

**CITY OF SHEPHERDSVILLE
CITY COUNCIL SPECIAL MEETING MINUTES
MONDAY, April 30, 2018**

Gloria Taft delivered the invocation

The Pledge of Allegiance was recited

Council members present: Gloria Taft, Mike Hibbard Sr., Lisa Carter, Donna Burke, Stacey Cline and Bonnie Enlow

Mayor Hockenbury called the meeting to order at 6:30.

Mayor Hockenbury announced this meeting was to approve fire apparatus purchase through HGACBuy.

Fire Chief Layne Troutman: As everyone knows we've had several meetings before over the need to purchase fire apparatus. To give a little summary why we are doing this; all of our fleet is costing us quite a bit of money every year. The ladder truck we have, since 2016 has cost the City \$32,000 in repairs just on one truck. The only two trucks we have by Standard that are still supposed to be in service is the 2006 Seagrave and a 2001 Pierce Quantum. Everything else should have been out of service by now by NFPA Standards meaning that the Engine Companies are over 20 years old and the Ladder Company is over 25 years old. That's why we got into looking at apparatus because it was costing us a fortune in maintenance every year. Hopefully by doing this tonight we'll lower our maintenance down to half of what we spend right now, more than that probably and we can use that as part of the payment. The proposal tonight is that we would like to purchase two Rescue Engine Companies and a Ladder Truck to protect the City of Shepherdsville. What that will do is where we have six companies right now we would sell five companies off and drop us to four companies total for the City meeting our requirements for ISO and hopefully zero maintenance issues for at least three years because it will be mostly warranty work. The truck that we would keep we have very minimal problems out of it at this time. What we are looking at we would need to borrow from an entity at least \$2.35 million to make this purchase. We've checked in with a couple different places; I had Stephanie check with Kentucky League of Cities, their interest rate was 5% that's out. Republic Bank had a 3.68% interest rate for 10 years. That would be making the payment at \$282,852.00 a year for 10 years without anything down and no prepayment penalty. Mike Hibbard: You said Stephanie is still researching other lending companies. Chief Troutman: She is. As I was explaining to you the way we are going about this is we're going through the HGACBuy through Pierce; if it's okayed tonight they will send it off and we'll get the bid package back; once it comes in it will be up to the Mayor to sign it, at that point we have 15 days to make the payment. It's going to give us a couple weeks to search for financing and look for better interest rates than we are finding. Gloria Taft: We could go ahead tonight and make this determination and at the next Council Meeting we can make an absolute decision on final financing. Chief Troutman: Yes. Lisa Carter: What is the time frame if this goes through for the fire trucks to be complete and in Shepherdsville? Chief Troutman: Within 3 to 6 months. Mayor Hockenbury: Can you give a little detail on what you think you'll make off of what you sell? Chief Troutman: We would hope to bring back in at least \$400,000 on them. There are 5 companies that we would sell. There are small volunteer Departments that would buy them that wouldn't run them near as much as us. Currently we are the busiest agency in the County; we are over 400 runs right now for the year. We stay pretty busy. Lisa Carter: I think we had asked earlier about the equipment that is on the trucks. Is that going to be additional on top of the trucks? Chief Troutman: The only thing coming with the new trucks is each truck will be outfitted with a rescue system which is new hydraulic tools for auto extrication/rescues. The older stuff will be sold off also. What we're checking into now on it is to see if it's going to be better to sell it off by itself or sell it with the apparatus when we sell it to see which one brings in the better price. Gloria Taft: This year in your budget we've already set aside \$150,000 for the year. That's a little more than half the payment that you would need for a ten year. So we're talking less than \$100,000 the City would have to come up with additional to put with that to make sure we cover just the minimum payment. Mayor Hockenbury: Can you address that? Chief Troutman: We have the \$150,000 from the sale of a truck in our budget; it's labeled for a payment here on

out. When we were going over this we'll be able to cut our maintenance budget down which will probably bring another \$30,000-\$40,000 toward the payment. Also, there are Assets Purchased account that we normally budget around \$57,000 in that and we'll be able to cut quite a bit out of it to use toward that also. A lot of this we have in our budget already. We would need a little bit of money to put in our budget to do this. Gloria Taft: This year alone we budgeted \$190,000 for parking lot; that's a one-time expense so just with the money from the parking lot we could carry that over to the fire apparatus it more than covers that payment. Gloria Taft made motion to accept the HGACBuy. Donna Burke 2nd. Motion carries 6-0.

Donna Burke made motion to Adjourn. Lisa Carter 2nd. Motion carried 6-0 Meeting adjourned at 6:41 p.m.

Curtis Hockenbury, Mayor

Tammy Richmond, City Clerk