



Legislation Details (With Text)

File #: 23-421 Name:
Type: Staff Report Status: Consent Calendar
File created: 5/15/2023 In control: City Council
On agenda: 5/24/2023 Final action:
Title: Report regarding a resolution approving the purchase of two type one fire engines; authorizing the City Manager to enter into a purchase agreement with Golden State Fire Apparatus, Inc. for the construction and purchase from Pierce Manufacturing, Inc. in the amount of \$2,481,923.16; approving the purchase of tools and equipment in the amount of \$120,000.00; and approving Budget Amendment #23.072 to appropriate \$598,442.33 from the Public Safety Impact Fee into the Vehicle Replacement Fund, for a total amount of \$2,601,923.16. (Jess Magallanes, Fire Chief)

Sponsors:

Indexes:

Code sections:

Attachments:

Table with 5 columns: Date, Ver., Action By, Action, Result

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RECOMMENDATION

It is recommended that the City Council adopt a resolution approving the purchase of two type one fire engines; authorizing the City Manager to enter into a purchase agreement with Golden State Fire Apparatus, Inc. for the construction and purchase from Pierce Manufacturing, Inc. in the amount of \$2,481,923.16; approving the purchase of tools and equipment in the amount of \$120,000.00; and approving Budget Amendment #23.072 to appropriate \$598,442.33 from the Public Safety Impact Fee into the Vehicle Replacement Fund, for a total amount of \$2,601,923.16.

BACKGROUND/DISCUSSION

The South San Francisco Fire Department provides fire suppression, emergency medical care, hazardous materials response, and rescue response through an all-risk hazards response model from its five fire stations. Exclusive of transport ambulances and specialized equipment, this is accomplished using four front-line fire engines and a quint apparatus. Additionally, three reserve fire engines and a reserve quint are maintained to provide for continuity of service when a front-line unit is placed out of service for maintenance or repair work. Reserve fire engines are also used in high-call volume periods and large-scale incidents requiring increased capacity. Examples of these types of events include: severe weather events, California Office of Emergency Services mutual aid requests, and other human caused or natural disasters.

To preserve service life, while providing for safety and reducing maintenance costs, the Fire Department, Public Works Department, and Finance Department have created a replacement schedule, which places a fire engine into frontline service for 12 years, followed by three years in reserve status. This practice is in alignment with the National Fire Protection Association (NFPA) 1911 “Standards for the Inspection, Maintenance, Testing and Retirement of In-Service Automotive Apparatus”. This document provides guidance and recommendations for apparatus replacement based on factors including age, usage, mileage, condition, and servicing costs.

The Fire Department’s current engine inventory is as follows:

<u>Vehicle</u>	<u>Purchase Year</u>	<u>Replacement year goal</u>
512	2002	2018
502	2008	2024
504	2008	2024
506	2010	2026
509	2010	2026
503	2019	2035
513	2019	2035

The Fire Department used the vehicle replacement schedule and NFPA standards to identify two reserve fire apparatus due for replacement. They are fire engines 512 and 504, which are 21 and 15 years old, respectively. Fire engines 512 and 504 have experienced increased call volume over their service life. Their current condition has resulted in a consistent increase in maintenance costs and a reduction in their reliability as reserve apparatus. This deterioration and cost increase is expected based on the vehicles’ age and use. With the earliest potential replacement date 33 months from time of order, and longest replacement date of over 38 months from date of purchase, it is prudent to begin the construction of these new engines to maintain operational readiness.

Fire staff recognizes that this timeframe exceeds our identified replacement schedule; however, based on the performance of both apparatus and efforts by Fleet Maintenance personnel, we have been able to extend their operational life. 512 was held as an additional reserve and added to the fleet in 2019 because it was still in good condition and the department was facing reliability issues with the fleet. 504 is being replaced a year early because production times for apparatus have extended from 365 days from time of purchase to as much as 1150 days.

Since the original purchase of fire engines 512 and 504, new standards require fire apparatus to reduce diesel emissions. The current U.S. Environmental Protection Agency emissions standards for heavy-duty highway engines were phased in between 2007 and 2010. The next round of emission standards is slated to begin with model year 2027 and will impact fire engines by 2030.

Fire staff established factors important to selecting the proper fire engines for the City:

1. Operational capability;
2. Reduced greenhouse gas emissions;
3. Familiarity for South San Francisco firefighters and mechanics;

4. Capacity to meet our storage needs for hose, water, tools, and equipment;
5. Total cost of ownership;
6. Limited need for in-service training; and
7. Warranty service and proximity to warranty service center.

