
TO: Electoral Area Services Committee **MEETING:** October 8, 2019
FROM: Catherine Morrison
 Manager, Emergency Services **FILE:** 7200-01 VEH
SUBJECT: Fire Apparatus Purchasing

RECOMMENDATION

That the Board endorse issuing a Request for Qualifications to select a Fire Apparatus Manufacturer/Dealer as a preferred supplier for a five (5) year term.

SUMMARY

One of the recommendations of the Fire Service Review by Dave Mitchell and Associates in April 2016 was to create common fire apparatus specification templates for use in future purchases. The Apparatus Specification Working Group composed of representatives from the regional fire departments and the Fire Services Coordinator agreed to several recommendations for engines and tenders. These recommendations were presented to the Electoral Area Services Committee at its September 4, 2018, meeting as part of the Fire Services Update to be received for information.

Over the next 5 years, the Regional District of Nanaimo (RDN) is expecting to purchase four to five new engines and five new tenders (Attachment 1). Using the agreed upon Apparatus Specification Working Group recommendations, the RDN is seeking to combine the apparatus purchases into one Request of Qualifications to select a manufacturer as a preferred supplier for a five-year term. With one manufacturer, the RDN can leverage buying power and receive substantial cost savings.

BACKGROUND

To purchase a new piece of apparatus, the RDN in collaboration with the Fire Department develops a Request for Proposals (RFP) for each unit individually with each department providing suppliers with their own custom specifications. Individual purchases create extra workload for proponents to develop a proposal and accommodate all non-standard specifications resulting in increased costs built into the apparatus pricing.

There are several other options to procure new apparatus including purchasing a used or demonstration unit, purchasing through a cooperative group or to issue a Request for Qualifications (RFQ).

Purchasing a used or demonstration unit typically results in a lower cost and quick delivery. As the unit is already built, the service life is shorter and it may not have all the options a department needs or wants and there is not always the ability to add them after the fact.

Purchasing through a cooperative buying group offers discounts off the list price. The vendors are preselected, and the pricing model is established. Not all manufacturers participate with

cooperative buying groups. The manufacturers that do belong to the group may not be able to supply the particular apparatus a department is seeking.

The Request for Qualification provides the RDN the opportunity to evaluate suppliers and select the manufacturer/dealer representing the best overall value. The RDN can work with the preferred supplier in order to standardize the pricing model as well as generally standardizing the design. The five (5) year term allows the RDN to better plan and forecast costs working with one supplier. At the January 18, 2018, Apparatus Specification Working Group meeting, the group was in favor of looking at the possibility of securing a single vendor. Reasoning for this support included that over time, there would be continuity of quality in the manufacturing, the process would be faster and more efficient, and the fire departments could contact the manufacturer at any time for questions regarding future apparatus knowing who the vendor is ahead of time.

ALTERNATIVES

1. Board endorse issuing a Request for Qualifications to select a Fire Apparatus Manufacturer/Dealer as a preferred supplier for a five (5) year term
2. That alternate direction be provided.

FINANCIAL IMPLICATIONS

Each Fire Department budgets individually for the purchase of apparatus. Budgeted amounts for engines vary from \$500,000 to \$850,000 and amounts budgeted for tenders vary from \$300,000 to \$500,000. A Request for Qualifications would leverage buying power and aim to purchase apparatus within budgeted limits to provide the best value to the region.

STRATEGIC PLAN IMPLICATIONS

Growth Management - Fully develop our Asset Management Plan.

Standardizing apparatus purchasing is a move towards developing asset management planning for the fire departments.



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September 17, 2019

Reviewed by:

- D. Pearce, General Manager, Transportation and Emergency Services
- P. Carlyle, Chief Administrative Officer

Attachments

1. Anticipated Apparatus Purchases