

COMMITTEE OF THE WHOLE JANUARY 13, 2009

FIRE APPARATUS PURCHASE

Recommendation

The Fire Chief, in consultation with the City Manager, the Director of Purchasing, and the Director of Capital Reserves and Investments, recommends:

1. That the City enters into a sole source agreement with Smeal Fire Apparatus, Snyder NE. USA, for the Supply and Delivery of:

ONE (1) 2009 Smeal Custom 17m Rear Mount Hydraulic Ladder EHL Quint per the capital Budget Project # FR - 3510 - 08 , for the NET sum of \$619,000 US dollars plus applicable taxes or approximately \$758,000 Canadian Dollars from Smeal Fire Apparatus Company, Snyder, NE. USA. This price includes a trade in allowance of \$25,000 for a 1988 Pierce Telesquirt.

2. That the Mayor and Clerk be authorized to sign the necessary documents.

Economic Impact

Funds are available to undertake the required purchase with the approved 2008 Capital Budget.

Communications Plan

Not applicable.

Purpose

To seek approval for the sole source award and issuance of a purchase order to Smeal Fire Apparatus (Safetek Emergency Vehicles - Canadian Representative) for one 17m rear mount hydraulic ladder response vehicle (# 3510-08) funded from the Fire Equipment Reserve Fund and CWDC Fund respectively.

Background - Analysis and Options

The City of Vaughan was an original partner in the York Region Fire Cooperative Purchasing Program, which issued RFPs for the supply of various models of fire apparatus for various municipalities in the Region, and has been active for the past several years. Over that time, the City has purchased thirteen (13) fire apparatus units from Smeal Fire Apparatus (Safetek), utilizing the bulk purchasing power of several municipalities working together and the vendor's ability to extend original pricing for extended periods. Monitoring the trend of apparatus sales, it appears that we have been successful in that regard.

The Toronto Fire Services adopted our RFP process in the fall of 2000 and sought out a vendor for their fire apparatus needs. Smeal Fire Apparatus, who had been successful with the York Region Fire Cooperative Purchasing Program, was also successful on the Toronto RFP process. In 2006 the City of Toronto entered into the largest single contract for fire apparatus in fifty years for fifteen (15) Smeal custom Cab Rescue Pumpers. In August 2008 the City of Toronto Bid Committee authorized staff to award a contract for the supply and delivery of seven (7) Rescue/Pumper Trucks to Safetek Emergency Vehicles. In addition our status as an Authorized Warranty Center for Spartan Motors, Smeal Fire Apparatus, SVI and Safetek Emergency Vehicles has enabled VFRS to consistently negotiate best price for our emergency response vehicles.

The Vaughan Fire and Rescue Service currently has purchased its last thirteen (13) apparatus from Smeal fire Apparatus (Safetek) with the same Spartan MFD chassis model, with the same diesel engine and Allison transmission etc. that Toronto and other York Region municipalities have purchased and we desire to purchase again.

The Purchasing Authorization Bid Limit Policy allows for sole sourcing of goods and services greater than \$100,000 without requiring public advertisement and subject to award by Council.

The purchase of this vehicle is within the budget-approved amounts of \$ 812,000 for the rear mounted hydraulic ladder unit and funding is available. The proposed trade in unit, VFRS 79-30 (1988 Pierce Telesquirt) has reached its serviceable life span. The Administrative Fee is in addition to the purchase amount and some equipment will be purchased and installed locally to complete the projects within the approved budget amounts.

Although there are other fire apparatus manufacturers, it is recommended to sole source the acquisition of this fire apparatus from the same manufacturer of the last thirteen (13) units purchased by the City of Vaughan. This will provide standardized chassis and fire-package components, servicing and parts inventory, and training/operator familiarity.

Relationship to Vaughan Vision 2020 / Strategic Plan

This report is consistent with the priorities previously set by Council and the necessary resources have been allocated and approved.

