



Report

City of Merritt
REGULAR Council Meeting
August 27, 2019

File Number: 1705

To: Scott Hildebrand, Chief Administrative Officer
From: Sheila Thiessen, Director of Finance & IT
Date: August 22, 2019
Subject: 2020 Purchase of Pumper Tender for Fire Department

RECOMMENDATION:

THAT Council approve the award of the Pumper Tender Proposal to Hub Fire Engines & Equipment Ltd, in the amount of \$479,575 (net of GST) and direct staff to increase the 2020 capital budget for the Pumper Tender by \$80,000.

Background:

The units in the Fire Department fleet have lifetimes that are limited by NFPA 1911 standards and Fire Underwriters testing. Currently, Engine 3 is over 25 years old and at the end of its life span and is no longer in compliance with the City's required pumping capacity. The plan has been to replace this engine with a combination pumper/tender to regain pumping capacity and better service properties in our contract fire protection areas.

During the 2019 budget preparations, an estimate was provided that the new truck would be around \$380,000. As it takes over 10 months for delivery, this replacement was budgeted for in 2020 at a value of \$400,000.

Reviewed by:			
Director, Corp. Services Approved - Sean Smith	Fire Chief Not yet approved	Director, Engineering & Development Not yet approved	Chief Administrative Officer: Choose an item.

The City did a request for proposal (RFP) process to find a most suitable supplier for the new Pumper Tender. There were two proponents that responded to the RFP, with Hub Fire Engines & Equipment Ltd meeting the most criteria in the evaluation process.

The cost of the Pumper Tender is 20% higher than budgeted. The other proposal was even higher in cost and did not meet all the criteria. As this extra cost is not included in the budget, staff is bringing this report to Council for their consideration.

Options / discussion

1. Council approve the additional \$80,000 and direct staff to amend the 2020 capital plan to include this funding so that the truck may be ordered for a 2020 delivery.
2. Council direct staff to look for other alternatives, possibly doing another RFP or changing the requirements delaying the replacement.
3. Council decides to not proceed with the equipment replacement in 2020 which will result in a reduction of the capacity of the Fire Department.

Financial / Risk Implications:

The financial implication is that the City will have to provide an additional \$80,000 in funding from general revenue in order to replace Engine 3 with a unit that provides additional capacity to the Fire Department.

The cost of not replacing Engine 3 will be felt in our response capacity and our ratings with the underwriters, which will have an impact on the insurance costs of our property owners, residential and most importantly commercial and industrial. This will also impact our ability to respond to those contracted areas outside the City boundaries.

Respectfully submitted,

Sheila Thiessen, CPA, CMA
Director of Finance & IT