

ITEM #:	<u>45</u>
DATE:	<u>04-23-24</u>
DEPT:	<u>FIRE</u>

COUNCIL ACTION FORM

SUBJECT: AWARD OF CONTRACT FOR REPLACEMENT OF ENGINE #2

BACKGROUND:

Fire apparatus are essential equipment for firefighting. The replacement program ensures the replacement of fire apparatus at the end of their operational life. Front line apparatus are kept for approximately 15 years, with the goal of then rotating the apparatus to serve as backups for another 10 to 15 years.

The City currently has two frontline engines: Engine 1 and Engine 2. Engine 2 is identified in the City's Capital Improvements Plan as due for replacement in FY 2025/26. Engine 2 was purchased in 2010, and after replacement it will be refurbished and used as a backup. This will provide the department with two backup engines.

The City's Purchasing Policies call for formal bids for purchases over \$50,000. For a vehicle or apparatus purchase, this would involve staff writing a specification describing the desired features and performance characteristics for each purchase based on the needs of the department. In 2022, the Fire Department used this formal bid process to purchase Engine 1. **The engine specification drafted at that time was developed to be used as the standard specification for future engine purchases.**

Now that an ideal specification has been used in the previous procurement, and the City's intent to is standardize the engines which will maintain compatibility with the specification, promotes interoperability and familiarity with existing equipment. This approach minimizes the need for extensive retraining, thereby enhancing overall efficiency in emergency response scenarios.

At the March 12, 2024 Ames City Council meeting, a motion was approved directing staff to negotiate a single source contract for the purchase of fire apparatus with Sourcewell. **Sourcewell offers a cooperative purchasing model that provides a streamlined procurement process saving time and staff resources through pre-negotiated contracts for a wide range of products. Their purchasing model creates a standard specification on which all vendors bid.**

By using Sourcewell, an apparatus from Reliant Fire Apparatus, Inc. was identified as meeting the City's preferred specifications at the lowest cost of \$1,019,302.

FUNDING:

The Capital Improvements Plan in FY 2025/26 includes \$1,071,499 of G.O. Bond proceeds for this purchase and the refurbishment of current Engine 2. The purchase price for new Engine 2 is \$1,019,302. The estimated refurbishment cost for current Engine 2 is \$125,000. This leaves an estimated shortfall of \$72,803 in available funds allocated for the refurbishment of current Engine 2.

Although Staff is requesting the Council to award a bid for a new engine at this time, it is important to note that the payment for the new Engine 2 will not be due until the time of delivery, which is not expected until FY 2027/28. The anticipated funding shortfall for the refurbishment of

current Engine 2 will be reevaluated as a potential cost change in future Capital Improvement Plans. The refurbishment of current Engine 2 will not move forward until the delivery of new Engine 2.

ALTERNATIVES:

1. a. Waive City's formal bidding procedures and authorize staff to use a single source contract for the purchase of Fire Engine 2 replacement through Sourcewell's current agreement with the City.

b. Award the contract to Reliant Fire Apparatus, Inc., utilizing Sourcewell for the purchase of a new fire engine at a cost of \$1,019,302. (Note: payment for this engine will not be due until delivery of the apparatus to the City.)
2. a. Waive City's formal bidding procedures and authorize staff to use a single source contract for the purchase of Fire Engine 2 replacement through Sourcewell's current agreement with the City.

b. Reject the contract with Reliant Fire Apparatus, Inc., and direct staff to reevaluate current fire engine specifications and negotiate with a different vender.
3. Reject the proposal and instruct staff to buy the fire engine utilizing traditional purchasing procedures that could result in increased costs and further delays.

CITY MANAGER'S RECOMMENDED ACTION:

Engine 2 is almost 15 years old and is due for replacement in FY 2025/26. Expected build times are 46-49 months, which is why this request to authorize the purchase is before Council now instead of waiting until July 2025 to start the procurement process. Full payment is not due until the time of delivery. This extended build time will also allow staff time to further refine estimated refurbishment costs for current Engine 2 and address the anticipated funding shortfall.

By waiving City's formal bidding procedures and allowing staff to purchase a new fire engine through the Sourcewell contract, the City will benefit from proven, standardized apparatus specifications, and realize an additional savings of \$10,052 by using the cooperative contract. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1A and B, as described above.

ATTACHMENT(S):

[Reliant - Pierce Customer Contract Ames IA 4.9.2024.pdf](#)