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Title: Authorize the use of a lease-purchase agreement to finance purchase of two Type III fire engines in the amount of \$767,500 as part of the department's eight-year apparatus replacement program, utilizing a Cooperative Purchase agreement with Boise Mobile Equipment

Sponsors: Fire Department

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Attachments: 1. Cal Fire Bid Specification_TypeIII_.pdf, 2. CalFire_Fresno_Pricing.pdf

Date	Ver.	Action By	Action	Result
10/25/2018	1	City Council	approved	Pass

REPORT TO THE CITY COUNCIL

October 18, 2018

FROM: KERRI DONIS, Fire Chief
Fire Department

SUBJECT:
Authorize the use of a lease-purchase agreement to finance purchase of two Type III fire engines in the amount of \$767,500 as part of the department's eight-year apparatus replacement program, utilizing a Cooperative Purchase agreement with Boise Mobile Equipment

RECOMMENDATION

Authorize the use of a lease-purchase agreement to finance purchase of two Type III fire engines in the amount of \$767,500 as part of the department's eight-year apparatus replacement program, utilizing a Cooperative Purchase agreement with Boise Mobile Equipment Lease payments for the purchase will be made over a 10-year period.

EXECUTIVE SUMMARY

The Fire Department is in year four of its eight-year apparatus replacement plan to systematically replace its aging fleet as they reach the end of their useful lives. The acquisition of two Type III engines will replace two brush rigs (#16 & #19) that were built in 2006 and no longer meet State of California Standards for Type III engines.

Cal Fire completed an extensive competitive bid, and in May 2017 awarded a multi-million dollar contract to Boise Mobile Equipment for acquiring Type III engines. Both Cal Fire and the manufacture have allowed other agencies to use their contract for the purchasing the same engines.

BACKGROUND

Under a Cooperative Purchasing Agreement, a public agency conducts a formal competitive bid and awards the contract to the lowest qualified bidder. That agency may then authorize other government agencies wishing to purchase the same equipment to utilize their competitive bid and contract terms. The cooperative agreement is common practice and helps agencies save substantial time and costs from conducting their own bids for the same purpose. Boise Mobile Equipment was the lowest bidder in the bid conducted by Cal Fire.

In the Fiscal Year 2019 budget, Council approved funding for lease purchasing of Type III Fire Engines. These engines are replacements for aging Brush Rig 15 and Brush Rig 19, which were built in 2006 and no longer meet State of California Standards for Type III vehicles.

Type III engines are used for the protection of interface areas, for example the San Joaquin River Bluffs and the fields interspersed throughout the perimeter of the city. Type III engines are shorter than the larger Type I engines found throughout Fresno's fire stations. They are four-wheel drive and have high ground clearance for operation off paved surfaces. Brush 15 and Brush 19 have been invaluable on numerous field fires, freeway fires, and the San Joaquin river bottom because they allow for improved access and versatility to such fires while keeping more expensive Type I engines on paved surfaces.

By authorizing the Fresno Fire Department to enter into this Cooperative Purchasing Agreement, the department will save considerable time and costs that would otherwise be incurred to conduct a formal bid. This will enable the Fresno Fire Department to have engines put into operation at a much earlier date. This factor alone is crucial given the department's call volume and the ages of many of its current fire engine fleet

Given the many factors noted above, it is recommended the City Council approve this request.

ENVIRONMENTAL FINDINGS

This item is not a project as defined by the California Environmental Quality Act.

LOCAL PREFERENCE

Local preference was not implemented because this purchase is using another governmental agency's contract.

FISCAL IMPACT

The lease payment is included within the General Fund's five-year projections. The first lease payment for these engines will not be due until fiscal year 2020. There will be no fiscal impact for Fiscal Year 2019.

Attachments:

Cal Fire Bid Documents
Award to Boise Mobile Equipment