Fire Department Staff thoroughly evaluated two fire engine manufactures, HiTech Fire Apparatus (HiTech) and Golden State Fire Apparatus (Golden State). Both manufactures utilize the same engine type, differing in the chassis build, construction of the fire pump, plumbing, and cabinet/compartment storage. Fire staff prefer Pierce Enforcer engines, Golden State's product, over HiTech engines. This selection was based on an extensive evaluation process utilizing the above factors. Pierce Enforcer engines outperformed the comparable HiTech Engine in all categories. To support this evaluation, feedback was obtained from fire agencies throughout the Bay Area who are utilizing the Golden State product. The queried agencies' responses aligned with the results from the fire department's internal evaluation. Golden State's delivery estimate for Pierce Enforcer engines is 1,050 to 1,110 calendar days from time of order. Extended delivery timeframes will require the fire department to rely on our oldest engines for 36 more months in reserve engine status. Additionally, the Fire Department expects to operate the new engines through 2042.

Fire apparatus manufacturers charge less per apparatus when customers pre-pay the total at time of order. A pre-pay cost for two Pierce Enforcer engines is \$2,314,857.54, a savings of approximately \$75,871.50 per engine for a total savings of \$151,743.00. The purchase of two Pierce Enforcer type one fire engines would cost \$2,481,923.16 if the City elected for payment on delivery or pickup, including California sales tax and 100% performance bond.

Pierce expects to deliver the Enforcer engines 1150 calendar days from time of order, which currently aligns with delivery times for most fire engine manufactures. As usual for apparatus purchases, all prices include a pre-construction factory trip and a final inspection factory trip, each for three City representatives. These trips will help Fire and Fleet Maintenance personnel supervise construction and ensure that the apparatus will meet the City's needs.

SSFFD plans on purchasing utilizing Sourcewell, a cooperative purchasing solutions company that conducts competitive solicitations for a wide variety of items commonly used by local governments and offers those results to assist with purchasing. Sourcewell follows bid and purchasing guidelines that align with the City of South San Francisco Municipal Code §4.04.080, Open market procedures for purchases and sales exclusive of public projects, and all its contracts have been awarded by public competitive procurement processes compliant with state statutes.

The South San Francisco Municipal Code §4.04.040, Agreements with other governmental agencies, authorizes any other governmental agency to purchase or contract for specified supplies, services or equipment as long as their procedures are in conformance with state law. The City of South San Francisco is a member with Sourcewell and utilizes them to make purchases for all types of large equipment. Pierce Manufacturing has a contract with Sourcewell (113021-OKC-1) guaranteeing to honor the awarded bid price of the Pierce Enforcer engines to anyone who purchases through Sourcewell.

FISCAL IMPACT

Approval of this resolution would approve Budget Amendment #23.072 to appropriate \$598,442.33 from the Public Safety Impact Fee into the Vehicle Replacement Fund, for a total amount of \$2,601,923.16. In preparing for the Fiscal year 2022-23 budget Fire Department staff worked with Public Works Fleet Maintenance staff to

identify costs needed to replace two type one fire engines. Since that time, costs have escalated at rates never experienced before. These price escalations have increased the cost of a type one fire engine from an estimated \$875,000.00 to \$1,240,961.58. This does not include the \$60,000.00 in tools and equipment per fire engine, for an additional \$120,000.00.

The current vehicle replacement budget has allocated \$1,750,000.00 for the purchase of two type one fire engines including tools and equipment. The actual cost for both apparatuses, including tools and equipment, is \$2,601,923.16. Public Safety Impact Fees allow for a 23% offset of the total cost of the apparatus and equipment in the amount of \$598,442.33. There is still a shortfall of \$253,480.83. Working with the Finance Department the decision was made to pay for the engines at time of delivery. This will allow the vehicle replacement fund to increase over the next few years to cover the difference and incentivize the manufacturer to deliver the vehicle on or before the proposed delivery date.

RELATIONSHIP TO STRATEGIC PLAN

This request is in alignment with Priority 4.2.11, Public Safety, Support reliability of fire fleet through scheduled apparatus replacement.

CONCLUSION

Fire staff recommends that City Council adopt a resolution approving the purchase of two type one fire engines; authorizing the City Manager to enter into a purchase agreement with Golden State Fire Apparatus, Inc. for the construction and purchase from Pierce Manufacturing, Inc. in the amount of \$2,481,923.16; approving the purchase of tools and equipment in the amount of \$120,000.00; and approving Budget Amendment #23.072 to appropriate \$598,442.33 from the Public Safety Impact Fee into the Vehicle Replacement Fund, for a total amount of \$2,601,923.16.