ITEM NO. 9

STAFF REPORT

CITY OF OCEANSIDE

DATE: January 22, 2014

TO: Honorable Mayor and City Councilmembers

FROM: Fire Department

SUBJECT: APPROVAL FOR PURCHASE OF ONE 1500-GALLON-PER-MINUTE TRIPLE COMBINATION FIRE PUMPER

SYNOPSIS

Staff recommends that the City Council approve a purchase order in the amount of $612,474 to Pierce Manufacturing, Inc., of Ontario, California; approve a budget transfer and appropriation in the amount of $400,000, for the purchase of a 1500 gallon-per-minute, triple-combination fire pumper that will replace an existing pumper which has exceeded its service life; and authorize the Financial Services Director, or designee, to execute the purchase order.

BACKGROUND

A fundamental component which supports the successful operation of a fire department is a reliable fleet of automotive and fire apparatus. The high call volume produced in the City of Oceanside demands a fleet of fire apparatus that can reliably function and perform 100 percent of the time. The success of our mission to protect life, property, and the environment, is contingent upon the performance of these fire apparatus.

The fire department provides protection to the citizens with eight stations that house six triple-combination pumpers, and two aerial ladder trucks as the front-line fleet. This year the fire department finalized removing from service two reserve aerial trucks, due to high repair costs and an exceeded service life. The current reserve fleet consists of only three triple-combination pumpers, two of which are 2001 models and the other, a 1994 model, is scheduled to be removed from service in the middle of 2014.

The purpose of the reserve fleet of fire apparatus is to replace any front-line unit for any reason. It is not uncommon to have at least two front-line units out of service for repairs or other reasons. Often time's apparatus leave the City for multiple days for wildland strike team deployments as part of a State master mutual aid agreement. In these situations, the reserve fleet will be utilized to fill the vacancy created by the strike team. With these situations occurring at an increasing rate, the City is often left without any fire apparatus in reserve. With only two reserves in the fleet, the City's standard of coverage is severely threatened.

ANALYSIS

The OFD has Thirteen (13) fire apparatus, six (6) front line engines, two (2) frontline Arial trucks, two (2) frontline brush engines and three (3) reserve engines (includes the considered for purchase apparatus mentioned in this staff report). The expected life of an apparatus is 17 years with some minor flexibility in replacement based on mileage and conditions. Based on the number of fire apparatus in the fleet and the expected life of the vehicles, Oceanside should be replacing at least an apparatus per year to keep pace with the needs.

There is a longer term need to develop a detailed replacement schedule for fire apparatus that stabilizes the cost from year to year. The current cost for a new apparatus can range from $600,000 to over $1 million each. The City currently has a Community Facilities Fund budgeting $265,000 per year for both fire apparatus and other miscellaneous facility needs. Assuming all of this funding is used for fire apparatus replacement, the amount is left significantly short of the annual funding necessary to meet projected needs.

The fire department is working with the City Manager's office to establish a vehicle replacement plan and funding options for City Council review at a later date. The replacement of the apparatus identified in this communication should not be held up, pending development of the replacement plan, to be able to take advantage of pending bid prices. The longer term plan for apparatus replacement will look at truck types, truck size, response needs, equipment cost and annual maintenance needs in developing a long term replacement plan.

The recommended replacement of the 1994 fire engine is based on the following conditions:

- The fire department currently responds to approximately 17,900 calls per year. This heavy call volume places a burden on the maintenance and increased out-of-service times for front-line units.

- The cost of fire apparatus has doubled since 2001. There are currently only two apparatus in the reserve fleet next year. The reserve fleet is aged beyond its service life, has escalating repair costs to maintain the aged apparatus, and has excessive down-time while waiting to be repaired.

- The service life of a vehicle is dependent on a number of factors and variables. The most important are mileage, number of responses, overall wear and tear, pumping capacity and operating capability. The industry standard to replace apparatus was 15 years, but has increased to 17 years due to the rising cost of apparatus. The 1994 pumper being replaced has 127,697 miles. The technological half-life of a vehicle is constantly upgraded to new standards. Technological advances that are 20 years newer include improved emissions, acceleration, braking ability with antilock braking systems, traction control and rollover stability, and built-in tools such as scene lights and generators.

- The cost to maintain a given vehicle increases with time. The 1994 pumper being replaced has many needed repairs, which does not make it economical to keep.

FISCAL IMPACT

★ Option 1: 100% pre-payment option

- This option requires 100% payment at the time of signing, and has a total cost of $612,474.47

Option 2: Standard payment option

- This option requires 100% payment at the time of delivery, and has a total cost of $636,009.83

Staff recommends choosing the 100% pre-payment option, as it will save the City $21,792. The funding for the purchase requires the use of $400,000 from Fund 581, GF Community Facilities CIP–Assigned-Fire Apparatus account 581.3020.0175. The $400,000 needs to be transferred from Fleet Fund 1581.6900.0831 to the Fleet Replacement fund account 620609831.6800.0581, and appropriated to Fleet account 620609831.5705. The remaining balance of $212,474.47 will be used from Fleet Management Fund 831, which has been collected from accumulated replacement monies for fire department vehicles.

Equipment:

Pierce Quantum PUC pumper as per proposal for delivery sum of:	$	**587,257.00**
100% Prepayment Discount	$	(21,792.00)
APPARATUS COST	$	**565,465.00**
State Sales Tax @ 8.000%	$	45,237.20
Performance Bond	$	1,761.77
California Tire Fee	$	10.50
TOTAL PURCHASE PRICE	$	**612,474.47**

100% pre-payment discount shown above is available if the City makes a 100% cash pre-payment at contract signing.

INSURANCE REQUIREMENTS

Does not apply

COMMISION OR COMMITTEE REPORT

Does not apply

CITY ATTORNEY ANALYSIS

Purchases should be made according to the procedures set forth in Chapter 28A of the City Code.

RECOMMENDATION

Staff recommends that the City Council approve a purchase order in the amount of $612,474 to Pierce Manufacturing, Inc., of Ontario, California; approve a budget transfer and appropriation in the amount of $400,000, for the purchase of a 1500 gallon-per-minute, triple-combination fire pumper that will replace an existing pumper which has exceeded its service life; and authorize the Financial Services Director, or designee, to execute the purchase order.

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