



REPORT

Council

Meeting Date: December 19, 2022

FROM: Oakville Fire Department

DATE: December 13, 2022

SUBJECT: Supply and Delivery of Fire Apparatus RFP 76 2022

LOCATION: Town-wide

WARD: Town-wide

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RECOMMENDATION:

That the 2022 capital budget be amended to add \$1,050,000 to project 43302203 Emergency Response Vehicles & Equipment funded from the Fire equipment reserve to cover the higher cost of 3 fire apparatus pumper units based on the bid submissions received.

KEY FACTS:

The following are key points for consideration with respect to this report:

- Budget was established in keeping with previous similar purchases and some additional flexibility for demand and supply chain industry concerns
- The RFP was first released in June 2022 which resulted in only one bid which was over budget, and then rereleased a second time in November 2022 which closed with four bids and remains over budget
- Industry wide price increases and supply of cab and chassis for fire apparatus have hit unprecedented times with forecast of challenges expected for at least 3-5years in the fire industry
- Apparatus replacement and service delivery affect Fire Underwriters Dwelling Protection Grade (DPG) and Public Fire Protection Classification (PFPC)

BACKGROUND:

Budget was established from previous fire apparatus pumper unit purchased in 2018 and some additional inflationary cost considerations, however those were not substantial enough given the supply chain issues and cost increases experienced since the later part of 2020 in fire fleet industry. Budget per unit was \$952,000 however bid pricing all came in between \$1,250,000- \$1,350,000 per unit in the bid

resubmittal. Many components within the RFP were exercised to try and obtain the best pricing possible such as a 30 day award requirement. The request to approve on December 19, 2022 allows enough time to complete the award process and to avoid additional cost increases into 2023. The current units due for replacement (P231, P251, P271) are twelve and thirteen year old triple combination pumper front line units. Requirements for replacements as an Urban designated fire department industry standard are 10-12 years. This RFP and unit replacements cannot be extended or deferred as delivery of new units are approximately one year production lead time and the current age of these apparatus will have reached their capacity.

COMMENT/OPTIONS:

Staff recommend that the 2022 capital budget be amended to add \$1,050,000 to project 43302203 Emergency Response Vehicles & Equipment funded from the Fire equipment reserve to cover the higher cost of 3 fire apparatus pumper units based on the bid submissions received.

Staff will also continue to monitor the Fire equipment reserve which would dip into a negative balance in years 2025 - 2028 before returning back to a positive balance in years 2029 - 2032. The capital forecast along with transfers from the operating budget to the Fire equipment reserve will be considered and adjustments will be made where necessary to ensure a sufficient reserve balance.

CONSIDERATIONS:

(A) PUBLIC

The potential for a negative effect on the FUS Public Fire Protection Classification (PFPC) for industrial & commercial underwriting as well as Dwelling Protection Grade (DPG) are significant if RFP-76-2022 is not completed. Replacement of front line apparatus to industry standards and best practices are essential to maintain levels of service and ensuring safe and effective emergency response.

(B) FINANCIAL

Staff recommend that the 2022 capital budget be amended to add \$1,050,000 to project 43302203 Emergency Response Vehicles & Equipment funded from the Fire equipment reserve to cover the higher cost of 3 fire apparatus pumper units based on the bid submissions received. Ongoing review with finance and fire management will take place for any additional budget considerations for transfers from the operating budget to the Fire equipment reserve and priority capital planning considerations where condition assessments of support vehicles may offer timeline extensions. Sale of the decommissioned units could yield higher than normal resale values to non-Urban classified

departments at government auction, and sales would transfer back to the Fire equipment reserve.

(C) IMPACT ON OTHER DEPARTMENTS & USERS

N/A

(D) CORPORATE STRATEGIC GOALS

Oakville fire department service levels as defined in the Establishing and regulating bylaw, provide residents and business in Oakville professional emergency response that promote livability and public safety. Support of resources, asset management, and strategic planning help achieve corporate strategic goals for Oakville fire in the areas of public education, fire prevention and operational suppression response.

(E) CLIMATE CHANGE/ACTION

Manufacturing of new fire apparatus are designed to improve overall emissions and climate provisions for safe emergency vehicle response.

APPENDICES:

N/A

Prepared and Submitted by:
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