



City of Richmond

Report to Committee

To: Community Safety Committee

Date: September 3, 2014

From: John McGowan
Fire Chief

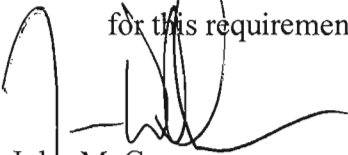
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Re: **Single Source Procurement – Fire Engine with Pump**

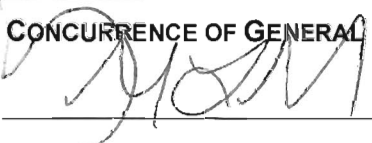

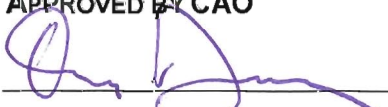
Staff Recommendation

That the following recommendation be forwarded to open Council:

1. That a single source procurement, for a Fire Engine with Pump be negotiated to contract award with Wholesale Fire & Rescue Ltd. (WFR), at a total cost to be determined within the approved capital expenditure budget of \$812,670, which was included in the City's 2014 Capital Budget for one new fire engine with pump.
2. That the Chief Administrative Officer, General Manager of Finance and Corporate Services and General Manager of Law and Community Safety be authorized to award a single source contract as a result of the negotiation with WFR for the purchase of a Fire Engine with Pump.
3. Should negotiations with WFR result in a failure to achieve best value for the City and a contract is not awarded, the City shall go to the marketplace by means of competitive bid for this requirement.


 For John McGowan
 Fire Chief
 (604-303-2734)

Att. 1

REPORT CONCURRENCE		
ROUTED TO: Finance Division	CONCURRENCE <input checked="" type="checkbox"/>	CONCURRENCE OF GENERAL MANAGER 
REVIEWED BY STAFF REPORT / AGENDA REVIEW SUBCOMMITTEE	INITIALS: 	APPROVED BY CAO 

Staff Report

Origin

Council approved the capital expenditure of \$812,670 (CDN), which was included in the 2014 Capital Budget for one new fire engine with pump (fire pumper). Council's approval to purchase an additional fire engine with pump by means of a negotiated single source procurement is sought to permit the vehicle to be delivered in 2015.

This report supports Council's Term Goal #1 Community Safety:

To ensure Richmond remains a safe and desirable community to live, work and play in, through the delivery of effective public safety services that are targeted to the City's specific needs and priorities.

This report supports Council's Term Goal #5 Financial Management:

To develop and implement effective and innovative financial policies and strategies that help the City to successfully manage the challenges of tough economic times, while taking advantage of financial opportunities, and balance current and long term financial needs.

Findings of Fact

Operating a fire service that supports Council's mandated services to respond to routine, specialized, minor and major incidents while meeting industry standards requires an inventory of equipment and vehicles. Richmond Fire-Rescue's (RFR) vehicle inventory, of engines, ladders and rescues are assigned to primary or reserve status. Primary status vehicles are those that are specifically assigned to a fire hall, have been in service less than 15 years and are in good repair. The reserve status vehicles are not assigned to a fire hall, have been in service greater than 15 years and are used when a primary vehicle is under repair or the magnitude of an event requires additional staff and vehicles.

The vehicle inventory is well maintained mechanically and inspected to ensure that the vehicles are capable to deliver fire-rescue services. The inspection system includes the following considerations:

- Staff safety.
- Vehicle conditions, including mileage, and maintenance costs.
- Equipment efficiencies and sustainability.
- Industry standards from the National Fire Protection Association (NFPA).
- New technology and innovations.

Industry standards in North America for fire and public safety are provided by the NFPA. The NFPA has identified a 15 year life cycle for primary emergency response vehicles, with an additional five years of service in a reserve role, for a total of 20 years. The vehicle that will be decommissioned has greater than 22 years of service.

To facilitate the replacement of aging vehicles, Tender T.4747 was issued to the marketplace on January 21, 2013. This was a single tender for 2 units, a fire Engine with pump and a 105' ladder Truck. The combination of 2 vehicles within a single tender allowed for consistency in the style and type of units which facilitates ease of operation, maintenance and economies of scale. There were two respondents to the Tender call, and during the evaluation process it was determined that WFR provided the City with overall best value as the lowest responsive bidder. Tender T.4747 was awarded to WFR on June 19, 2013. The tendered fire engine was delivered recently to the City under budget at a cost of \$737,275.00 (CDN funds).

Analysis

Council approved the 2014 Capital Budget during the December 9, 2013 Council meeting. Richmond Fire-Rescue submission 852 "*Fire Vehicle Replacement Reserve Purchases*" identified the purchase of one Fire Pumper at an estimated cost of \$812,670.00 (CDN funds), this funding is intended to purchase the vehicle and ancillary equipment that allows the vehicle to be operationally ready to deploy.

A single source procurement for an additional fire engine with pump with the equivalent specifications as the fire engine with pump in Tender T.4747 will continue the process of standardizing the fleet, provide efficiencies by eliminating staff time in the development of a new tender, by eliminating the tendering process, evaluation and award of a new contract.

This process will considerably shorten the delivery time of the new unit and will result in less time and effort being spent on the design of the unit including compartment and hose location, cab instrumentation and location of other unit requirements. The standardization of the fleet is an initiative that is intended to increase safety, increase operational firefighting effectiveness and improve vehicle maintenance efficiency.

The impact of choosing to go out to tender are as follows:

- Loss of price protection from Pierce Manufacturing (available until September 30, 2014)
- Potential loss of opportunity to standardize the fleet.
- Potential increase in best value pricing.

Sample pictures and a list of enhancements and improvements can be seen at (Attachment 1).

Financial Impact

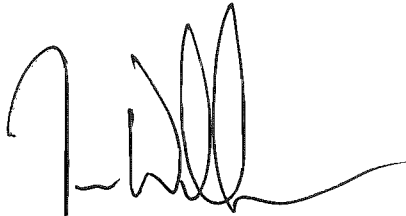
The total approved capital budget is \$812,270 (CDN). Initial discussion with WFR has identified that the purchase of this vehicle is expected to be within the existing capital budgets and procurement policies.

The financial viability of this initiative has been reviewed by Purchasing and Finance and has been determined to provide best value for the acquisition of an additional unit.

In the unlikely event that the negotiation with WFR does not meet the best value for the City. The City shall go to the marketplace by means of a competitive tender process.

Conclusion

Staff recommend negotiating a contract with WFR for an additional fire engine with pump using Tender T.4747 as a foundational document.

A handwritten signature in black ink, appearing to read 'John McGowan', with a long horizontal flourish extending to the right.

For John McGowan
Fire Chief
(604-303-2734)

JM:tw

Att. 1: Fire Engine with Pump

Fire Engine with Pump



Enhancements/Improvement of the new unit:

- Safety enhancements.
- Consistency for ease of operations and maintenance.
- Ease of access and egress for fire personnel and mechanical repair staff.
- Lower maintenance costs and warranty coverage.
- Decreased emissions.