



WHEATON

FIRE DEPARTMENT

1 FAPP CIRCLE, WHEATON, IL, 60187
630.260.2175 | www.wheaton.il.us

MEMORANDUM

TO: The Honorable Mayor and City Council

FROM: Bill Schultz, Fire Chief

DATE: October 4, 2021

SUBJECT: **Replacement of Pumper Fire Truck Vehicle #923**

Request

Approve the resolution for the purchase of Replacement Pumper Fire Truck Vehicle #923.

BACKGROUND

Replacement Determination - Vehicle #923, a 2010 Pierce Fire Pumper, has been recommended for replacement by the Fleet Management Committee based upon the Fleet Replacement Schedule and an analysis of the vehicle's useful life. The replacement is scheduled for the 2022 budget with a budgeted amount of \$710,044. The objective is to attain approval to initiate purchase of the replacement unit in 2021 versus 2022 due to a 3% pricing increase that will take effect on 1/1/2022. To maintain a standardized fire apparatus fleet, the replacement unit is proposed to be a Pierce brand fire pumper. The purchase will be completed through the Houston-Galveston Area Council (H-GAC) cooperative purchasing program (HGACBuy) while taking advantage of an available cost savings opportunity in the form of a pre-payment discount.

Vehicle #923 has accumulated 60,045 miles, 6850 operational hours, and the vehicle is completing its' twelfth year of operation. Our targeted life cycle for a fire pumper is twelve years which is the timeframe that has been used for capital/fleet replacement budget planning. The twelve-year timeframe was previously established based upon both industry standards and a historical analysis of our repair costs versus re-sale value. The twelve-year timeframe has been the historical point for pumpers at which the costs for repair begin to escalate beyond the value of the vehicle. The current analysis of Vehicle #923 is consistent with the historical findings.

Standardization - With the past pumper replacements, the Fire Department and Fleet Services Department have made a concerted effort to standardize fire pumpers by purchasing Pierce brand vehicles in order to realize benefits such as common vehicle operations, common maintenance practices, and streamlined acquisition of parts along with excellent, local warranty service at the dealer in Aurora, Illinois. The benefits of standardization directly correlate to operational efficiency and cost containment for both departments. By purchasing Pierce brand vehicles, both Departments have realized greater vehicle reliability, improved efficiencies for both the fire personnel and mechanics due to familiarity with like vehicles, and significant improvements with durability because of purchasing a higher quality vehicle.



WHEATON MAYOR PHILIP J. SUESS

CITY MANAGER MICHAEL DZUGAN

CITY COUNCIL: MICHAEL BARBIER | ERICA BRAY-PARKER | SCOTT BROWN | SUZANNE FITCH | LYNN ROBBINS | SCOTT WELLER

Purchasing Method - The City is a member of the H-GAC Cooperative Purchasing Program (HGACBuy). The H-GAC is a council of governments comprised of a region wide voluntary association of local governments in the State of Texas operating under Chapter 391 of the Texas Local Government Code and is authorized to contract with eligible entities to perform governmental functions including the purchase of goods and services. The City participates in the H-GACBuy which permits local governments to purchase commodities and services according to contracts negotiated by the H-GAC, resulting in significant savings for the City. The requested replacement vehicle is available for purchase from MacQueen Equipment LLC., in Aurora, Illinois using competitively bid cooperative contract #AM10-20. Procurement has verified H-GACBuy cooperative contract #AM10-20 to ensure compliance with the competitive bid process to solicit, evaluate, and award cooperative purchasing contracts for goods and services.

Pricing/Construction Information - Upon our request, MacQueen Equipment LLC., (the authorized sole source Pierce dealer for our territory) has provided a proposal for the purchase of a replacement Pumper based upon the HGACBuy pricing structure. The proposal (Attachment 1) lists the sales price as \$678,800.00. The price does not reflect a quoted trade-in allowance for the 2010 Pierce in the amount \$100,000.00. Fleet Services Superintendent Sam Webb believes that the trade-in allowance is comparable to what we would realize through a “by owner” sale.

The proposal also includes an option for pre-payment resulting in an available price discount of \$17,344.00 (or 2.6%). A performance bond (at a cost of \$1,186.00) is also included in the proposed sales price. The estimated construction timeframe is 13 to 17 months. Additionally, upon our request, Emergency Group has researched availability of stock/pre-constructed units and identified that currently there are no similar units available for purchase.

