

NO: R111

COUNCIL DATE: June 10, 2019

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **June 5, 2019**

FROM: **Fire Chief**

FILE: **1280-01**

SUBJECT: **Award of Contract 1220 -040-2018-049 for 75 foot Ladder Quint Fire Apparatus**

RECOMMENDATION

The Fire Department recommends that Council:

1. Award contract 1220-040-2018-049 to Safetek Emergency Vehicles Ltd. to provide four (4) 75 foot Ladder Quint Fire Apparatus as reflected in this report over a period four years, at a cost of \$7,469,535.82, including taxes and levies;
2. Set the expenditure authorization limit for Contract 1220-040-2018-049 at \$7,800,000.00, including contingencies and GST; and
3. Authorize the Fire Chief, Surrey Fire to execute Contract 1220-040-2018-049.

INTENT

The purpose of this report is to seek Council approval for staff to purchase four (4) new 75 foot ladder Quint fire truck as identified within this report.

DISCUSSION

As part of the Fire Department Capital Replacement and Additions Plan, the Fire Department has identified four (4) 75-foot ladder Quint Fire Apparatus (“Quints”) which are due for replacement within the next four years. The four (4) new Quints will replace four (4) units which were purchased between 2002 and 2004. The current units are at the end of their useful life and have been fully depreciated.

The new Quints will be equipped with new anti-idling technology that allows fire crews to maintain operations of powered equipment and vehicle lighting systems while the main engine is off. When the apparatus is parked and idles for more than 3 minutes, the main truck engine will shut down and a smaller generator will start up and operate the electrical/HVAC demands of the truck. The generator will consume one quarter of the amount of fuel of the large truck engine, reducing our carbon footprint, emissions and fuel costs.

The new Quints are capable of providing immediate intervention at incidents requiring medical, fire ground-related emergencies, elevated personnel rescues, and elevated fire suppression. The Quints will be designed for a full complement of ground ladders, 2,200 litre water tanks, 7000 litre

per minute fire pumps, 122 metres of 65 mm hose, 244 metres of 100 mm hose, four pre-connect attack lines, and a remote controlled aerial nozzle with 4,500 litre per minute discharge at the tip of the ladder. In addition, the apparatus has 110 litre Class A foam concentrate system, as well as, scene lighting, and medical equipment.

If approved by Council, the vehicles will be delivered as follows; one unit delivered early 2021, two units delivered early 2022, with last unit delivered early 2024.

QUOTATION RESULTS

The RFQ was posted on the BC Bid and City of Surrey websites. Safetek Emergency Vehicles Ltd. were the only proponent to provide a bid. During the RFP process there were only two vendors who made inquiries and were provided clarification regarding specifications. The equipment is highly specialized and there are few vendors capable of meeting the specifications.

Supplier	Tendered Amount Including Taxes and Levies
Safetek Emergency Vehicles Ltd.	\$7,469,535.82*

*3% annual inflation estimate of the Producer Price Index (“PPI”) is used for the years of 2021, 2022 and 2024. Actual PPI inflation may vary, dependent on the year when the purchases occur.

This bid is consistent with past procurement processes for 75 foot Ladder Quints, it provides familiar fire apparatus for maintenance, operational training and represents good value to the City.

Evaluation

As the RFQ resulted in only one bid being received, the following retrospective analysis was completed to ensure the City is paying a fair price for the purchase.

The intent of the report aims to replace 4 Quint Apparatus units. Three Units originally purchased in 2002 will be replaced over next 3 years (1 - Year 2021; 2- Year 2022), and one Unit originally purchased in 2004 will be replaced in 2024. For the purposes of verifying reasonability of the quoted 2020 Quint with updated specs at \$1,502,000 (Year 2021 – \$1,559,365) the following calculation was performed:

- Original Cost of the same Quint Unit type purchased in 2004: \$962,000
- PPI: 3%
- Calculated inflationary value of the 2004 purchased unit –
 - At time of quote = \$1,498,765
 - Year 2021 = \$1,543,728
 - Year 2022 = \$1,590,039
 - Year 2024 = \$1,686,873
- Based on the above calculation, the amount applying 3% PPI and including taxes and levies would approximately \$7,480,000 which is reasonably close to the quote of \$7,469,535.82.

In summary, the actual cost and change in price of this type of Apparatus is in line based on the anticipated PPI factor. Therefore, the price change of the Quint above shows the quote of the four Quint Apparatus to be consistent with expectations based on PPI.

Overall, the comparative calculations point to this quotation to be reasonable and in keeping with our Asset Reserve Plan.

An evaluation team involving staff from the Engineering Department, Fire Department, and the Finance Department reviewed the quotations for accuracy and completeness.

Safetek Emergency Vehicles Ltd. provided the only bid and met the requirements of the specifications. Prior experience with Safetek Emergency Vehicles Ltd. supplying similar fire apparatus has been satisfactory. There are no outstanding legal issues or claims relating to Safetek Emergency Vehicles Ltd.

FUNDING

The Finance Department has confirmed the funding for the apparatus is available from the Fire Department Capital Replacement Program.

SUSTAINABILITY CONSIDERATIONS

The acquisition of four (4) 75 foot Ladder Quint Fire Apparatus supports the objectives of the City's Sustainability Charter 2.0. In particular the acquisition relates to the themes of Economic Prosperity and Livelihoods, Infrastructure and Public Safety. Specifically, this acquisition supports the following Desired Outcomes ("DO") and Strategic Directions ("SD"):

- Innovation DO14: Surrey is the region's innovation hub, focusing on health and clean technologies, creating significant local and regional economic impacts;
- Energy and Climate DO7: Per capita emissions are low, and align with global, national and provincial GHG reduction targets;
- Energy and Climate SD5: Work collaboratively with diverse stakeholders to lower greenhouse gases and to improve air quality;
- All Infrastructure SD1: Proactively manage community assets to maintain them over the long-term in a state of good repair; and
- Public Safety DO2: Police and fire services provide timely and reliable responses across the city.

The purchase of these fire apparatus, with new anti-idling technology will further assist the City in meeting its Corporate Emissions reduction target of 20% below the baseline standards.

CONCLUSION

Based on the above discussion, it is recommended that Council:

1. Award contract 1220-040-2018-049 to Safetek Emergency Vehicles Ltd. to provide four (4) 75 foot Ladder Quint Fire Apparatus as reflected in this report over a period four years, at a cost of \$7,469,535.82, including taxes and levies;

2. Set the expenditure authorization limit for Contract 1220-040-2018-049 at \$7,800,000.00, including contingencies and GST; and
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Len Garis,
Fire Chief