

CLARENCE FIRE DISTRICT NO. 1

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Board of Fire Commissioners
Douglas G. Garlapo, Chairman
David R. Metzger, Vice-Chairman
David M. Bissonette
James Schlabach
Nathan M. Work

Treasurer
Kim M. Lash

Fire District Secretary
Yvonne Work

The Board of Fire Commissioners, Clarence Fire District No. 1, held a Special Meeting on **Monday, March 30, 2015**, at 10355 Main Street, Clarence, NY 14031. The topic of discussion was the interview and appointment of a Bond Counsel and Financial Consultant for the District's proposed building expansion project.

Meeting called to order by Chairman Garlapo at 19:30 hours.

ROLL CALL:

Present: Commissioners Garlapo, Metzger, Bissonette, Schlabach and Work, Fire District Secretary Kim Lash and Fire District Secretary Yvonne Work

Absent: None

Guests: Fire District Attorney Joe Schoellkopf, Attorney Jeff Stone from Hodgson Russ LLP, Architect Bob Shepard from Stieglitz Snyder Architects and Rick Ganci, Senior Vice President and Principal from Capital Market Advisors, LLC, and Jim Havernick-4th Assistant Fire Chief

It was noted that Special Meeting notices had been posted in locations within the Fire Hall and on the District sign board.

BOND COUNSEL SERVICES:

Commissioner Schlabach indicated that following the Commissioner's Work Session held on March 23, 2015, he contacted Attorney Schoellkopf regarding the District's requirements relevant to the Legal Notice and vote for the proposed building expansion project and its financing. Attorney Schoellkopf indicated that the District would now need to appoint a Bond Counsel attorney and Financial Consultant. John Alessi and Paul Meosky, both partners with the law firm of Hodgson Russ LLP, had worked with the Fire District on their last capital project referendum vote on October 25, 2011, which was defeated by public vote.

The question of the legal fees for the bond counsel work (and related legal services) by Hodgson Russ was raised. Attorney Stone indicated that their fees are based on a two-stage process. Their up-front work is charged for on an hourly basis, while their actual bonding work is charged for on a fixed fee schedule. Attorney Stone mentioned that their fee policy is to be consistent with respect to all their various Fire District/Municipal clients. Attorney Stone indicated that their anticipated fee for a financing plan involving a single BAN issue and a final bond issue would be in the range of \$15,000, but a lot depends on what actual financing plan is pursued in the end. Attorney Schoellkopf mentioned that there are not a lot of law firms in the area that do bond work; he feels that their fees are reasonable. When Attorney Alessi returns from vacation, he will meet with Treasurer Lash to review the District's budgetary process with regard to this project.

Attorney Schoellkopf indicated that he has reviewed the proposed engagement letter that was prepared by the firm of Hodgson Russ. He indicated that they are well credentialed and do this type of work with Fire Districts. He also mentioned that based on his experience, their fees are customary and reasonable.

MOTION by Bissonette, seconded by Work, to approve the engagement letter for bond counsel work, as presented by Jeff Stone of Hodgson Russ LLP (and as attached hereto as *Attachment A*).

The adoption of the foregoing resolution duly put to a vote on roll call, which resulted as follows: AYES – 5 (Garlapo, Metzger, Bissonette, Schlabach and Work); NOES – 0; ABSENT – 0. This resolution was declared adopted.

FINANCIAL ADVISORY SERVICES:

Mr. Rick Ganci, Capital Market Advisors, LLC, worked with the Fire District on their last referendum. Mr. Ganci reviewed the various plans with the Board regarding bonds and bond anticipation notes, or BANs. He indicated that BANs can only be issued for a period of five years and then the final BAN either has to either be paid off or converted to a long-term bond. Treasurer Lash indicated that the District has approximately \$1.4M in the Building Reserve at this time; the plan is to have \$2M at the start of the project. The District is anticipating a series of renewable one-year BANs, with full payoff in five years.

MOTION by Metzger, seconded by Bissonette, to enter into an agreement dated March 30, 2015, with the firm of Capital Market Advisors, LLC, as presented for the District’s proposed building expansion bond (Refer to *Attachment B* – Financial Advisory Services Agreement from Capital Market Advisors, LLC), carried.

