

**MOUNT LAUREL FIRE DISTRICT #1
BOARD OF FIRE COMMISSIONERS
SPECIAL MEETING / WORK SESSION**

February 2, 2010
Fire Department Headquarters Station
Meeting Minutes #4

IN ATTENDANCE:

1. Commissioner Roura
2. Commissioner Shestack
3. Commissioner Cornue
4. Commissioner Nash
5. Commissioner Shapiro
6. Chief of Department Gallos
7. Administrator Jones
8. Deputy Chief Colucci

The meeting was called to order by Commissioner Shestack at 7:30 PM.

The Pledge of Allegiance was recited and a moment of silence observed.

The Public Announcements were read by Commissioner Shapiro.

General Discussion Items:

2/20 Election Preparation Update: Administrator Jones reported that we will be able to use the County electronic voting machines this year. He added that the poll workers are all signed up, the required legal notices have gone out and he will be posting the election notices next week.

Refinancing of 2001 Bond Issue: Commissioner Shestack stated that back in 2001, the voters approved a \$6.4 million Bond Issue to replace Station 363, renovate areas of the Headquarters Station and to completely renovate Station 361. The bonds were callable after 10 years in the event that lower interest rates were available. We are now at the 10 year mark and according to our bond counsel, interest rates are very favorable and by refinancing the bonds we can save a considerable amount of interest over the final 10 years. Administrator Jones has been in contact with our bond counsel, Phil Norcross of Parker & McCay, and he thinks that at the current interest rates, we could easily generate a net \$218,000 in interest savings during the final 10 year period. All costs associated with the bond issue refinance would be taken off the top of the bond sale proceeds. The net savings is equal to reducing our debt service annually by about \$21,800. He said that there is no risk on our part to proceed, because if interest rates increase and the net savings evaporate, we can always halt the process. Administrator Jones stated that he had a copy of the financial advisor's analysis for each Board member and a resolution that we can adopt tonight to get the project moving, which he recommended. He stated that they expect to be able to conclude everything in about 2½ months, providing we get our application onto the March meeting agenda of the Local Finance Board.

Commissioner Nash asked if the current bonds would be retired or paid off and would new bonds be issued at a lower interest rate. Administrator Jones replied that the remaining 10 years of bonds would be called and the principal owed to those bondholders paid off, new bonds would be issued to replace them at lower interest rates and the remaining 10 year term of the obligation would not change. Commissioner Shestack stated that with our "AA" credit rating, we should be a very safe and preferable risk for investors, although it could slightly affect the debt service exclusion for the 4% CAP next year. Administrator Jones agreed but it is a necessary consequence if order to save \$218,000 over the next 10 years.

Adoption of Resolutions:

Resolution #2010-18 "Appointment of Spencer P. Homan-Hepner, Sanil R. Patel and Brian J. McCabe as 'Junior' Members of the Mount Laurel Fire Department". Commissioner Roura made a motion to approve the resolution, which was seconded by Commissioner Cornue. The motion was unanimously approved by the Board.

Resolution #2010-19 "Appointment of Evan D. Schwartz, Michael S. Chwalek and Nicholas D. Butler as 'Explorer' Members of the Mount Laurel Fire Department". Commissioner Roura made a motion to approve the resolution, which was seconded by Commissioner Cornue. The motion was unanimously approved by the Board.

Resolution #2010-20 "Resolution of the Commissioners of Fire District #1 in the Township of Mount Laurel, County of Burlington, New Jersey Authorizing the Submission of an Application to the Local Finance Board Pursuant to N.J.S.A. 40A-5A-6". Commissioner Roura made a motion to approve the resolution, which was seconded by Commissioner Shapiro. The motion was unanimously approved by the Board by a vote of 5 'ayes' to 0 'nays'.

Resolution #2010-22 "Resolution Authorizing the Award of a "Non-Fair and Open" Contract for Bond Council Services in Fiscal Year 2010 to Parker & McCay. Commissioner Shapiro made a motion to approve the resolution, which was seconded by Commissioner Cornue. The motion was unanimously approved by the Board.

Commissioner Shapiro thanked everybody for their prayers and well wishes over the past 6 months for her son Andrew, who is now home safe and sound from his tour of duty in Iraq. She appreciated the Board and the Chiefs allowing her family the use the meeting room for his "Welcome Home" party and she especially appreciated everybody's support.

