

AGENDA # J.4
Scio Township Board of Trustees
Approval to purchase new pumper/tanker to replace existing unit

FOR MEETING DATE OF: January 9, 2024
PREPARED ON: 1/3/2024; updated 1/9/24
PREPARED BY: Andy Houde
SUBMITTED BY: Fire

ITEM TYPE: Possible Action

BACKGROUND:

Fire Department vehicles have a defined lifespan under NFPA standards. They can be expected to be in frontline service for no more than 15 years, and in reserve service for no more than an additional 10. There are many reasons for this standard such as regard to safety for firefighters, technology improvements that make older vehicles less able to meet modern demands, parts and components become less available, and they just wear out after decades in service and become unreliable. We currently find ourselves in that position with our water tanker. This vehicle is used to move water to areas of Scio that do not have municipal water supplies, which is 75% of our community, as well as when called upon for mutual aid. Our water tanker is a 2002 model year, which should have been placed in reserve in 2017, and should be retired in 2027.

Traditionally, we would budget funds each year to replace our vehicles when they reach the end of their service life. Unfortunately, we have not had the ability in Scio to pre-fund vehicle replacement. To date, we are approximately \$1,000,000 short in fund balance, with no dedicated fund for vehicle replacement. With the current revenue recognition authorized by the board we will correct the fund balance issue and be able to put funds into a capital replacement fund. New tankers today cost around \$1,000,000. Time from order to delivery for our preferred vendor now stands at 850 days. We need to place an order for a replacement tanker within the next 18 months to maintain compliance with NFPA standards. If we do not intend to maintain the reserve tanker, we should plan to replace it at 15 years, while the existing one still has reasonable value and can help offset the purchase price.

We continuously work with our local vendor and maintenance/repair facility on vehicle development and specifications and have a preliminary design and scope of work prepared that would meet our needs and allow the tanker to serve as a backup engine. This design

approach would eliminate a vehicle from our fleet, decreasing the cost of vehicle purchasing, maintenance, and upkeep, while providing redundant capabilities when our primary engine is out of service or committed to an incident.

One of the strongest considerations for purchasing from this vendor is the proximity to warranty repairs and service. R&R Fire Truck Repair is in Northville, MI, and equipped with a full garage that meets the need of large repairs and they offer mobile units for smaller on-site repairs. Other manufacturers make similar products at similar cost but are nowhere near as close for maintenance and repair.

The product I am requesting to purchase, a Smeal pumper/tanker, is a Sourcewell competitively bid product. Scio Township is a Sourcewell member and would be able to take advantage of the competitively bid and contracted product without the need to develop bid specifications and bid the project ourselves.

Funds for this purchase are available from two sources, funds from PUD developers that are a portion of the "community benefits" designated for the department, and funds available in fire fund, fund balance (206)/capital projects (431). The proposal is to reimburse fund 206/capital projects with the community benefit funds once those funds are received.

It is recommended that the Township take advantage of the pre-pay discount offered by the seller and fund 100% of the cost and receive a prepay discount of \$95,076, or to pay upon delivery (lease or purchase).

RECOMMENDATION: The Fire Chief recommends approval.

MODEL MOTION:

To waive the formal bidding process due to use of Sourcewell, and authorize the Supervisor and Clerk to sign an agreement with R&R Fire Truck Repair, Inc., after review and approval by Township Attorney, to purchase a new Smeal tanker/pumper in the amount of \$1,033,116, from Fund 206 with any potential changes to be brought back to the Board for approval. To the extent that pending PUD community benefits may be used for this purpose, those funds,

once received will reimburse this expenditure.

ATTACHMENTS:

[Pumper tanker contract.pdf](#)

[Rev Group Contract 113021.pdf](#)

[Township of Scio _ Sourcewell.pdf](#)

[Tanker design picture.pdf](#)

[Fire Fund Balance Narrative.pdf](#)

[Fire_Revenues and Expenditures.pdf](#)

[Fire_Fund Balance summary.pdf](#)

QUESTION: Shall this Motion be APPROVED?