

Village of North Riverside

Finance, Health & Appropriations Committee

Meeting Date: October 28, 2013

Trustee Wilt, Chairman
Trustee Demopoulos
Trustee Mengoni

Others in attendance were, Mayor Hermanek, Trustees Bianco, Czajka, Decosola, Administrator Belmonte, Finance Director Scarpiniti and Fire Chief Basek.

Meeting was called to order at 6:00 pm. and the following is a summary of the meetings.

Item #1: Review Cost of New Fire Engine: Chief Basek informed the committee that he, Mayor Hermanek and Stan and Zak from Public Works went to the Pierce production plant in Wisconsin to look at and design a fire pumper truck for the Village. The Chief has had a number of meetings with a Pierce representative to discuss what equipment the department needs on the new vehicle and the cost associated with these items. Chief Basek handed out a memo to the committee and the other board members present showing the two option packages he felt were needed on the new vehicle. Some of the options were a heavy duty engine, alternator and transmission, larger chassis, Class A foam extinguishing system and a front water inlet port. The Chief explained why he felt this equipment was necessary. The committee and the other trustees had a number of questions the Chief answered concerning the equipment as well as the cost. Director Scarpiniti informed the committee that there was originally \$500,000 budgeted for the total cost of the new pumper in this year's budget, with \$332,500 funded through a federal grant received by the Village. With the additional options the Chief is requesting, the anticipated cost of the new fire pumper would need to be increased from \$500,000 to \$600,500 if approved. The Director informed the committee that the lead time to manufacture this vehicle is about 5 to 7 months; therefore, this expense will need to be rolled over into next year's budget as it will not be received by April 30th. The Village will be better suited to fund the additional cost for the pumper in next year's budget with the additional sales tax revenue projected to be generated from the new businesses, i.e. Costco, Red Lobster and Chick-fil-A. The committee asked if there was any chance that we could negotiate a lower price, the Administrator said he would sit down with the Chief and Pierce representative to see if they would lower their price. A motion was made by Trustee Mengoni and seconded by Trustee Demopoulos to approve the purchase a new Pierce Velocity Fire Pumper at a cost not to exceed \$600,500.00. The motioned passed 3-0 by the committee. Chairman Wilt polled the other three trustees who all agreed with the committee as did Mayor Hermanek.

Item #2: Review Possible Extension of P.S.I. Contract: The Mayor informed the committee and board members that he and Administrator Belmonte had a meeting with a representative from P.S.I. about extending their current contract. PSI's current contract runs through July 31,

2015 and the Mayor would like to come to an agreement on a five year contract. He explained that the Village has been with P.S.I. for over 25 years and that they are a very reliable company with well-trained paramedics. The Mayor explained that prior to the 5% increase that was approved in this year's budget; the last raise P.S.I. received was in August 2009. The Administrator explained that the P.S.I's current contract did not have yearly increases automatically built in and that they needed to be negotiated every year. He mentioned how P.S.I. has worked with the Village during the hard economic times of the past few years and that's why there were no increases in August 2010, 2011 and 2012. The Mayor explained he asked for the meeting and that he proposed a 5-year contract starting on August 1, 2014 and running through July 31, 2019 with an annual increase effective August 1st of each year averaging 2.25% per year. Over the duration of the five year contract, the total increase paid to PSI would be 12.5% or \$61,500. Currently, the Village is paying approximately \$458,205 annually for paramedic services. If approved, the new PSI contract would raise the final contract cost for paramedic services to \$518,400 by year 2019. The Mayor stated that having a contract with pre-determined yearly increases would also help Finance Director Scarpiniti in preparing the Village's annual budget as the increases each year would be actual amounts rather than projections. There was discussion among the committee and trustees and Trustee Demopoulos expressed his desire to bid the service because of the money saved when the Village bid out the waste hauling contract. There was discussion on this is not the same thing because we are talking about health safety issues and do we really want the low bidder when we are talking about the health and safety of our residents. A question was asked on what were the increase to police officers and firefighters during the time P.S.I. did not receive an increase, the Administrator explained that he did not have this information at the meeting but could come up with that number for the committee and board. Chairman Wilt expressed that this was the first time the committee has heard about this and she would like to table this item to discuss at a future meeting, the committee agreed.

There being no further business, the meeting was adjourned at 6:50 pm.

Respectfully submitted,

Trustee Vera Wilt
Chairman

At this time I would like to make the following motion.

That the Village authorize the purchase a Pierce Velocity Fire Pumper at a cost not to exceed \$600,500.