Regional Implications

None

Conclusion

The recent RFP process in Toronto and other York Region municipalities demonstrate that the recommended vendor, Smeal Fire Apparatus, through its local sales agent Safetek Emergency Vehicles Ltd., continues to provide a high quality product at the best price, and that award of this proposal will eliminate an extended bid-process that would unlikely produce better pricing, yet alone a standardized product from another vendor.

Attachments

1. Proposal Letter 2008 from Safetek Emergency Vehicles Ltd.
2. Trade In Allowance Offer
3. Proposal for New Smeal 17M Rear Mount Aerial Ladder Quint

Report prepared by:

Larry Bentley, Deputy Fire Chief Operations
Chris Denis, Chief Mechanical Officer

Respectfully submitted,

G.R. Senay
Fire Chief


SMEAL FIRE APPARATUS CO.

P.O. Box 8
 610 W Fourth St.
 Snyder, NE 68664
 402-568-2224
 Fax: 402-568-2346
 Email: sales@smeal.com
 Web: sméal.com

PROPOSAL FOR FIRE APPARATUS

 Date: **Sept 8, 2008**

TO: **Fire Chief Greg Senay**
City of Vaughan Fire & Rescue Services



Dear Sirs:

We hereby propose and agree to furnish, after your acceptance of this proposal and the proper execution and approval of the accompanying contract, the following apparatus and equipment:

One (1) New 2009 Smeal 17M/55FT Rear Mount EHL Aerial Ladder Quint on a Spartan Gladiator MFD Custom Cab & Chassis as per previously built specifications INCLUDING Trade In Allowance of \$25,000.00 for VFRS 1988 Pierce Dash Superior 15M Custom Tele-Squirt UNIT 79-30.

For the sum of:

SIX HUNDRED & NINETEEN THOUSAND AND NO CENTS IN US Dollars \$ 619,000

All of which are to be built in accordance with the Smeal proposed specifications attached, and which are made a part of this agreement and contract, to deliver same **365** calendar days after date of receipt and approval of contract, properly executed, subject to all causes beyond our control.

Trips, Meetings, Payment Terms, Etc...

The above price includes a Pre-Construction, Chassis, Pre-Paint and Final Inspection for Two (2) VFRS personnel each.

The above price is FOB Vaughan, Ontario plus applicable GST at time of importation.

The above price is based on a Cab & Chassis Payment upon completion of same and the balance upon delivery and acceptance by VFRS.

The amount named in this proposal shall remain firm for a period of **30** days from the date of same. All state, federal and local taxes are not included above. Any applicable taxes are to be paid by customer upon registration and licensing of vehicle. . It is understood by both the Seller and the Buyer that *Change Orders* executed after contract acceptance may delay delivery. It is understood by both the buyer and the seller that *Change Orders* executed after contract acceptance may increase or decrease the price. The purchase price herein is based upon all applicable state and federal manufacturing law, regulations, orders, mandates and standards in effect as of the date of this Agreement (hereinafter "Standards) such as, for example, the Standards mandated by the National Fire Protection Association, tentative interim amendments to the National Fire Protection Association Standard, Underwriters Laboratories of Canada, and the Environmental Protection Agency. The purchase price shall be subject to increase due to any state or federal Standards that are adopted, issued or mandated following the date of this Agreement that require the apparatus(es) described above to be manufactured and/or delivered in compliance with such Standard(s)

This Sales Contract in order to be effective and binding upon Seller must be signed and accepted by an authorized officer of Seller. The effective date of this Sales Contract will be the date it is signed and accepted by the Seller.

All checks must be made payable to Smeal Fire Apparatus Co. only and delivered to Seller at its offices in Snyder, Nebraska. Under no circumstances shall payment be made to a dealer or any one else as Seller's agent. Smeal Fire Apparatus Co. is the only authorized payee. Any representation that payment is to be made to any other party is absolutely unauthorized.

Official ownership documents shall remain property of the seller until the purchase price is paid in full. Upon receipt of payment, ownership documents shall be forwarded to the purchaser.

Respectfully submitted,
SMEAL FIRE APPARATUS CO.

