

REQUEST FOR DECISION 066-2023

Title: Fire Pumper/Tanker Truck Purchase

Date: 2023-12-19

Department: Fire Department



SUMMARY

Fire Pumper/Tanker Truck Purchase

The approved 2023/24 Town Budget and related Capital Investment Plan (CIP) included the purchase of a fire apparatus in 2024/25 (Year 2 of the CIP) to replace the 1998 Pumper 11 truck. That item had a budget estimate of \$1.4 million. Subsequent to budget approval in March, the Fire Department determined it would be preferable to have the new apparatus be a pumper/tanker, not solely a pumper replacement. That decision point was brought to Council by way of RFD 038-2023 (July Council) with a motion to increase the budget allotment to \$1.7 million to cover what was an expected \$300,000 increase in cost. The beneficiary offset would be that the Town would not have to replace the 2006 tanker scheduled for 2031/32, equating to a savings of \$1,000,000.

The tender for the now pumper/tanker apparatus closed on Thursday, December 7th. One submission was received, and the amount currently quoted in the tender is in excess of \$1.8 million. This variance is outside the CAO's authority to approve (Procurement Policy 5.2.1), i.e. 5% variance from budget.

As noted in RFD 038-2023 in July, and during annual budget discussions, the truck being replaced is now 25 years old and it is important to continually upgrade the fleet to maintain the ability to respond to life safety services.

DRAFT MOTION:

That Council approve the acquisition of a new E-One Pumper/Tanker at a price of \$1,733,238.54 (plus HST) from Techno FEU resulting in a net cost to Town of \$1,807,525 (after HST rebate). The net purchase price is to be funded by way of Fire Equipment Capital Reserves.

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1) CAO COMMENTS

The CAO supports the recommendations of the Fire Department. The rationale for the purchase of the apparatus remains and there is no indication that either price or delivery timeframes will improve in the near future.

2) LEGISLATIVE AUTHORITY

- Fire Services Agreement, 2005
- MGA

3) STAFF/FIRE DEPARTMENT EXECUTIVE RECOMMENDATION

Given the escalating costs for fire apparatus over the last couple of years, and with no indication that prices are likely to decline in the near future, staff recommend that Council approve the purchase of the new pumper/tanker as tendered.

4) REFERENCES AND ATTACHMENTS

- Procurement Policy 140-001
- Town 2023/24 Operations Plan and Budget
- Request for Decision (RFD) 038-2023 (July Council agenda)

5) DISCUSSION

Readers are encouraged to review RFD 03-2023 from the July Council agenda for information regarding the decision to tender for a combined pumper/tanker truck. This current RFD 066-2023 deals with the results of the tender process, which closed on Thursday December 12th. The results of that tender show a purchase cost that is beyond the CAO's authority to approve (5% variance from approved budget). If the tendered price holds until date of acquisition, the net cost to Town will be 6.3% higher than the revised budget approval from July Council. This equates to an additional \$107,525 above the revised budget from July.

High level comments from the tender process include:

- Only one tender received.
- Tender met majority of specifications as per tender document. The Fire Department executive reviewed the details of the tender submission received and found all variances from specifications to be within an acceptable range. These include:
 - Frame size
 - Qualification wording on engine specification
 - Service facility within 100 km radius of Wolfville

REQUEST FOR DECISION 066-2023

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- Frame assembly size
- Engine specification X12 vs X10
- A number of other equivalent to spec elements.

It would be important to note the following sections:

Engine – submission notes X12 engine may not be available by the time the unit is built, and likely will end up with an X10 engine. Submission notes it is unknown at this time what financial impact such a change would make, and if a cost increase is required it would be reflected on the final invoice.

Delivery timeframe – specification showed an 1100-day delivery timeframe. Submission notes that this can be met if the prebuild meeting is held within the period specified by the manufacturer. All parties hope for a faster turnaround time, but based on submission the 1100 days equates to 3 years.

6) FINANCIAL IMPLICATIONS

Based on current annual contributions to Fire Equipment Reserve, there will be just under \$2 million in reserves by March 31/26, which is before the new truck is likely to be delivered. This purchase will deplete those reserves and whatever truck is next to replace after that will likely require debt financing. The timing of future purchases will be impacted by the potential new Inter-Municipal Service Agreement involving the Conty of Kings and Town of Wolfville.

7) REFERENCES TO COUNCIL STRATEGIC PLAN AND TOWN REPORTS

Nothing provided in this section.

8) COMMUNICATION REQUIREMENTS

Nothing added at this time.

9) ALTERNATIVES

The alternatives are not unlike the ones noted in RFD 038-2023.

- Not acquire the new pumper/tanker
 - Might involve going back to tender for a pumper only. This is not recommended as it does not meet the future needs of the Fire Department as outlined in RFD 038-2023 back in July. Would also likely delay process for at least 6 months to develop new tender specifications and puts the fleet replacement program even further

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behind with no guarantee of substantial savings (note this would require adding a new tanker back to the 10 year capital plan).

- Delay buying a new pumper/tanker for another year or two pending finalization of the proposed new IMSA with the County of Kings. This is not recommended as this purchase will be required and does not duplicate anything in the current fleet. Also, if these decisions are delayed it will also put some of our apparatus outside of the NFPA standard due to long manufacturing and supply timing.