

# Firehouse Project

Status Report as of 4/21/21

## **Background:**

### **CVFA:**

The Crescent-Villa Fire Authority (CVFA) was created through an Interlocal Agreement (ILA) between the cities of Crescent Springs and Villa Hills, and the Crescent Springs Volunteer Fire Department, Inc. (CSVFD) to provide fire and EMS services. The revised ILA mandates that CVFA is composed of 4 members appointed by the Mayor of Villa Hills, 3 appointed by the Mayor of Crescent Springs and 2 appointed by the President of the CSVFD.

### **Interlocal Agreement:**

The revised ILA is effective January 1, 2021. It was signed by Crescent Springs on 2/13/21, CSVFD on 2/15/21, and Villa Hills on 2/21/21.

### **CVFA Firehouse Committee:**

The Firehouse Committee is composed of members of the community appointed by both Mayors and the President of CSVFD who have experience in fire safety, emergency medicine, construction related businesses, or finance, to make recommendations to CVFA regarding design and construction of the firehouse.

### **CVFA Design Committee:**

CVFA was commissioned by both City Councils (Councils) to investigate replacing the existing firehouse. To that end, each Mayor has appointed representatives from his/her City to sit on this committee. Additional members were appointed by the President CSVFD. A subset of that committee has been formed (Design Committee) to facilitate the design portion of the project. Ten design firms submitted responses to the RFP. Of those ten, four were selected for an interview. Finally, at the joint meeting on February 1, 2021, Brandstetter Carroll, Inc. (BC) was recommended by the Design Committee, then by the full Firehouse Committee and finally by CVFA with their selection subject to approval by both Councils. The standard AIA contract was generated by BC and submitted to Design Committee. Design Committee made changes regarding scope, contract reviewed by CVFA Council and sent back to BC for their signature. Both Councils authorized the Chair of CVFA to sign the contract. Design began on March 1, 2021.

### **CVFA Finance Committee:**

Effective with fiscal year beginning 7/1/20, both cities agreed to supply their share of \$50,000 for legal, design, and construction work on the firehouse replacement (firehouse fund). It is anticipated that \$45,000 of those funds will be available once a design firm is under contract. Another subset of the Firehouse Committee (Finance Committee) was assigned the duty to find the most efficient source of capital for the project. After canvassing all banks with local branches and two state-wide organizations, the committee settled on the Kentucky League of Cities Bond Corporation (KLC) to provide financing. Another cities in the State have requested to join with KLC in this bond sale. By joining in this offering, CVFA can save bond administration fees and, potentially, lower the effective bond rate. The joining has no effect on the liability of any other organization. At the meeting on February 1, 2021, CVFA agreed to take this approach subject to approval by both Councils. At the actual sale date of the bonds, a total of

\$21M was sold including 6 entities further reducing bond costs. The actual bond rate was 2.752% for 25 years and was funded on April 21, 2021. Disbursements will be made on a “draw” basis with the funds remaining in an interest-bearing account at KLC. Payments will be made electronically on the 1<sup>st</sup> of every month beginning on June 1, 2021. The firehouse fund will be used to fund as many payments as possible if both Councils agree to that approach. CVFA approved that approach on April 19, 2021.

**Next Steps** (some dates are approximate):

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|------------|---|
| Apr, 2021  | First design payment is made by CVFA to Brandstetter using funds drawn from the bond.   |
| Apr, 2021  | Permission requested (both Councils) to use firehouse funds to pay bond debt service.   |
| July, 2021 | Open house at the firehouse with preliminary design on display.   |
| Sept, 2021 | Firehouse Committee recommends final design to CVFA. CVFA accepts design and forwards to both Councils. Both Councils approve. Contract signed by CVFA.   |
| Sept, 2021 | Design complete and Design Committee dissolves.   |
| Sept, 2021 | Architect makes a recommendation to Firehouse Committee regarding selection of a construction firm. Firehouse Committee carries that recommendation to CVFA who takes the recommendation (including estimated cost) to both Councils. |
| Oct, 2021  | Both Councils agree to permit CVFA to hire the construction firm. Contract submitted to CVFA Council and Attorneys for both cities.   |
| Nov, 2021  | Site prep begins. CVFA begins to buy construction materials under its sales tax exemption.  |
| Mar, 2022  | Construction begins.  |
| Mar, 2022  | Firehouse Committee monitors construction until construction complete and reports monthly progress to CVFA and Councils.  |
| Sept, 2022 | Construction complete. Firehouse Committee dissolves.   |