committee Member Wilcox. The motion passed 4-0*

8. Review and recommendation on Resolution No. 3923- A Resolution Adopting A City of Miles City Insufficient Funds Policy, and Setting A Public Hearing Thereon

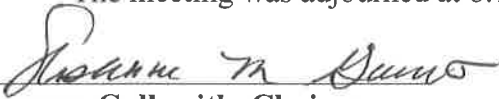
It was discovered that the policy was not attached to the Resolution.

*\*\* Committee Member Sloan moved to revisit the resolution once the policy was attached, seconded by Committee Member Galbraith. The motion passed 4-0*

9. **Adjournment**

*\*\* Committee Member Galbraith moved to adjourn the meeting, seconded by Committee Member Sloan and passed unanimously, 4-0.*

The meeting was adjourned at 8:15 p.m.

  
Susanne Galbraith, Chairperson

  
Lorrie Pearce Recorder/City Clerk