



City of Richmond

Report to Committee

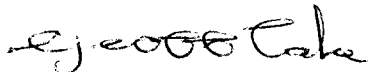
To: Richmond City Council
From: Jim Hancock
Fire Chief
Re: **Purchase of Replacement Rescue Truck**

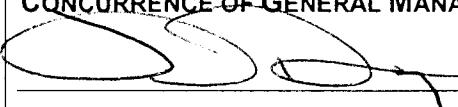
Date: July 19, 2005

File:

Staff Recommendation

That a contract for the supply and delivery of ONE (1) Rescue Truck to Safetek Emergency Vehicles Ltd., be awarded in an amount not to exceed \$700,000. Inclusive of applicable taxes.


For Jim Hancock
Fire Chief
(2734)

FOR ORIGINATING DIVISION USE ONLY		
CONCURRENCE OF GENERAL MANAGER		
		
REVIEWED BY TAG	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
REVIEWED BY CAO	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>

Staff Report

Origin

The purpose of this report is to provide the members of Council with the relevant information regarding supply and delivery of one (1) Rescue Truck for Fire Rescue.

The existing Rescue Truck is scheduled for replacement due to age and condition. Council has approved capital funding of this replacement during the 2005 budget process.

Normally, the acquisition of fire apparatus is through a tender called by invitation and/or public advertisement, or, by a request for proposal (RFP) in those situations where the specifications of a product or service cannot be specifically identified. However, City policy also allows for purchases to be acquired through negotiation under certain conditions. More specifically, *“where at the discretion of the Department Head, with the approval of the Chief Administrative Officer, it is deemed to be in the best interests of the municipality to negotiate with a single vendor”*.

Analysis

Due to production levels at fire apparatus companies, delivery dates for rescue trucks of the type required by RFR are 14-16 months from the date the contract is awarded.

One method of shortening the delivery time is by doing a “tag-on” to another city’s existing tendering process and subsequent order. The “tag-on” can cut delivery time and offers the opportunity to reduce the purchase price as a result of not having to go through the tendering process. The additional benefit of this process is that the “tag-on” does not limit the customizations RFR can make to the vehicle design from the original order.

It is proposed that that RFR “tag-on” to a recent order placed by the City of Edmonton, Alberta. (See attached tender report from Edmonton)

Financial Impact

By acquiring this vehicle through the “tag-on” process, the normal costs associated with issuing and administering a tender or RFP are avoided.

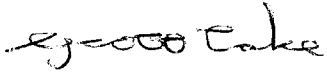
The estimated total cost for the vehicle and its associated equipment is \$700,000 CDN, inclusive of applicable taxes, which is within budget appropriations. Equipment will be purchased for the apparatus at a later date.

July 19, 2005

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Conclusion

Richmond Fire Rescue can reduce both the long delivery time and the costs associated with the tendering process by using a "tag-on" to the City of Edmonton, Alberta's existing order.


Jim Hancock
Fire Chief

JH: gl
Attachment:

CITY OF EDMONTON TENDER #887381 – Two Rescue Fire Trucks as per Specification
“Rescue”

RECOMMENDATION: That two rescue fire trucks be purchased from Safetek Emergency Vehicles Ltd. at a price of:

Base Price	\$520,000.00	
Total Units - 2		\$1,040,000.00
Optional Extras	N/C	N/C
Sub Total		\$1,040,000.00
7% GST:		<u>72,800.00</u>
Total:		\$1,112,800.00

HISTORY

The rescue fire trucks are required as replacement units to the fleet as requested in the 2003 and 2004 Capital Budget.

JUSTIFICATION

The bid from Safetek Emergency Vehicles Ltd. meets specification requirements and it is the best value bid. In consultation with Materials Management and the Law Branch, it was their recommendation that the points awarded for pricing be omitted from the evaluation, since BMB did not provide pricing for mandatory installation of equipment. Points were awarded as follows:

Safetek Emergency Vehicles Ltd.	98.2
BMB Engine Company	96.6

Funds are available in Program 099 of the Asset Management & Public Works Department.

ENCLOSURE

I Total Cost Summary

Written By: H. Gracher
Approved By: A. Lee
Asset Management & Public Works Department
February 4, 2004

hg

TOTAL COST SUMMARY**BMB Engine Company.**

2 Units – Rescue Fire Trucks	\$492,515.30	\$985,030.60
2 Units – Mandatory Installation of Equipment	Not Offered	<u>Not Offered</u>
Sub Total:		985,030.60
7% GST:		<u>68,952.14</u>
TOTAL:		\$1,053,982.74

Safetek Emergency Vehicles Ltd.

2 Units – Rescue Fire Trucks	\$520,000.00	\$1,040,000.00
2 Units – Mandatory Installation of Equipment	N/C	<u>N/C</u>
Sub Total:		1,040,000.00
7% GST:		<u>72,800.00</u>
TOTAL:		\$1,112,800.00