MINUTES FROM THE SPECIAL PRE-MEETING
OF THE PORTAGE CITY COUNCIL
OF AUGUST 8, 2016

Mayor Strazdas called the meeting to order at 9:00 a.m. The following were present: Councilmembers PatriciaM. Randall and Jim Pearson via the conference phone line and CouncilmemberClaudette Reid, Mayor Pro Tem Nasim Ansari and Mayor Peter Strazdas. Those not present were: CouncilmembersRichard Ford and Terry Urban. Also in attendance were City Manager Larry Shaffer, Deputy City Manager Rob Boulis and City Clerk James Hudson.

Mayor Strazdas asked if there were any questions for the Administration regarding items on the Agenda.

With regards to Item F.2, Purchase of Pierce Ascendant Fire Apparatus, CouncilmemberReid reviewed the information inthe City Manager Communication located in the August 9, 2016 Agenda Packet and pointed to this item as the replacement of the fire truck that had problems, was removed from service and was sent for repairs to the company in Columbus, Ohio. She reflected that the City Administration does not trust this vehicle anymore, but Sutphen has not indicated that it was unusable; however, she noted that the City is taking a huge loss by replacing thisvehicle early and asked if there is any insurance or other mechanism to address the loss? City Manager Larry Shaffer indicated that this 2001 Sutphen has been a problem for about one and one-half years; the life span of these vehicles is about 20 years; and, the glides that allow the ladders to extend and the greasing mechanismshave been a problem for almost two years. He noted that the Sutphen has a $200-250,000 resale value, but to go much longer will killthe resale value; it is certified at the present time and can be sold as a certified vehicle,so the best opportunity to sell it is now. He pointed out that a new Pierce Ascendant, 107 foot Apparatus, is a much more reasonable option at less than a million dollarsand can be construed as actually being inexpensive since they cost $1.3-1.6 million. He indicated that this vehicleseems to be a good buy for Portage and pointed out that the Administration has been through all of the purchasing consortiums available, the GMO, the Houston/Galveston Purchasing Consortium,plus the City obtained a better price than attainable through the purchasing consortiums.

In answer to Mayor Strazdas, Mr. Shaffer indicated that the $905,300 figure did not include the projected estimated $200-250,000 resale amount for the Sutphen, thus making the purchase amount at about $700,000. Mr. Shaffer said the City has not had good luck with the Sutphen and did not have full confidencethat the Sutphen will be sold for $200,000. Aside from the fact that the Sutphen has not served the City well, he cited the E-1 fire apparatus which is older, but is providing better service and is in excellent shape.

In answer to Mayor Pro Tem Ansari, Mr. Shafer indicated that there is no insurance coverage for this; the City could sue Sutphen; that the apparatus has been in the Sutphen facility in Columbus, Ohio, twice since he became City Manager, once for six months and once for almost two months; so, it has been out of service about a quarter of the time he has been City Manager in Portage. Mayor Strazdas asked what has been the response of the company and Mr. Shafer indicated they have been very responsive; that he has been at the facility once; however, he opined that they have a faulty design and there is no way for them to engineer their way out of this design. He said when the ladder is extended out one hundred feet, the torque is incredible, especially with weight on the other end, and it is easy to get them out of torque, so the apparatus has to be independently evaluated for it to remain in service. He expressed his apprehension because three of these exact model Sutphen's have collapsed. In answer to Mayor Strazdas, Mr. Shaffer indicated that he was not aware if other municipalities which have had these problems have done anything about it. In terms of a monopoly, he pointed out that there are a number of fire apparatus companies in the field and he mentioned the E-1, Pierce and American LaFrance. He praised the E-1 and the Pierce, especially since neither have had a ladder come down.

Councilmember Randall asked if the City incurs any liability by selling a piece of equipment that we know is not working according to our standards, expressed her assumption that the buyer would have access to all of the maintenance records on the vehicle, and asked if the City is really going to be able to get a quarter of a million dollars for the Sutphen? Mr. Shaffer responded that he has been watching the Sutphen Fire Trucks sell on the open market through a number of consortiums, and stressed that the City can sell "as is," or can sell it *certified* and all of the records go with it. He said this make and model has had problems, but not this specific fire apparatus. He indicated one never completely escapes liability, so it is important to fully disclose, disclose why there is an interest in getting rid of it, and place it on the market as a *certified* item with a "buyer beware" caveat.

Mayor Strazdas asked about joining other municipalities dissatisfied with this product to engage in a class action law suit? City Manager Shaffer confirmed that other cities are dissatisfied, that the Administration has never talked to any of them, and he would be happy to look into this. Mayor Strazdas indicated that he would like to know if Sutphen has ever settled with them or written a check to appease them. He said he is not really asking for litigation, but wanted to stress his frustration, and whether Sutphen offered a check to a city to avoid litigation. As an aside, Mr. Shaffer mentioned that he and Senior Deputy Fire Chief John Podgorski toured the approximately 200,000 square foot Sutphen facility in Columbus, Ohio. As a part of the tour, they informed him that a bathroom was evidently needed at a far juncture of the building and, instead of installing a sewer line, they chose to cut an opening in the wall and place a port-a-john in the opening. He said this revealed for him a (unique) corporate value of the company that built this fire apparatus.

With regard to Item D.1, Industrial Tax Abatement Application: Pfizer, Incorporated (7171 Portage Road), Councilmember Reid asked for an explanation of the category on page one of the A.O.V. Work Center, Project Impact Analysis, listed as "General Fund expenditures net of certain offsetting revenues: i.e., user charges and fees, grants, reimbursements" in the amount of $18,767,644. Mr. Shaffer indicated that he would provide a complete breakdown and complete accounting and distribute it to the entire Council.

Councilmember Pearson asked that Item G.1, Gourdneck Lake Governmental Lake Board Appointment, be removed from the Consent Agenda. He also asked about Item I.3, Zoning Board of Appeals Meeting Minutes of July 11, 2016, and the approval of a request from Meyer C. Weiner, 325 Mall Drive, for a 30 foot setback variance for a 8,996 square foot commercial building as information since Council is always being asked what is going in, why and where. Mr. Shaffer answered Councilmember Pearson that this building is the CSL Plasma Blood Clinic which is going in next to Dollar Store.

Mayor Strazdas asked Mr. Shaffer to sum up. He referenced the directive to see what, if any, efforts have been initiated, and what, if any, efforts have been fruitful with a legal remedy with the Sutphen Company regarding the status of the Portage Sutphen apparatus; have there been any settlements; or, what action the City take either independently, or in a class action suit with similarly situated municipalities against Sutphen. Secondly, with regard to Item D.1, Industrial Tax Abatement Application: Pfizer, Incorporated (7171 Portage Road), he will take a look at the particular grouping and specifically define the $18 million and say what it is. He said he would remove G.1, Gourdneck Lake Governmental Lake Board Appointment, from the Consent Agenda; and, he would confirm that under the Zoning Board of Appeals action of July 11, 2016, the building in question is the CSL Plasma Blood Clinic that is being located next to the Dollar Store.

With regard to Item D.1, Industrial Tax Abatement Application: Pfizer, Incorporated (7171 Portage Road), Councilmember Reid asked for confirmation that the 26 jobs retained reflects a loss from the main plant and a move over to the new facility.

ADJOURN: Mayor Strazdas adjourned the meeting at 9:15 a.m.

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James Hudson, City Clerk