John R. Witt

Dealer

We agree to accept the above proposal:

Date: 9 / 08 / 08

Date: _____/_____/_____



88 GOLDEN DRIVE 2nd FLOOR
COQUITLAM, B.C. V3K 6T1
TEL: 1 866 723 3835
FAX: 604 942 1723
EMAIL: sales@safetekev.com
WEBSITE: www.safetekev.com

September 8, 2008

City Of Vaughan Fire & Rescue Service
2141 Major Mackenzie Drive
Annex Building
Vaughan, Ontario L6A 1T1

Attention: Fire Chief Greg Senay

Reference: Trade In Allowance Offer

Dear Chief Senay:

We are pleased to submit for your consideration our offer of a Trade In Allowance for the 1988 Pierce Dash Superior 15M Telesqurt VFRS Unit 79-30 as follows:

Trade In Allowance **\$25,000.00 USD**

The valuation of this unit is based on it having reaching its Twenty (20) Year Life Cycle limit in accordance with NFPA 1901 Standard recommendations as well as it being a Canopy Crew Cab instead of an Enclosed Crew Cab along with the overall general mechanical condition of this apparatus which limits its value.

The above offer is based on receipt of your valued order for the 2009 Smeal 17M Rear Mount EHL Aerial Ladder Quint and we will remove the surplus apparatus from your facility upon notification of acceptance of our offer.

Sincerely

John R. Witt
President



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September 8, 2008

City Of Vaughan Fire & Rescue Service
2141 Major Mackenzie Drive
Annex Building
Vaughan, Ontario L6A 1T1

Attention: Fire Chief Greg Senay

Reference: **Proposal For New 2009 Smeal 17M Rear Mount Aerial Ladder Quint**

Dear Chief Senay:

We are pleased to submit for your consideration our proposal pricing for supply and delivery of one (1) new 2009 Smeal Custom 17M Rear Mount EHL Aerial Ladder Quint on a 2008 Spartan Gladiator MFD Custom Cab & Chassis built in accordance with the enclosed specifications fully meeting the VFRS requirements based on your valued previous orders for various apparatus.

The apparatus proposed will meet the latest NFPA 1901-2004 and ULC 515-2006 Standard and offer a number of safety and performance advantages as well as our competitive pricing structure based on our long established relationship with the VFRD.

One (1) 2009 Smeal Custom 17M Rear Mount Aerial Ladder EHL Quint on a new Spartan Gladiator MFD Custom Cab and Chassis for the NET sum of \$619,000.00 in USD plus applicable GST which is 100% refundable to purchaser. This price includes a Trade In Allowance of \$25,000.00 for your 1988 Pierce Dash Superior 15M Telesqurt VFRS Unit 79-30.

The price is **FOB City of Vaughan** and the payment terms are that the Chassis upon completion and balance upon delivery and acceptance and the above price includes a Pre-Construction, Chassis, Pre-Paint and Final Inspection Visits for two (2) VFRS representatives.



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The City of Vaughan Fire & Rescue Services has been a long standing valued customer of both Safetek and Smeal and therefore we are pleased to offer this Single Source Tag On pricing based on our high volume of recent orders from various GTA FD's including forthcoming new Multi-Year Contracts with Oakville and Burlington who are part of the Halton Region Cooperative Purchasing Agreement as well as an another order from the City of Toronto for Seven (7) Custom Rescue Pumpers. (See attached report)

As well for comparison we were awarded a contract for a similar Custom 17M EHL Quint apparatus for the City of Brantford in May of 2007 at a cost of \$612,000.00 plus taxes.

It should be noted that all apparatus manufacturers have been faced with constantly increasing component costs for not only raw materials (Steel/Aluminum) and a specific example is the cost of steel for the Aerial Ladder Rails has increased \$10.00 per foot in the past 6 months. In addition, there have been significant chassis increases due to the new EPA Engine Emission requirements.

We also expect a further significant increase of approximately \$20,000.00 for the new NFPA 1901-2008 Standard that will come into effect for any orders placed after January 1, 2009.

We hope the above meets with your approval and look forward to being selected again for your valued order.

Sincerely

John R. Witt
President