



Report to: General Committee

Date Report Authored: May 26, 2011

SUBJECT: 067-S-11 Supply of a Pumper Truck and Aerial Apparatus
PREPARED BY: Laurie Canning, Manager Fleet & Supplies, ext. 4896
Patti Malone, Senior Buyer, ext. 2239

RECOMMENDATION:

- 1) THAT the report entitled "067-S-11 Supply of a Pumper Truck and Aerial Apparatus" be received;
- 2) That the supply of a Pumper Truck be awarded to Safetek Emergency Vehicles in the amount of \$561,613.44 in US dollars (\$550,601.41 in CDN dollars) inclusive of HST;
- 3) THAT the supply of an Aerial Chassis and Apparatus be awarded to Safetek Emergency Vehicles in the amount of \$917,730.00 in US dollars (\$882,143.30 in CDN dollars) inclusive of HST;
- 4) That authority to approve the expenditure to equip the Pumper Truck and the Aerial Chassis and Apparatus in the amount of \$26,000.00 be provided to the Director, Operations or his designate as per the limits in accordance to the Expenditure Control Policy;
- 5) That the funds for the awards be provided from account 057-6150-11245-005 "Corporate Fleet Replacement" in the amount of \$1,412,282.00;
- 6) That the shortfall in the amount of \$46,462.27 be funded from the Life Cycle Replacement and Capital Reserve account;
- 7) THAT the tender process be waived in accordance with Purchasing By-law 2004-341, Part II, Section 7 Non Competitive Procurement, item 1 (e) which states "Where the Town is acquiring specialized equipment, in which case the sources of supply may be identified based on technical specifications prepared by the User Department staff. The Manager of Purchasing may negotiate purchases based on such specifications in consultation with the User Department;"
- 8) That vehicles 9841 (1995 model year) and 9853 (1990 model year) will be sold in accordance with Purchasing By-law 2004-341, Part V, Disposal of Personal Property and proceeds be posted to account 890 890 9305 upon delivery of new Pumper Truck and Aerial Apparatus;

And that Staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

The purpose of the report is to obtain Council approval to award the Pumper Truck and Aerial Apparatus.

BACKGROUND:

Council at its June 23, 2009 meeting resolved (resolution attached) that Markham Fire and Emergency Services be authorized to continue with the standardization of the Town's fire apparatus fleet for an additional five years, concluding in 2014. The Fire Chief and the Manager of Purchasing, or their designates has the authority to negotiate with Safetek Emergency Vehicles, as the Canadian sales distributor for Smeal Fire Apparatus.

Unit 951 Pumper and Unit 956, 105' Aerial Apparatus have been included in the 2011 Corporate Fleet Replacement Program. Currently these units are first line apparatus and have experienced significant usage in their life cycle to date. Downtime and increased maintenance requirements due to the severe duty usage render the units less reliable as first run apparatus.

Considering the current number of first run apparatus in the fire fleet, the mandatory vehicle inspections, preventative maintenance programs and out of service time related as a result of these programs it is necessary to maintain a spare fleet compliment of three apparatus (one aerial and two pumpers). This spare fleet compliment currently consists of two pumpers 9841, 9871 and one telesquirt 9853. First run units are retired to spare status when replacement criteria is met as identified the Corporate Fleet Policy and the downtime and increased maintenance requirements due to the severe duty usage render the units less reliable.

Two of the current spare apparatus 9841 (1995 model year) and 9853 (1990 model year), have significant corrosion issues along with outdated apparatus components which have rendered these apparatus unreliable as spares and they will be sold upon delivery of the new apparatus. Further it is doubtful that apparatus 9853 will pass the Periodic Mandatory Commercial Vehicle Inspection (PMCVI) and ladder testing in 2012. With the reduced duty cycle of the two apparatus identified in the 2011 Corporate Fleet Replacement Program unit 951 and 956 will become spare units and renumbered accordingly as 9851 and 9856. Spare units are not included in the Fleet Life Cycle Reserve Study as they have already been accounted for as first run units and do not have specific replacement criteria assigned.

OPTIONS/ DISCUSSION:

The preferred supplier rationale for sourcing apparatus is that it enables the Fire and Emergency Services Department to consider all aspects of apparatus management including post delivery service, resources and expertise dedicated to the project by the vendor during the specification process and longevity of vendors in the industry. Continuity within the fire apparatus manufacturing industry is a concern where there is a continuous cycle of re-alignment in the business relationships between Canadian and American affiliates.

To date, the Town has purchased two aerial apparatus and nine pumper apparatus since entering into the original preferred supplier agreement in 2001. In summary, the Town's experience with Smeal products and Safetek, as the preferred supplier, to achieve fleet standardization has proven to be a success from a customer service and quality product perspective, as well as being a financially sustainable approach to delivering fire & emergency services to the citizens of Markham.

Staff is satisfied with the equipment supplied by Smeal Fire Apparatus.

FINANCIAL CONSIDERATIONS AND TEMPLATE:

Vehicle	Account	Budget Allocated to Award	Award	Budget Variance
Pumper Truck	057-6150-11245-005 Corporate Fleet Replacement	558,607	550,601	8,006
Aerial Apparatus	057-6150-11245-005 Corporate Fleet Replacement	853,675	882,143	(28,468)
Equipment for Pumper and Aerial	057-6150-11245-005 Corporate Fleet Replacement		26,000	(26,000)
Balance Shortfall		1,412,282	1,458,744	(46,462)

It is recommended that the shortfall in the amount of \$46,462 be funded from the Life Cycle Replacement and Capital Reserve.

The above award amounts have been converted to Canadian dollars based on the Canada-US exchange rate of \$1.02 at the time of drafting this report, actuals may vary based on exchange rates used at time of final purchase.

HUMAN RESOURCES CONSIDERATIONS

N/A

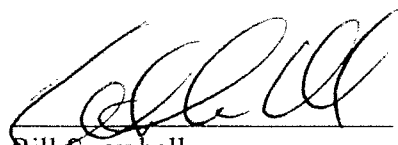
ALIGNMENT WITH STRATEGIC PRIORITIES:

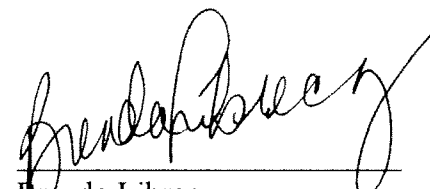
N/A

BUSINESS UNITS CONSULTED AND AFFECTED:

N/A

**RECOMMENDED
BY:**


Bill Snowball,
Fire Chief


Brenda Librecz
Commissioner, Community
and Fire Services

ATTACHMENTS:

Resolution of Council meeting no. 11, dated June 23, 2009.