

**REQUEST FOR BOARD  
ACTION**

**HENDERSON COUNTY  
BOARD OF  
COMMISSIONERS**

**MEETING DATE:** February 3, 2020

**SUBJECT:** Etowah-Horse Shoe Fire and Rescue Department

**PRESENTER:** Kevin Waldrup

**ATTACHMENTS:** Yes  
1. Draft Letter to Home Trust Bank

**SUMMARY OF REQUEST:**

During the budget process in 2019 Etowah-Horse Shoe presented their budget needs to the Henderson County Fire and Rescue Advisory Board. At that time, they asked for an increase and their needs included the purchase of a new duty Engine and Tanker. The Engine will replace a 29-year-old truck. We have out for bid a Duty type Engine with a 1500 gpm pump and 750-gallon tank with seating capacity for 4 members on a custom cab chassis. The Tanker will be replacing 3 older apparatus. The Tanker truck will have a 1250 gpm pump and 3500-gallon tank. Bids are currently into 3 prospective builders and we are awaiting bids. Our Department Finance Committee has contacted Home Trust Bank to secure a loan of \$800,000 to fund this project. There is no down payment. The following loan payment schedule is on an 8-year term, 2.37% interest with annual payment of \$232,276.99. An ad ran December 24, 2019 in the local paper and held a time for public comment at the Department.

**BOARD ACTION REQUESTED:**

The Board is requested to authorize the Chairman to sign the attached letter to Home Trust Bank.

**Suggested Motion:**

*I move the Board authorize the Chairman to sign the letter to Home Trust Bank on behalf of Etowah-Horse Shoe Fire & Rescue.*

*(To Be Reproduced on County Letterhead)*

**DATE** (please date after the department has held their public meeting on \_\_\_\_\_)

**Municipal Lease and Option Agreement between Home Trust Bank and Etowah-Horseshoe Volunteer Fire & Rescue Department, Inc.**

I am Chairman of the County Commissioners of Henderson County. This letter is to advise you that: Etowah-Horseshoe Volunteer Fire & Rescue Department, Inc. is a qualified Volunteer Fire Department, assigned to protect a specific Fire District within this County.

In addition, a special ad valorem (fire tax) is assessed on the real property owners of this district. Said tax is to be used exclusively to provide equipment, facilities, and training as is necessary to provide fire protection for said district. Said funds may also be used to upgrade equipment as the need arises. This tax is collected by the County and disbursed by the Finance Office to the Fire Department on a regular basis by the County Finance Officer. The Fire Department is operated and managed by the Board of Directors of the Fire Department and the Officers of said Department. The Department is currently meeting the requirements of their fire service contract.

The Fire Department has made us aware of their intention to acquire new capital assets through a Lease Purchase transaction with your firm. Please be advised that the County has no objection to this transaction.

Sincerely,

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**Chairman  
Henderson County Commission**