

Report

Date May 15, 2024
Subject Fire Engine Contract Award

File:

PURPOSE

To consider awarding the contract to Safetek Emergency Vehicles Limited for the purchase of a stock Fire Engine.

BACKGROUND

In accordance with the purchasing policy, Council approval is required for any purchase over \$500,000. Additionally, the purchasing policy specifies that North Cowichan may participate with other government entities where the long-term interests of the Municipality are best served.

Staff employed this co-operative purchasing policy section to obtain quotations for the Fire Engine using the Canoe Procurement Group, which conducted a public process to get preferred pricing for their members from several suppliers.

DISCUSSION

A committee of fire department personnel has been working on creating specifications and requirements for a new Fire Engine necessary for the South End Fire Hall. Using the Canoe Procurement Group supplier listing, staff contacted three companies to obtain pricing on a truck meeting the specifications and requirements.

A stock fire engine that meets 90% of the specifications and is readily available within 260-360 days has been found from Safetek Emergency Vehicles Limited. The other two suppliers contacted did not respond with quotations for a stock truck and/or building a new truck to meet the specifications.

The new fire engine's funding was identified in the 2024 budget in the Fire Truck Replacement Fund. The initial deposit (50%) will be funded in the 2024 fiscal year, with the balance due in 2025 funded from the Fire Truck Replacement Fund.

The discounted financial impact of the new fire engine with group purchasing is \$1,387,639 plus applicable taxes. The deposit for this purchase will be approximately \$742,500, paid from the 2024 Fire Truck Replacement reserve, with the remaining balance due in 2025. The reserve will be depleted once the remaining 50% of the purchase is paid in 2025.

OPTIONS

1. **(Recommended Option)** THAT Council award the contract to Safetek Emergency Vehicles Limited in the amount of \$1,387,639 plus applicable taxes for purchasing a Fire Engine.

- Approving this purchase ensures that a new truck will be on-site between 260 and 360 days from the order. Purchasing a custom-built fire engine may have a delivery date of up to two years, with increased cost due to future environmental emissions requirements.
- If Council does not approve the purchase, obtaining a new truck could take up to two years and will likely increase in cost significantly.

IMPLICATIONS

The Fire Underwriters require fire apparatus to be replaced on a regular schedule to ensure a safe community. To maintain our current grading, we must have one new front-line fire engine that is less than 15 years old. If we do not maintain our current replacement program, fire underwriters may downgrade our community rating, which will directly impact fire insurance costs for all businesses and residents.

The South End Fire Engine is at the end of its front-line service life but is still in working condition, so it will be redeployed as a second-line engine to meet the Fire Underwriters' requirements.

RECOMMENDATION

THAT Council award the contract to Safetek Emergency Vehicles Limited in the amount of \$1,387,639 plus applicable taxes for the purchase of a Fire Engine.

Report prepared by:

Ron French

Ron French
Fire Chief

Report reviewed by:



Talitha Soldera
General Manager, Corporate Services

Approved to be forwarded to Council:



Ted Swabey
Chief Administrative Officer