

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF APRIL 19, 2016

Item 6, Report No. 5, of the Finance, Administration and Audit Committee, which was adopted without amendment by the Council of the City of Vaughan on April 19, 2016.

6 FIRE APPARATUS PURCHASE AND CAPITAL BUDGET AMENDMENT FR-3610-16 – REPLACE AERIAL 7968 – SMEAL 32M

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Fire Chief, dated April 4, 2016:

Recommendation

The Fire Chief, in consultation with the Deputy City Manager, Community Services, the Director of Purchasing Services and the Director of Financial Planning & Development Finance and Deputy City Treasurer recommends:

1. That the City enter into a single source contract with Safetek Emergency Vehicles Ltd., Abbotsford, B.C., for the Supply and Delivery of:

ONE (1) 2017 Smeal Custom 6000L/min 32M/105 FT rear mounted aerial fire apparatus for the net sum of \$1,090,200 US dollars plus applicable taxes or approximately \$1,504,040 Canadian dollars from Safetek Emergency Vehicles Ltd., Abbotsford, B.C.
2. That a contingency allowance in the amount of \$65,848 plus applicable taxes be approved within which the Fire Chief or his designate is authorized to approve amendments to the contract and to accommodate foreign exchange fluctuations;
3. That all amounts above including all applicable taxes and administrative recovery be funded from capital project FR-3610-16 Replace Aerial 7968 – Smeal 32m and a capital budget increase of \$136,066 be approved and funded from the fire equipment reserve;
4. That the inclusion of this matter on a Public Committee or Council agenda with respect to increasing the capital budget for FR-3610-16 Replace Aerial 7968 – Smeal 32m is deemed sufficient notice pursuant to Section 2(1)(c) of By-Law 394-2002 as amended; and
5. That the Mayor and Clerk be authorized to sign the necessary documents.

Contribution to Sustainability

The apparatus will be compliant to the new EPA Engine Emission and NFPA 1901 – 2009 Standard with the latest safety features included. The vehicle will be equipped with an engine driven auxiliary power unit that delivers all electrical and HVAC capabilities. The secondary power unit will reduce engine idle time by approximately 50% which significantly decreases vehicle emissions and fuel consumption, as well cost savings associated with extending service intervals and reducing parts and labour costs for PM service.

Economic Impact

Capital project FR-3610-16 Replace Aerial 7968 – Smeal 32m was approved during the 2016 budget process with a total budget of \$1,540,874. Due to rising material costs and higher than estimated costs associated with the environmental and safety features of the vehicle, a capital budget increase is required in the amount of \$136,066. The increased costs are mainly related to the Environmental Green Program system that will reduce fuel consumption and ongoing maintenance of the vehicle and a foam system required for firefighter protection.

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF APRIL 19, 2016

Item 6, Finance Report No. 5 – Page 2

The capital budget increase will be funded from the fire requirement reserve. The cost of the vehicle will be paid in US dollars at time of delivery and therefore a contingency in the amount of \$65,848 plus applicable taxes has been allocated to accommodate fluctuations in the foreign exchange rate. The remaining funds in the project will be used to outfit the aerial truck to make it ready for service.

| | | |
|--|-------------|--------------------|
| Approved Capital Budget - FR-3610-16 | | \$1,540,874 |
| Current Funds Available (CAD) | | \$1,540,874 |
| Quote - Smeal Fire Apparatus Co. (USD) | \$1,090,200 | |
| US Exchange Rate* | 1.3796 | |
| Quote - Smeal Fire Apparatus Co. (CAD) | \$1,504,040 | |
| Contingency | \$65,848 | |
| Non-refundable portion of HST (1.76%) | \$27,630 | |
| Administration Recovery (3%) | \$47,926 | |
| Total Cost per quote (CAD) | \$1,645,444 | |
| Total Cost per quote (rounded) (CAD) | | \$1,645,440 |
| In-House Outfit Work (Includes HST & 3% Admin) | | \$31,500 |
| Total Project Cost | | \$1,676,940 |
| Budget Shortfall (CAD) | | (\$136,066) |

* Avg Feb 2016 USD to CAD exchange rate; Bank of Canada

Communications Plan

Not applicable.

Purpose

To seek approval for the single source award and issuance of a purchase order to Smeal Fire Apparatus Co. (Safetek Emergency Vehicles Ltd. - Canadian Representative) for one 105 ft / 32 metre rear mount aerial apparatus funded from capital project FR-3610-16 – Replace Aerial 7968 - Smeal 32m with a capital budget increase of \$136,066, funded from the fire equipment reserve.

Background and Analysis

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 was active for several years. Over the past 17 years, the City has purchased approximately 18 fire apparatus units from Smeal Fire Apparatus (Safetek) and based on the trend of apparatus sales, the City has been successful in obtaining competitive pricing in that regard.

A number of municipalities in Canada have chosen to single source their fire apparatus purchases in order to standardize design, quality and construction which in turn provides cost savings in the long term. These include but are not limited to: Toronto, Ajax, Markham, Sault Ste. Marie, Delta, London, Calgary, Edmonton and Vancouver. Central York Fire and Markham Fire

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF APRIL 19, 2016

Item 6, Finance Report No. 5 – Page 3

continue to purchase their fleet from Smeal Fire Apparatus. 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 the best price for our emergency response vehicles.

Vaughan Fire and Rescue Service has purchased 18 apparatus from Smeal Fire Apparatus (Safetek) with the same Spartan MFD chassis model, the same diesel engine and Allison transmission etc. that Toronto and other York Region municipalities have purchased. Continuing to purchase from Smeal allows VFRS to provide consistent and standardized training to staff and maintenance of vehicles.

The 32 metre rear-mounted aerial vehicle will include key environmental and safety features that comply with NFPA standards. The Environmental Green Program will reduce engine idle time by approximately 50% which significantly decreases vehicle emissions and fuel consumption. The foam system will be used for fire suppression and enhances the safety of the firefighters.

Due to rising material costs and higher than estimated costs for the above environmental and safety features, the overall cost of the aerial truck is higher than what was estimated in the original capital budget. As a result, a capital budget amendment of \$136,066 is required, which will be funded from the fire equipment reserve.

Section 9.1 of the Consolidated Purchasing Policy, permits a single source purchase where the compatibility of a purchase with existing equipment, facilities or service is the paramount consideration.

Relationship to Term of Council Service Excellence Strategy Map (2014-2018)

This report supports the Term of Council Priority of continue to ensure the safety and well-being of citizens.

Regional Implications

None

Conclusion

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

Attachments

N/A

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