SEQRA:

Architect Shepard reviewed with the Commissioners the revised scope/plans for the project, indicating that the scope has not expanded in any material way (and, in fact, has been reduced) since it was originally proposed in 2011. The potential environmental impacts of the project have diminished since the initial iteration of the project was evaluated. Architect Shepard reviewed with the Board the specific changes between the first iteration of the 2011 project and the current iteration. Architect Shepard mentioned that the Board has restructured the project, and the scope has been pared down to make it a smaller project. Overall differences between the old and the new project do not result in significant environmental impacts.

There is a new issue with the EPA regarding drainage water which stipulates that any waste water has to be treated on site prior to disposal. Mention was made that the District has utilized a dry well for their waste water. The Town Engineer is aware of the recent EPA regulation with regard to waste water; the District has received guidance regarding this from Architect Shepard and is prepared to address this issue. This has been discussed with the Engineer and other professionals and will be addressed and be compliant with the Town Code.

After a significant period of review, questioning and discussion, the Board members, at tonight’s meeting, reaffirmed their original SEQRA-related findings, as initially expressed in the SEQRA resolution (and the related Environmental Assessment form and Negative Declaration) that was adopted by the Board of Fire Commissioners on September 12, 2011.

The Fire District has complied, with respect to both the prior project iteration and the current proposed iteration of the project, with all applicable federal, state and local laws and regulations regarding environmental matters, including compliance with the New York State Environmental Quality Review Act (“SEQRA”), comprising Article 8 of the Environmental Conservation Law and, in connection therewith, has duly adopted a SEQRA-related resolution and a related negative declaration that, having been reviewed by the Board in light of the passage of time and the explained differences between the prior project iteration and the current proposed iteration of the project (including the now reduced scope and therefore the lessened, or at least not greater, environmental impact of the project), was reaffirmed and readopted by the Board of Fire Commissioners at tonight’s meeting with no further action therefore being necessary under the State Environmental Quality Review Act.

MOTION by Bissonette, seconded by Metzger, to propose that the SEQRA Resolution for the capital building project in the form provided by the legal firm of Hodgson Russ (refer to *Attachment C*) be adopted.

The adoption of the foregoing resolution duly put to a vote on roll call, which resulted as follows: AYES - 5 (Garlapo, Metzger, Bissonette, Schlabach and Work); NOES – 0; ABSENT – 0. This resolution was declared adopted.

BOND RESOLUTION AND SCHEDULING OF REFERENDUM:

The legal firm of Hodgson Russ prepared a draft bond resolution for presentation to the Board of Fire Commissioners for consideration at tonight's meeting. The reconstruction of the Fire District building, according to Architect Shepard, is categorized as a "Class A" building as defined in the Local Finance Law.

The Commissioners then discussed the Bond Resolution for the financing of the project, after a detailed explanation of same by Attorney Stone.

MOTION by Garlapo, seconded by Metzger, to propose that the Bond Resolution for the capital project in the form provided by the legal firm of Hodgson Russ (refer to *Attachment D*) be adopted. This resolution was unanimously adopted.

MOTION by Work, seconded by Metzger, to adopt the draft document of the Resolution of the Clarence Fire District No. 1 Adopted March 30, 2015, Calling a Special Referendum to be held at the Special Election May 5, 2015, Directing Publication of Notice of Special Referendum at the Special Election and Determining Other Matters In Connection Therewith as written by Hodgson Russ; this also provides for the District Secretary to take appropriate steps to provide for the Special Election (refer to *Attachment E* from Hodgson Russ).

Mention was made that this document also provides for the Legal Notice of the Notice of Special Referendum at the Special Election, which is to be published in the Clarence Bee for a one-time insertion on April 8, 2015.

The adoption of the foregoing resolution duly put to a vote on roll call, which resulted as follows: AYES – 5 (Garlapo, Metzger, Bissonette, Schlabach and Work); NOES – 0; ABSENT – 0. This resolution was declared adopted.

MOTION by Bissonette, seconded by Work, to adjourn the meeting at 20:48 hours, carried.

All motions were unanimously carried unless otherwise noted.

Attest,

Yvonne Work
Fire District Secretary

cc: Commissioners/President/Chief

Minutes were reviewed by Fire District's Attorney Schoellkopf, as well as Attorney Jeff Stone from Hodgson Russ, LLP.