



# Gaston County

Gaston County  
Board of Commissioners  
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## Fire Marshal Board Action

File #: 19-022

Commissioner Chad Brown - Fire Marshal - To Approve a Certificate of Need for Alexis Volunteer Fire Department to Obtain Financing (\$573,257) to Purchase a 2019 Pierce Enforcer Rescue Engine

### STAFF CONTACT

Eric Hendrix - Fire Marshal - 704-866-3231

### BUDGET IMPACT

This purchase is in keeping with current policy.

### BUDGET ORDINANCE IMPACT

This purchase is in keeping with current policy.

### BACKGROUND

Chief Brad Presswood presented a Certificate of Need for Alexis Volunteer Fire Department. They are planning to purchase a 2019 Pierce Enforcer Rescue Engine. This will replace Engine 203. Engine 203 (2008 Smeal Rescue Engine) is causing high maintenance costs. They plan to sell Engine 203 (asking \$200,000-\$250,000) and put the majority of the funds toward the new Rescue Engine. They will also use some of the funds along with their normal budget to purchase equipment for the new Rescue Engine. This purchase will not require a tax increase. Cost of the new apparatus will be \$573,257. They are looking to finance this amount with Local Government Federal Credit Union at a rate of 3.4% interest for 10 years (\$70,594.37 annual payments). The term of the loan is 10 years, but they expect to pay off in 6 years. Discussion followed. Jeff Hovis shared that he thought that Alexis had a solid plan. David Toomey made a motion to recommend to the Commissioners that they extend the Certificate of Need to Alexis Volunteer Fire Department. Jeff Hovis seconded the motion. There was no further discussion or opposition. The vote was unanimous. The motion carried.

### POLICY IMPACT

N/A

### ATTACHMENTS

Alexis VFD - Certificate of Need

DO NOT TYPE BELOW THIS LINE

I, Donna S. Buff, Clerk to the County Commission, do hereby certify that the above is a true and correct copy of action taken by the Board of Commissioners as follows:

NO.	DATE	M1	M2	CBrown	JBrown	AFralley	BHovis	TKelgher	TRhillbert	RWorley	Vote
2019-017	01/22/2019	JB	CB	A	A	A	AB	A	A	A	U

### DISTRIBUTION:

Laserfiche Users

A=AYE, N=NAY, AB=ABSENT, ABS=ABSTAIN, U=UNANIMOUS



# CERTIFICATE OF NEED APPLICATION

## Fire Department \_\_\_\_\_

Name: Alexis Volunteer Fire Department

Address: 4168 Charles Raper Jonas Highway Alexis NC 28006  
*Street City State Zip*

Chief: Brad Presswood Contact Phone #: 704-719-6400

Board President: Ronald Sadler Contact Phone #: 704-363-6836

Fire Department Board Approval / Notification:  Yes  No

### General Description of Purchase:

2019 Pierce Enforcer Rescue Engine

### Time Line of Purchase:

Signature of contract between the Department and Pierce by January 31, 2019 to avoid price increase due to rise in metal pricing. Take delivery by end of year 2019.

### List Specifics of Purchase:

As of now, planning on selling Engine 203 (2008 Smeal Rescue Engine) due to high maintenance cost. At present this apparatus has cost on average of \$10,000/year over the past 6 years to keep it in service. The Department will sell this apparatus and put the majority of the funds on the new Rescue Engine to allow the purchase of a second Rescue Engine within the next 4 years to replace aging apparatus. Some of the funds, along with the normal budget, to purchase equipment for the new Rescue Engine.

Estimated Cost: \$550,000-\$580,000

## Financing Information \_\_\_\_\_

Lender: LGFCU

Amount Financed : \$300,000-\$400,000 Rate: TBD

Estimated Amount : TBD # of Payments: TBD

Down Payment Amount: \$200,000-\$250,000 (Market Value of Current Engine 203)

Debt Ratio-Current / Post Purchase: TBD

Any Re-Financing or Bundling  Yes  No (If Yes, Then Describe):

LGFCU has recommended to separate the two building loans instead of the current combined loan for both fire stations. This will be worked on in conjunction with the new Rescue Engine loan, however, this will not have any ties to the apparatus loan. This statement is to inform needed parties what is taking place.