Analysis

In analyzing the above information and after consulting with Director of Finance Bob Lehnhardt, the City would realize administrative and cost advantages by purchasing the replacement pumper using the HGACBuy cooperative purchasing program and opting to apply the discount for pre-payment of the vehicle. According to Director Lehnhardt, based on current market conditions, the City is not expected to earn greater than 2.6% over the next year that would meet or exceed the \$17,344 pre-payment discount amount. Additionally, the purchase of the performance bond would protect the City against any risks associated with pre-payment. Director Lehnhardt also verified that the funds allocated in the Fleet Services Fund over the years for a total amount of \$650,874 for the pumper fire truck will accommodate the advanced purchase.

Sale Price (Incl Perf Bnd)	\$678,800
Pre-Payment Discount	<u>(17,344)</u>
Purchase Price	<u>\$661,456</u>
Less Trade-In	<u>(100,000)</u>
Net Purchase Price	<u>\$561,456</u>

Recommendation

Staff recommends that the City Council adopt the resolution authorizing the purchase of one (1) Pierce Manufacturing Pumper Fire Truck from Pierce Manufacturing’s authorized dealer, MacQueen Equipment LLC., 1401 North Farnsworth Avenue, Aurora, Illinois 60505 in accordance with the H-GACBuy cooperative agreement #AM10-20 for a total amount not to exceed \$561,456.

The specifications proposal, quotation, H-GACBuy cooperative agreement #AM10-20, and City's Purchase Order are on file in the City Clerk's office for review.



PERFORM. LIKE NO OTHER.

MINNESOTA ILLINOIS INDIANA MISSOURI NEBRASKA NORTH DAKOTA SOUTH DAKOTA

EM-102

September 16, 2021

Chief William Schultz
 City of Wheaton Fire Department
 1 Fapp Circle
 Wheaton, IL 60187

Subject: **Proposal for one (1) Pierce Impel PUC Pumper
 Proposal / Bid #1040**

Dear Chief Schultz,

With regard to the above subject, please find attached our completed proposal.

Pricing, is as follows, including 100% prepay option.

Pricing Summary:Sale Price – **\$678,800.00*****Houston-Galveston Area Council (HGAC) Consortium Pricing.***100% Performance Bond:**

Included in the above price.

100% Prepayment Option:

Should the City of Wheaton Fire Department elect to make a 100% prepayment at contract execution, a discount of (**\$17,344.00**) can be subtracted from the above "Sale Price" resulting in a revised contract price of **\$661,456.00**.

Trade-In Option:

Should the City of Wheaton Fire Department elect to Trade-in Pierce Impel PUC Pumper job 23210 VIN 4P1CJ01A5AA011094, a discount of (**\$100,000.00**) can be subtracted from the above "Sale Price". **Trade ins terms are subject to having no major/excessive underside corrosion, must be fully operational at time of trade, have new pump test done after they are removed from service, and be equipped with the basic/fixed equipment they came with from the factory when new and have clear title. If trade in is unacceptable due to any of these conditions, this option becomes null and void.**

Terms and Conditions:

Taxes – Not Applicable
 Freight – F.O.B. – Appleton, WI / Shipping to Wheaton, IL
 Terms – Net due prior to vehicle(s) release at the Pierce Manufacturing Plant (Appleton, WI). Net due at Contract signing for **Prepay discount** to be applicable.
 Delivery – 13 – 17 months from receipt and acceptance of contract.



PERFORM. LIKE NO OTHER.

MINNESOTA ILLINOIS INDIANA MISSOURI NEBRASKA NORTH DAKOTA SOUTH DAKOTA

Said apparatus and equipment are to be built and shipped in accordance with the specifications hereto attached, delays due to strikes, war, or international conflicts, or other causes beyond our control not preventing, could alter the delivery schedule.

The specifications herein contained, shall form a part of the final contract, and are subject to changes as desired by the purchaser, provided such changes are acknowledged and agreed to in writing by the purchaser.

This proposal for fire apparatus conforms with all Federal Department of Transportation (DOT) rules and regulations in effect at the time of bid, and with all National Fire Protection Association (NFPA) Guidelines for Automotive Fire Apparatus as published at the time of bid, except as modified by customer specifications.

