



## Legislation Text

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File #: 23-199, Version: 1

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*Report Prepared by: Jeremy Franklin, Battalion Chief, Fire Department*

**SUBJECT:** Approval to Waive the Competitive Bidding Requirements to Purchase One (1) BME Type 3 Fire Engine Stock Model 34 (Job 3456) from Golden State Fire Apparatus for \$496,718.62 Plus a 10% Contingency (\$49,672)

### REPORT IN BRIEF

Considers waiving the City's competitive bidding requirements pursuant to Merced Municipal Code Section 3.04.210 for the purchase of one (1) BME Type 3 Fire Engine Fire Engine Stock Model 34 (Job 3456) from Golden State Fire Apparatus for \$496,718.62 plus a 10% contingency (\$49,672).

### RECOMMENDATION

**City Council** - Adopt a motion:

- A. Waiving the City's competitive bidding requirement as permitted by Merced Municipal Code Section 3.04.210 for standardization of equipment in purchasing a BME Type 3 fire engine; and,
- B. Authorizing the purchase of one (1) BME Type 3 Fire Engine stock unit #3456 with the total purchase price of \$496,718.62; and,
- C. Authorizing the City Manager or the Deputy City Manager to execute the necessary documents, the Finance Officer to make the necessary budget adjustments, and the City Purchasing Supervisor to issue the Purchase Order/Change Order(s), and approval of change orders not to exceed 10% (\$49,671.86) of the purchase price.

### ALTERNATIVES

1. Approve, as recommended by staff; or,
2. Approve, subject to conditions other than recommended by staff or,
3. Deny; or,
4. Refer to staff for reconsideration of specific items; or,
5. Continue to a future meeting.

### AUTHORITY

Title 3, Article III of the Merced Municipal Code, Purchases over Thirty-six Thousand Dollars.

#### Section 3.04.210 - Exemptions from competitive bidding

Except as otherwise provided in this chapter, competitive bidding requirements for purchases in excess of Thirty-six thousand dollars (\$36,000), and the "bidding threshold", may be waived with the approval of the City Council. Waivers may be authorized for, but are not limited to, cooperative

purchasing in conjunction with other governmental entities, professional services, annual service, or supply agreements, or purchases necessary for standardization on particular types of equipment. The bidding threshold shall be adjusted for inflation utilizing the same index and methodology as the bidding threshold in Section 3.04.080 of this code.

## **CITY COUNCIL PRIORITIES**

As provided for in the FY 22/23 Adopted Budget.

## **DISCUSSION**

### Background

Prior to the Great Recession in 2010, fire department vehicle replacements were scheduled through the Vehicle Replacement Program and financed through annual contributions to the Vehicle Replacement Fund. Due to the Great Recession, beginning in fiscal year 2009/10, annual contributions to the Vehicle Replacement Fund ceased causing fire vehicles not to be replaced as needed.

The Merced Fire Department (MFD) supports five stations with five (5) front-line fire engines and one (1) aerial fire truck. In addition to the front-line engines and truck its fleet consists of three (3) reserve fire engines which are 22, 22, and 17 years old. Reserve apparatus are critical to maintain operational readiness and are placed into service when front-line apparatus are being routinely serviced or when emergency repair of front-line fleet is needed, and to fill in behind fire engines deployed on major fires or emergencies. Reserve engines are available for upstaff with off-duty personnel during a large emergency or disaster and when placed into service, reserve fire engines are staffed and available for emergency response in the city for 24/7 immediate emergency response.

Given limited financial resources, the MFD has developed a plan to refresh the reserve apparatus fleet to ensure citizens receive the optimal level of service they desire and deserve, while increasing the diversity in its fleet. The plan was and is to purchase a Type 3 fire engine and place it in service at Station 55. City Council concurred with the plan on February 21, 2023, by approving Agenda Item 23-069, Item J.2. authorizing a transfer from Fund 674 Fleet Replacement to the General Fund in the amount of \$338,00 and appropriating the same to 001-0901-523.43-00 and approving a Supplemental Appropriation from the unreserved, unencumbered General Fund balance in the amount of \$152,000 and appropriating the same to 001-0901-523.43-00. The balance of the vehicle cost will be absorbed through reductions in operational expenditures. Therefore, firstly, we are requesting approval to purchase a type 3 fire engine at a cost of \$496,718.62, plus a 10% contingency (\$49,672); to be placed in service at Station 55; and reassign the fire engine as the reserve engine. Secondly, \$6,718.62 is available in the current operating budget to pay for the difference in the purchase price of the vehicle and the amount transferred from the Mid-Year adjustment. Thirdly, we are requesting the waiver of the competitive bidding process due to standardization.

The Merced Municipal Code Section 3.04.210 provides for an exception to the competitive bidding requirements in situations where the City Council has approved finding which support purchase via “standardization” of equipment. The use of “standardization” of equipment has been successful for the purchase of the existing fleet through Golden State Fire Apparatus (GSFA).

This purchase would continue the MFD practice of standardization of its vehicles. The MFD currently has an existing fleet of 10 City-owned fire apparatus of various kinds and types, all of which were purchased through GSFA. For 29 years, GSFA has provided the City with excellent quality workmanship, reliability, serviceability, and availability of parts. GSFA provides fire apparatus that are used throughout the nation for various firefighting applications.

The BME Type 3 Fire Engine is built to the *CAL FIRE* specification. Through the State of California Master Mutual Aid Agreement, the MFD is regularly requested to wildland fires on State and Federal land. With the purchase of this BME Type 3 fire engine the MFD will increase its interoperability with state resources. The pending annexation of the UC Merced campus and the land eligible for AB 3312 (Gray) to be expedited for annexation, the biggest threat to public safety in those areas are wildfire. State Responsibility Area (SRA) for wildland fire is on the east side of the Le Grand canal. With proactive measures taken in building construction throughout the City of Merced a type 3 fire engine in the north area of town meets our safety measures for both structural firefighting, wildland urban interface, and wildland fire threats.

The reserve engines are aged however their chassis and car are in very good shape and the pumps are in excellent condition as well. Each fiscal year the MFD will request funding during the budget process to have a reserve engine refurbished which would include a new motor, transmission, light package, and cab interior in the amount of \$200,000 each. This would create a cost savings of \$2.5 million since they will not need to be replaced. If this purchase is approved, we will begin implementation of the proposed plan.

## **IMPACT ON CITY RESOURCES**

Funding is available in the General Fund-Fire Department acquisitions account 001-0901-523.43-00.

## **ATTACHMENTS**

1. Golden State Fire Apparatus Proposal
2. BME Type 3 fire engine specifications - Job #3456