

**Item Title:** Resolution Calling for a Public Hearing in Connection with an Installment Financing Agreement for the Acquisition of Firefighting Apparatus

**Specific Action Requested:**

**That the Board of Commissioners approves the attached resolution calling for a public hearing in connection with an installment financing agreement for the acquisition of firefighting apparatus**

**Item Summary:**

The FY 2017-2023 CIP includes \$1,688,000 of debt to be authorized for firefighting apparatus in FY 2017 for the rural fire tax district. Debt service for installment finance purchase agreements are permitted by GS 160A-20 which permits counties to finance the acquisition of property with a security interest to secure repayment of the moneys advanced. The debt service payments are budgeted in the County's debt service fund, and dollars are annually transferred from the Rural Fire Tax District to the debt service fund to provide for the payment of principal and interest related to the financing of apparatus.

The Apparatus Committee of the Wake County Fire Commission, in conjunction with the Wake County Finance Department, is charged with coordinating the purchase and replacement of major fire apparatus with Fire Tax District capital. Types of large apparatus scheduled for replacement include engines, pumper/tankers, tankers, rescue trucks, and service trucks. Small apparatus include first responder and administrative vehicles. Apparatus not included are aerials, other types of ladder trucks, brush trucks, boats, and specialty vehicles.

The Apparatus Committee and the Wake County Fire Services Department gathers and maintains an inventory of fire apparatus with each department in the replacement program. It has been determined that two tankers and two pumpers are to be financed, in addition to reimbursing cash previously appropriated in FY 2016 for the purchase of a Bay Leaf Rescue truck.

Department	Apparatus	Amount Financed
Durham Highway	Rosenbauer Pumper	\$ 459,859
Fairview	Rosenbauer Pumper	459,859
Bay Leaf	Pierce Impel Rescue	420,000
Fuquay Varina	Rosenbauer Tanker	361,720
Wake Forest	Rosenbauer Tanker	361,720
		\$ 2,063,158

The FY 2017 CIP contemplated debt financed apparatus for Durham Highway, Fairview, Fuquay-Varina, and reimbursing cash for the Bay Leaf rescue truck. Subsequent to the FY 2017-2023 CIP adoption, it was decided that the Wake Forest tanker should be debt financed, and is included in the total above.

The attached resolution schedules a public hearing in connection with the installment financing agreement, as required by federal tax regulations, for the November 7, 2016 Board of Commissioners meeting, scheduled for 5:00 pm in room 2700 of the Wake County Justice Center. As required by federal tax regulations; the notice must be published no later than the 14<sup>th</sup> day before the date of the public hearing.

In October, Wake County Finance staff will issue a request for proposals related to the financing of not to exceed \$2,100,000 for new firefighting apparatus. Staff will analyze proposals with the advice of the County's financial advisor and bond counsel. At the November 7, 2016 Board of Commissioners meeting, the Board will be asked to approve the installment finance agreement, a security agreement, related agreements, appropriate the installment financing proceeds, and amend the fire service and debt service fund budgets accordingly.

**Attachments:**

1. Resolution Calling for Public Hearing