The attached proposal is valid until for thirty (30) days.

We trust the above and the enclosed to be full and complete at this time; however, should you have any questions or require additional information, please do not hesitate to contact me at 630-303-8776 or john.kenna@macqueengroup.com.

We wish to thank the City of Wheaton Fire Department for the opportunity to submit our proposal.

Respectfully,

John Kenna

John Kenna
Apparatus Sales
MacQueen Equipment LLC
DBA MacQueen Emergency Group

RESOLUTION R-2021-

A RESOLUTION AUTHORIZING THE PURCHASE OF ONE (1) REPLACEMENT PUMPER FIRE TRUCK FROM PIERCE MANUFACTURING THROUGH ITS AUTHORIZED DEALER, MACQUEEN EQUIPMENT LLC., IN ACCORDANCE WITH THE HOUSTON- GALVESTON AREA COUNCIL COOPERATIVE PURCHASING PROGRAM'S CONTRACT #AM10-20 FOR A TOTAL AMOUNT NOT TO EXCEED \$561,456

WHEREAS, pursuant to the Illinois Governmental Joint Purchasing Act (30 ILCS 525/1, et seq.), the City may purchase personal property, supplies, and services joining with other governmental units; and Illinois State Statutes authorize municipal governments to jointly purchase supplies; and

WHEREAS, the Houston-Galveston Area Council ("H-GAC") is a council of governments comprised of a region wide voluntary association of local governments in the State of Texas operating under Chapter 391 of the Texas Local Government Code and is authorized to contract with eligible entities to perform governmental functions including the purchase of goods and services; and

WHEREAS, the H-GAC is a political subdivision of the State of Texas; and

WHEREAS, the H-GAC cooperative Purchasing Program (HGACBuy) establishes contracts for a variety of products and services through public and competitive solicitations, and permits member governments to purchase products and services through those contracts; and

WHEREAS, the City is a member of H-GACBuy; and

WHEREAS, the H-GACBuy contract #AM10-20 has been publicly and competitively bid for ambulances, emergency medical services ("EMS") rescue vehicles, and other special service vehicles; and

WHEREAS, the H-GAC has identified MacQueen Equipment LLC., as a low responsible bidder for HGACBuy cooperative contract #AM10-20 for emergency service vehicles that meet the City's specifications; and

WHEREAS, the City has allocated funds in the Fleet Services Fund over the years for a total amount of \$650,874 for the pumper fire truck that will accommodate the advanced purchase; and

WHEREAS, the corporate authorities of the City of Wheaton have determined that it is in the best interest of the City to procure one (1) replacement Pumper Fire Truck for the Fire Department from Pierce Manufacturing through its authorized dealer, MacQueen Equipment LLC., 1401 North Farnsworth Avenue, Aurora, Illinois 60505 in accordance with H-GACBuy cooperative contract #AM10-20, for a total amount not to exceed \$561,456.

NOW THEREFORE, BE IT RESOLVED by the Mayor and the City Council of the City of Wheaton, Illinois, that:

Section 1. The foregoing recitals are incorporated into and made a part of this Resolution as findings of the Mayor and the City Council.

Section 2. The City's Purchase Order #2022087 for one (1) Pumper Fire Truck for the Fire Department from Pierce Manufacturing through its authorized dealer, MacQueen Equipment LLC., 1401 North Farnsworth Avenue, Aurora, Illinois 60505, in accordance with the H-GACBuy

cooperative contract #AM10-20, for a total amount not to exceed \$561,456, is hereby authorized (the "Purchase").

A copy of the City's Purchase Order #2022087 is on file with the City Clerk's office as Exhibit A to this Resolution R-2021-___ and is hereby incorporated into this Resolution and made a part hereof as if fully set forth herein; and a copy of the H-GACBuy cooperative contract #AM10-20 is on file with the City Clerk's office as Exhibit A to Purchase Order #2022087 and is hereby incorporated into this Resolution and made a part hereof as if fully set forth herein.

Section 3. City staff is authorized and directed to undertake any and all other tasks necessary, or in furtherance of, completion of the Purchase transaction.

ADOPTED this 4th day of October 2021.

Mayor

ATTEST:

City Clerk

Roll Call Vote:

Ayes:
Nays:
Absent: