



## REPORT

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**TO:** Mayor Lawlor and Members of Council

**FROM:** Bruce Morrison, Deputy Chief

**DATE:** May 5, 2024

**REPORT NO.:** FIRE-2024-004

**SUBJECT:** Fire Tanker Truck Replacement

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### RECOMMENDATION:

THAT Report No. FIRE-2024-004 dated May 5, 2024 regarding the Fire Tanker Truck Replacement, be received;

AND FURTHER THAT Commercial Emergency Equipment be awarded a contract for the provision of one fire tanker truck through leveraging Sourcewell and Canoe Procurement Group of Canada, a total amount of \$839,130.00 (plus applicable taxes);

AND FURTHER THAT Council authorize the Manager of Purchasing to issue a purchase order to Commercial Emergency Equipment for the fire tanker truck to an upset limit of \$982,704.00 (plus applicable taxes).

### KEY POINTS:

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

- The purpose of this report is to receive delegated authority to approve the acquisition of a replacement fire tanker truck through the Sourcewell and Procurement group, within the 2024 Council approved budget of \$1,000,000.
- Fire Tanker truck 743 is a 2004 vintage, 2,500 imperial gallon apparatus that has reached its end of life. This apparatus is a key piece of equipment used to shuttle water to areas not serviced by hydrants and maintain our Superior Tanker Shuttle Accreditation. This accreditation benefits our rural residents by affording them significant insurance savings.

- The replacement fire tanker truck (project 5900-25-2401) was approved through the 2024 capital budget at an estimated cost of \$1,000,000.
- The replacement fire tanker truck is equipped with occupant safety systems to protect fire staff when in use. (air bags & roll cage protection)

## **BACKGROUND AND DISCUSSION:**

The Halton Hills Fire Department maintains a fleet of emergency vehicles to provide emergency response to the residents and businesses of Halton Hills. These types of apparatus are required to respond to a variety of emergency incidents throughout the municipality, and by cost-recovery agreements in portions of both the Town of Milton and Town of Erin.

The Halton Hills Fire Department has three fire tankers in its fleet. These tankers work together to provide the ability to shuttle water to incidents in our rural areas to support fire suppression activities and maintain sufficient volumes of water to extinguish fires. In addition, due to their weight, they function as “blocker” vehicles at incidents on our roadways, keeping our firefighters and other emergency responders safe.

Our current truck is 20 years old and has reached its end of service life, is experiencing increased maintenance costs, and difficulty in sourcing replacement parts. In addition, it does not have the advanced safety systems widely available in most vehicles.

The capital forecast is used to predict the replacement costs of vehicles and is reviewed annually by senior fire staff. In 2023, it was estimated, based on the industry market trends, and recent purchases, that \$1,000,000.00 would be a reasonable amount to obtain a replacement vehicle with the required capacity and updated safety systems. Since that time, market conditions have remained in a volatile state with significant price increases.

Fire staff remain on the lookout for alternatives available in the industry to reduce costs of equipment acquisitions, maintain service levels, and get value for dollars spent. It is through this ongoing process that the fire staff have found an alternative that meets our needs.

Fire tanker trucks carry large volumes of water, at significant weight, in various weather conditions, on rural and paved roads, driven by volunteer and career firefighters. These types of apparatus are prevalent in departments that must respond to incidents in areas without hydrant infrastructure. The USFA (United States Fire Administration) statistics show that the second leading cause of death for firefighters is fire truck accidents. Their research has further determined that 66% of fire truck accidents involve fire tanker trucks.

Commercial Emergency Equipment is the regional representative for Pierce Manufacturing Inc., a major manufacturer of fire and military vehicles. As part of their ongoing mission to provide high quality fire apparatus and included safety systems to keep firefighters safe, they have developed a certified occupant safety system, exclusive to Pierce Manufacturing. This system is installed in Freightliner commercial chassis, as part of the overall apparatus build.

The inclusion of these safety features in a commercially available chassis allow the Halton Hills Fire Department to acquire a replacement tanker truck that provides the latest technology and safety systems to service the community for the next 20 years, at a cost below the anticipated budget allocation.

It is recognized that this purchase is a significant investment in a public safety asset by the Town. The cost of this vehicle is \$887,282.15 and by using Sourcewell and Canoe partnership as a means of purchasing this vehicle, affords a discount of \$48,152.15, reducing the acquisition to \$839,130.00, plus 14,768.69 non-refundable HST.

Commercial Emergency Equipment also offers a prepay discount, in addition to the Sourcewell and Canoe discount. Taking advantage of the prepay discount results in an additional \$62,500.00 discount, guaranteed by a performance bond.

Staff recommend that the Town take advantage of the Sourcewell and Canoe pricing and the prepay discount options. This will result in the cost of the fire tanker being \$776,630.00 (plus applicable taxes). Delivery upon order being placed is approximately 27 months.

#### **STRATEGIC PLAN ALIGNMENT:**

This report identifies a safe and welcoming community as one of the Town's Strategic priorities.

#### **RELATIONSHIP TO CLIMATE CHANGE:**

This report is administrative in nature and does not directly impact or address climate change and the Town's Net Zero target.

#### **PUBLIC ENGAGEMENT:**

Public Engagement was not needed as this report is administrative in nature.

#### **INTERNAL CONSULTATION:**

Fire staff reviewed this with Finance, and they advised that monies are available in the Capital Equipment Reserve and is the most appropriate source of these monies.

The Manager of Purchasing agrees with this recommendation.

#### **FINANCIAL IMPLICATIONS:**

This report will be funded through an existing approved budget source.

Council approved \$1,000,000 for the replacement of Fire Tanker 743 (project 5900-25-2401) in the 2024 capital budget. The total cost of tanker of \$776,630 after \$110,652.15

in discounts, plus \$13,493 non-recoverable HST at 1.76% can be fully funded within the approved budget. It is recommended that a contingency of \$216,704 plus \$3,803 non-recoverable HST be added to the purchase order to allow for any cost increases beyond the reasonable control of the manufacturer. Any unused funding will be returned to reserves at project completion.

<b>Description</b>	<b>Amount</b>
2024 Council Approved Budget (5900-25-2401)	1,000,000
<b>Estimated expenses</b>	
Fire Tanker Truck cost	877,282
Sourcewell and Canoe discount	(48,152)
Prepay discount	(62,500)
Contingency	216,074
Non-recoverable HST (1.76%)	17,296
<b>Total estimated expenses</b>	<b>1,000,000</b>
<b>Remaining Budget</b>	<b>-</b>

Reviewed and approved by,  
 Jon Rehill, Commissioner & Chief of Fire Services  
 Chris Mills, Chief Administrative Officer