

REQUEST FOR BOARD ACTION

ITEM NO. 9,

DATE OF MEETING: February 6, 2012

REQUESTED BY: Chief Demetrius Batts, Surf City Volunteer Fire Department

SHORT TITLE: Resolution Authorizing Heating System Equipment Financing for the Surf City Volunteer Fire Department

BACKGROUND: The Surf City Volunteer Fire Department is in the process of obtaining a loan to achieve the replacement of the heating systems in the bay area of the fire department. The amount of the proposed financing is \$5,500.00.

The recommended financial institution is requiring approval of the County Board of Commissioners. The fire department's contract with Pender County requires Board of Commissioners' consent if the total amount of debt service (including the proposed financing), exceeds 25% of the amount of annual property tax revenue. In this case, the existing and proposed debt service exceeds 25% of the annual property tax revenue collected by the Surf City VFD as certified by the County's Finance Office, thus County approval is required.

The County also requires competitive bidding for financing of any equipment. The following financing bids were received:

	<u>Firm</u>	<u>Total Amount Financed</u>	<u>Interest Rate</u>	<u>Term</u>
1.	United Financial	\$5,500	5.25%	5 annual payments
2.	Bank of America	\$5,500	12.74%	60 Monthly payments

After evaluating financing bids, the Department recommends and desires to pursue a financing agreement with United Financial.

SPECIFIC ACTION REQUESTED: To consider a resolution authorizing financing for heating system equipment for the Surf City Volunteer Fire Department.

COUNTY MANAGER'S RECOMMENDATION

Respectfully recommend approval.

AMP
Initial

RESOLUTION

NOW, THEREFORE BE IT RESOLVED by the Pender County Board of Commissioners that:

the Board hereby authorizes the Surf City Volunteer Fire Department financing proposal for the bay heating system replacement in the principle amount of \$5,500.00. The County Manager/Chairman shall have the authority to execute any/all documents necessary to implement this resolution.

AMENDMENTS:

MOVED _____ SECONDED _____

APPROVED _____ DENIED _____ UNANIMOUS

YEA VOTES: Brown ___ Tate ___ Rivenbark ___ Ward ___ Williams ___

George R. Brown, Chairman

2/6/12
Date

ATTEST

2/6/12
Date



**Surf City VFD
100 DEER RUN RD.
HAMPSTEAD NC.
28443
910-329-2911
FAX-910-329-0354**

To : Tom Collins
From: Demetrius Batts
Re: Truck Bay Heaters Project

Tom,

This letter is to inform you of the information on our Truck Bay Heaters Project , that we had started in 2011. We were in need of replacing the current heating system, due to the age, and it also not being fuel efficient. This heater is old and costing the department a lot of money each year during the winter months. The cost of this project is \$5,500.00. The loan will be through United Financial , and the contact is Bill Ammons. The loan is set to be paid off completely after the first year. With the exception of any unforeseen emergency expenses.

If you have any other questions, or need any other information, feel free to contact me.

Thank You,

A handwritten signature in cursive script that reads "Demetrius Batts".

Demetrius Batts
Chief
Surf City Vol. Fire Department
910-612-9119

United Financial

of North Carolina, Inc.

58 Wilkie Way

Fletcher, NC 28732

January 23, 2012

Chief Demetrius Batts
Surf City Volunteer Fire Department, Inc.
100 Deer Run Dr.
Hampstead, NC 28443

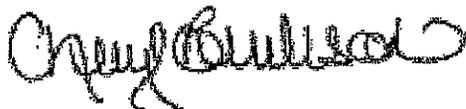
Chief Batts,

The Surf City Volunteer Fire Department, Inc. entered into a Municipal Lease and Option Agreement with United Financial of NC, Inc. dated 6/03/2010 for the purpose of acquiring a new Pierce Fire Apparatus and Refinancing a 1999 Pierce Fire Apparatus. The amount of the Lease is \$505,180.70 with an interest rate of 5.49% and 20 annual payments of \$41,496.95.

The Department entered into a Municipal Lease and Option Agreement with United Financial of NC, Inc. dated 11/15/2011 for the purpose of acquiring a LP Gas Heating System for the Bay Area of the Fire Station. The amount of the Lease is \$5,500.00 with an interest rate of 5.25% and 5 annual payments of \$1,279.15.

The Departments annual debt totals \$42,776.10. The approximate amount of annual revenue the department receives is \$170,000.00. Their annual debt to income ratio is approximately 25%.

Cheryl Burleson



Underwriting Administrator

Ph. # 828 / 684-5643

Fax # 828 / 684-5616

East Coast Custom Builders
 Brian Curran - 910-367-2816
 110 Canvas backpt
 Hampstead, N.C. 28443

CONTRACTORS INVOICE

WORK PERFORMED AT:

100 Deer Run Rd
 Hampstead, N.C. 28443

TO:
 SCVFD

DATE: _____ YOUR WORK ORDER NO: _____ OUR BID NO: _____

DESCRIPTION OF WORK PERFORMED		
4 - Hanging kits	40 50 ⁰⁰	200 ⁰⁰
4 - 40,000 Btu Int'l. - Red Water Heaters	496 00 ⁰⁰	2500 ⁰⁰
gas Lines + Regulator + Materials		1,000 ⁰⁰
Electrical + Materials		1,000 ⁰⁰
Labor to Install Water		1,900 ⁰⁰
EST. =		6,600 ⁰⁰
W/o Electric		5,500 ⁰⁰

All Material is guaranteed to be as specified, and the above work was performed in accordance with the drawings and specifications provided for the above work and was completed in a substantial workmanlike manner for the agreed sum of _____ Dollars (\$ _____).

This is a Partial Full invoice due and payable by: _____ Month _____ Day _____ Year
 in accordance with our Agreement Proposal No. _____ Dated _____ Month _____ Day _____ Year

100 golf terrace rd
 Hampstead NC 28443
 Phone # 910-599-6834

CONTRACTORS INVOICE

WORK PERFORMED AT:

Hwy 260 - Station

TO: Surf City vol. fire department

DATE: YOUR WORK ORDER NO.: OUR BID NO.:

DESCRIPTION OF WORK PERFORMED		
4 - HANGING kits	4 @ 75	300 ⁰⁰
Gas Lines plus Materials, Agmt		1400
4 - 40,000 Btu ^{attached} INFRARED Heaters	4 @ 721.50	2886.08
Labour		4586.08
Electrical =		1500 ⁰⁰
		6086.08
		850.00
		6,936.08

All Material is guaranteed to be as specified, and the above work was performed in accordance with the drawings and specifications provided for the above work and was completed in a substantial workmanlike manner for the agreed sum of _____

Dollars (\$ _____)

This is a Partial Full invoice due and payable by: _____
 Month _____ Day _____ Year _____
 in accordance with our Agreement Proposal No. _____ Dated _____
 Month _____ Day _____ Year _____

NC3822

CONTRACTORS INVOICE