

EXECUTIVE SUMMARY

Detailed Description of Application

The Fire District obtained voter approval to lease/ purchase a new rescue truck for an amount not to exceed \$750,000. The Voters approved this Lease by a margin of 45-11 at its regular election held by the legal voters of the district on February 20,2020. In July of 2020, the district resolved to make application and join the Houston-Galveston Area Council of Governments National Cooperative Purchasing Program (HGAC-Buy). The HGAC-Buy program satisfies New Jersey local Public Contract Law, N.J.S.A. 40A:11 et seq., with purchasing available without further competitive bidding. As a result, the District anticipates entering a 10-year lease for a rescue truck. The total cost of the equipment is \$698,974. The District will make a down payment of \$200,000 at signing, resulting in a financed lease purchase balance in the amount of \$498,974, at an interest rate of 1.88 %. This will result in 10 annual payments of \$55,202.05. The First payment on the lease will not be due until 2021. The down payment of \$200,000 will come out of the Districts capital reserves. P.L. Custom Body & Equipment Company is a qualified vendor in the HGAC-Buy program.

The District publicly advertised, as well as solicited bids from 12 equipment finance companies and received only 1 quote for interest rates. It is anticipated the annual cost of financing will be 0.056 per hundred annually per District taxpayer.

The new Apparatus will allow the District to respond to all motor vehicle accidents, structure fires, brush fires, and downed power lines. This new apparatus will serve the Hopelawn section of Woodbridge Township with the responsibility of responding to the New Jersey Turnpike, residential neighborhoods, and numerous commercial sites.

The District respectfully requests the Local Finance Board reviews and renders positive findings regarding the proposed transaction at the meeting of the Board scheduled for September 9, 2020.