## CERTIFICATE OF NEED APPLICATION

**How Will Purchase Benefit the Department (Safety/ISO/Cost Savings, etc.):**

Replace the current Engine 203 with a new Rescue Engine due to high maintenance cost. The current Engine 200, which was slated to be replaced with the new apparatus, has a very low maintenance cost record and continues to

**How Will Purchase be Funded (Long Term - NOT Just Current Year):**

Within current budget allocations. No tax rate increase will be required to fund this purchase.

**If Purchase is NOT Approved for Funding, Describe Department Alternatives:**

No alternatives are available.

Is this a Replacement?                       Yes             No

**If Yes, List Details (make, model, years of service, remaining balance, etc.).**

Engine 203 - 2008 Smeal Rescue Engine - 10 years of service - \$0 balance (Department Owned)

**What Will Become of Old Apparatus / Equipment?**

Place up for sell - most likely with an apparatus broker once the new Rescue Engine is delivered and in service.

Has 5 Year Plan Been Submitted?    Yes             No

Received By \_\_\_\_\_ Date: \_\_\_\_\_  
*FMO Staff.*

Fire Advisory Board Meeting Date: \_\_\_\_\_ Approved / Not Approved

Gaston County BOC Meeting Date: \_\_\_\_\_ Approved / Not Approved

## **Patsy Haney**

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**From:** Brad Presswood <bmp4646@yahoo.com>  
**Sent:** Monday, January 07, 2019 1:14 PM  
**To:** Patsy Haney  
**Subject:** {External} Finance Info

**CAUTION:** This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Patsy,

Loan through LGFCU  
Rate is 3.4%  
Term is 10 years but will payoff before 6 years  
Payment is \$ 70,594.37 annually

Thanks,

Brad Presswood  
Alexis Fire Department, Chief  
(704) 719-6400  
bmp4646@yahoo.com

Disclaimer: Pursuant to the Freedom of Information-Privacy Acts (FOIPA) and North Carolina General Statutes Chapter 132, Public Records, this electronic mail message and any attachments hereto, as well as any electronic mail message(s) sent in response to it may be considered public record and as such subject to request and review by anyone at any time.

Sent from Yahoo Mail for iPhone



## PROPOSAL FOR FURNISHING FIRE APPARATUS

Alexis Volunteer Fire Department  
P.O. Box 157  
Alexis, NC 28006

January 7, 2019

The undersigned is prepared to supply for you, upon an order being placed by you, for final acceptance by Pierce Manufacturing, Inc., in its home office of Appleton, Wisconsin, the apparatus and equipment herein named and for the following prices:

**One (1) 2019 Pierce Enforcer Pumper as Specified** **\$ 590,979.00**

Said apparatus and equipment are to be built and shipped in accordance with specifications hereto attached. Delays due to strikes, war, or intentional conflict, failures to materials or other causes beyond our control not preventing, within about 8.5 months after receipt of this order and the acceptance thereof at Pierce Mfg. in Appleton, Wisconsin and to be delivered to you at the **Alexis Fire Department**.

The specifications herein contained shall form a part of the final contract, and are subject to changes desired by the purchaser, provided such alterations are interlined prior to the acceptance by the company of the order to purchase, and provided such alterations do not materially affect the cost of the construction of the apparatus.

The proposal for fire apparatus confirms with all Federal Department of Transportation (DOT) rules and regulations in effect at the time of bid, and with all National Fire Protection Association (NFPA) Guidelines for Automotive Fire Apparatus as published at the time of bid, except as modified by customer specifications. Any increased cost incurred by first party because of future changes in or additions to said DOT or NFPA standards will be passed along to the customer as an addition to the price set forth above.

Unless accepted within 45 days from date, the right is reserved to withdraw this proposition.

Atlantic Emergency Solutions

By:   
Frank Suggs, Regional Account Manager





**Alexis Fire Department**  
**Prepay Numbers**  
**1-7-19**

Pierce offers a discount if the Fire Department decides to pay for the apparatus at the time of order placement. This is not a requirement for the proposal, but an option extended for saving funds.

<b>Apparatus</b>	<b>Original</b>	<b>Discount</b>	<b>Amount Due at Order</b>
Enforcer Pumper	\$ 590,979.00	<\$ 17,722.00 >	\$ 573,257.00

*BS* 1-7-19

The Amount Due at Order includes the amount for a performance bond to protect your money.



