

Present: President Mercer; Members: Burry, Kelly, LaFerriere, Mooney and Oen

Absent: Briggs

Also Present: Manager, Wilson  
Village Attorney, Ryan  
Director of Public Safety, Torongeau

President Mercer called the special Council meeting to order at 7:30 p.m. in the Village of Beverly Hills municipal building at 18500 W. Thirteen Mile Road. The Pledge of Allegiance was recited by those in attendance.

**ADDITIONS TO AGENDA/APPROVE AGENDA**

Motion by Mooney, second by Oen, to approve the agenda as published.

Motion passed.

**REVIEW AND CONSIDER RESOLUTION REGARDING FINANCING PROPOSAL FROM MUNICIPAL ASSET MANAGEMENT FOR THE PURCHASE OF A LADDER TRUCK FOR THE DEPARTMENT OF PUBLIC SAFETY**

Manager Wilson remarked that this purchase has come together under a tight time schedule for the Village, Pierce Manufacturing, and Municipal Asset Management. Council is in receipt of a financing proposal from Municipal Asset Management, a packet of manufacturer's warranties from Pierce and other fire apparatus companies, and correspondence from Village Attorney Ryan. Wilson distributed a copy of the Purchase Agreement from Pierce.

Wilson related that the ladder truck en route from Oregon to Pierce Manufacturing, Inc. in Appleton, Wisconsin. This is where the truck will receive the necessary modifications in order to comply with Michigan state law along with the Village of Beverly Hills decals. Wilson referred to Paragraph 8 of the Purchase Agreement with Pierce stating that final inspection will take place in Appleton, Wisconsin. A representative of the Village will be present to ensure that the vehicle is functional and meets the agreed upon specifications. At that point, the Village will be given an acceptance certificate that Beverly Hills will send to Municipal Asset Management in order for them to release the financing.

Pierce will be responsible for delivering the truck to Wixom, Michigan, where it will be inspected once again. The Village will have 15 days from that point to notify Pierce of any issues that it has with the vehicle, after which time Beverly Hills will take full possession of the vehicle.

Wilson addressed an item noted in the warranty documents and referenced in the Pierce Purchase Agreement. Everything is under warranty as if the Village was buying a new vehicle with one exception. Wilson provided details on language in the transmission warranty from Allison dealing with demonstration vehicles.

Wilson stated that the Purchase Agreement with Pierce has not been executed to date because they have not required it. Pierce has held the vehicle for the Village to allow for the process of making the required modifications.

A letter dated January 22, 2013 from Tom Ryan indicates that he has reviewed that Agreement from Municipal Asset Management and the warranties from Pierce for the ladder truck. Ryan stated in the letter that he is prepared to sign the Purchaser's Counsel's Opinion upon Council approval of the financing arrangement.

Wilson and Ryan addressed questions from Council regarding the financing document from Municipal Asset Management, Inc. Council expected to receive a Purchase Agreement from Pierce Manufacturing and lease financing documents from Municipal Asset Management. There followed a discussion on the language of the document from Municipal Asset Management, Inc. entitled "Master Tax-Exempt Installment Purchase Agreement". The conversation included references to various articles and paragraphs and the exhibits contained in the document.

Council members Kelly and LaFerriere requested further review of specific provisions in the document and additional clarification from Municipal Asset Management, Inc. There was concern expressed relative to language in the financing document, particularly with respect to Municipal Asset Management referring to itself as the "seller" and the Village as "Purchaser". Council member LaFerriere asked that this language be changed. Council member Kelly also requested changes to the agreement, including the removal of a section involving the waiver of a right to a jury trial. Wilson state that he could not speak to the Municipal Asset Management's position on changes to the contract at this point.

Ryan explained that the financing agency refers to itself as the seller because, once the Village accepts the vehicle, Beverly Hills will pay \$160,000 to Pierce Manufacturing and Municipal Asset Management will pay the balance. Thereafter, the Village has the obligation within seven years, in accordance with the schedule of payments (Exhibit 1), to make those payments to Municipal Asset Management. The Village is the purchaser of financing. As long as the payments are being made by the Village, Municipal Asset Management will be on the title. At the close of the payment period, Municipal Asset Management will sell the truck to the Village for \$1.

Jim Osmer of 18301 Riverside Drive commended Village and Public Safety Administration for its due diligence relative to exploring the options for purchase of a ladder truck. He made reference to tonight's discussion on the financing agreement and suggested that Council may want to receive clarification before executing the seven year lease agreement.

Motion by Mooney, second by Oen, that the Village of Beverly Hills Council authorize the Village Manager to enter into the Agreement with Pierce Manufacturing for the purchase of the 2011 Pierce Velocity 105' Heavy Duty Ladder Truck under the terms stated in the contract and to enter into the finance agreement with Municipal Asset Management, Inc. for financing of the fire truck.

An inquiry from Council was addressed by Ryan.

Roll Call Vote:

Mercer - yes  
Mooney - yes  
Oen - yes  
Burry - yes  
Kelly - no  
LaFerriere - no

Motion passed (4 – 2).

**PUBLIC COMMENTS**

In answer to an inquiry from Andrea Briggs of 16207 Reedmere, Wilson stated that the Village in the process of dispossessing the old fire truck, which is out of service.

Motion by Mooney, second by Oen, to adjourn the meeting at 8:12 p.m.

Motion passed (6 – 0).

**Tim Mercer**  
**Council President**

**Ellen E. Marshall**  
**Village Clerk**

**Susan Bernard**  
**Recording Secretary**