Commissioner Shestack reported that he received a call from a friend of his who has a son in the Boy Scouts. The wanted to use one of our meeting rooms for their monthly Boy Scout meetings and he advised him to submit a facilities use request to Administrator Jones. Administrator Jones stated that he had spoken with the friend's wife and advised her what they needed to do.

Chief of Department Gallos reported that on 3/1/10, Township Council will present proclamations of appreciation to the firefighters and companies that performed the dangerous rescue on the NJ Turnpike on 12/23/09. He has sent award application paperwork to the Burlington County Chiefs Association for consideration and he believes that Battalion Chief Jones is working on award applications for the Burlington County 200 Club.

A resident asked the Board about the referendum that was to be on the February election ballot and what it was for. Administrator Jones reported that the referendum was for a total of \$411,419 and would pay for the replacement of SCBA equipment (\$386,000) and a new SCBA compressor for Station 361 (\$26,000). Chief of Department Gallos added that this is the same referendum that was on the ballot last year but was defeated. He explained that this years' referendum is less than last years' because we eliminated 74 SCBA cylinders from it and included them in the regular budget in case the referendum doesn't pass again. He noted that all of our SCBA cylinders have to be retired by the end of 2011 when they will no longer be certifiable for use, so we will try to replace ½ of them in 2010 and the balance in 2011. He clarified that unless we receive a grant or the referendum passes, we are only replacing the SCBA cylinders, not the 25 year old+ air packs that use them.

Commissioner Nash pointed out that the replacement of these SCBA cylinders is a federal mandate issue because they can no longer be used after 15 years. Chief of Department Gallos added that over the past few years, we have applied for a number of federal grants to replace the SCBA cylinders and each year we have been denied. The resident asked why we didn't spread the purchase out over a longer period of time instead of trying to do it all at once. Administrator Jones replied that we have a limited number of options on how we can finance a capital equipment purchase like this. We could spread out payments over a 5, 7 or 10 year period under a capital lease; 15, 20 or 30 years under a bond issue, or 1 year under a referendum or the current year regular operating budget. There are financing and interest costs associated with capital leases and bond issues, which makes it significantly more expensive. He stated that even though it is a significant amount, it is not a big enough amount for us to normally justify the extra cost involved. Battalion Chief Kirvan added that by making the purchase of everything at one time, we can roll in the new SCBA equipment once and do all of the required training once. Commissioner Nash pointed out the bottom row of charts on the far wall and added that this is the 4th year in a row that we have tried to acquire financing to do this and we have either been rejected for grants or the public has voted it down. The resident asked why there has been so little advertisement of the upcoming election and why he didn't know about it until the last minute. Administrator Jones explained that by statute we have to post election notices in at least 10 public places 10 days before the election and we have to advertise it at least twice in the newspaper. The resident seemed to be satisfied with the answers he had been given.

Commissioner Shapiro asked Battalion Chief Kirvan for an update on preparations for the Fire Forum. He stated that he had worked with Administrator Jones on updating the information from last year and he has added a few new facts and highlights. He added that Deputy Chief Colucci will do the "operational" side of the presentation and that either he or Commissioner Shestack will do the "financial" side. Commissioner Shestack suggested having an SCBA cylinder and air pack on display to show residents that may have questions on the referendum and that personnel be available to give tours of the station after the presentation.

Battalion Chief Kirvan reported that the stuffers will be delivered to the MUA this week for insertion in their January billing and he is hoping to get some members to assist him on Saturday to put the election lawn signs out. Firefighter Opizzi has secured a few primary locations to hand out information on Election Day morning. The union is taking care of mailing their mailers to previous voters, which will go a long way towards getting the word out about voting.

Administrator Jones asked the Board if they wanted to schedule a special meeting for Tuesday, 2/23/10 in the event that the Board needed to meet and review a defeated budget. He added that the Board needed to be prepared to meet quickly in this situation because the next scheduled Board meeting is 3/2/10. The Township will want the Boards' input long before that if the budget is defeated by the voters. The Board agreed to schedule a special meeting for Tuesday, 2/23/10.

Resolution #2010-21 "Closing of Meeting Pursuant to Open Public Meetings Act". Commissioner Roura made a motion to approve the resolution, which was seconded by Commissioner Shapiro. The motion was unanimously approved by the Board.

THE OPEN SESSION ENDED AT 8:10 PM.

A CLOSED SESSION BEGAN AT 8:15 PM.

THE CLOSED SESSION ADJOURNED AT 10:05 PM.

The Board authorized Chief of Department Gallos to submit the layoff plan to Civil Service for their review and approval.

THE MEETING ADJOURNED AT 10:10