



## Agenda Item Summary

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**File #:** RES 22-136, **Version:** 1

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### **Submitted By**

Fire Chief Ronald Kobyleski

### **Reviewed By**

A.M. Zayyad

### **Agenda Item Title**

**A Resolution Approving a Purchase Agreement with MacQueen Equipment, LLC for an Enforcer Pumper to be built by Pierce Manufacturing, Inc. through the Houston-Galveston Area Council Purchasing Program in an Amount Not to Exceed \$850,000 to be Ordered in 2022 and Paid from the 2023 Budget, Authorizing Execution of the Agreement and Waiving the Village's Bid Process for the Agreement**

### **Overview**

This action authorizes the purchase of a fire engine pumper to replace a twelve-year-old reserve fire engine. In the 2022-2026 Capital Improvement Fund budget, a placeholder of \$750,000 was included in the FY23 extended year to purchase a new engine in the Fleet Replacement Fund. Due to the inflationary environment, staff is increasing the requested amount by \$100,000, to \$850,000. Ordering now with an estimated delivery date in 24 months would also lock in the price. Should the Village wait, it is very probable that the price will continue to increase above and beyond the current quoted price of \$850,000.

The wait time between ordering right now and taking delivery is estimated at 24 to 26 months. Therefore, in all likelihood, the earliest time that the Village would take delivery for this engine (if ordering now) would be the summer of 2024.

This manufacturer was chosen for consistency in the fleet. Crews rotate stations and apparatus assignments. Utilizing the same manufacturer reduces training time which carries over to higher quality emergency responses.

### **Recommendation**

Approve the resolution

### **Fiscal Impact**

Due to the unique post-pandemic situation of double lead times (from a typical twelve-month lead time to currently over two years), it is recommended that \$850,000 be appropriated in the FY23 CIP for this purchase. However, this amount will subsequently need to be carried forward into FY24 (when delivery is expected to occur) via a budget amendment.

Based on the service history for this vehicle, for each year the new unit is delayed the Fleet Division estimates

it will cost an additional \$18,000 - \$20,000 in annual maintenance and repairs to continue operating the old unit.

In addition, catastrophic unanticipated future repairs no longer covered by warranty could run as follows: engine rebuild - \$27,000; transmission replacement - \$12,000; fire water pump rebuild - \$20,000. While staff does take good care of our equipment, due to the nature of the equipment, it is often used under extreme conditions. The suspension, chassis, transmission, and engine are over taxed, consistently going from parked to full throttle. Furthermore, the electronics and wiring deteriorate and become outdated.

### **Background**

The Oak Park Fire Department has three fire engine pumpers. Two are in service each day, one at the north fire station and one at the south fire station. A third pumper is a reserve unit that is placed in service when either front-line pumper is unavailable during routine maintenance or repair. The reserve unit is also needed whenever the ladder truck is out for maintenance on the other primary units. One of the primary pumpers along with the reserve pumper are both from 2010 and have already reached the end of their useful lives in 2020. Upon receipt of the new engine, it will be placed in service at Station 2 while one of the twelve-year-old pumpers (14 years old upon delivery of new equipment in 2024) will be retained in service. The other old pumper will be traded in as part of this recommended purchase.

Specifications for the engine were developed by an apparatus committee to ensure that all the department's needs were met. In 2018, four fire apparatus manufacturers submitted proposals and met with the committee. The committee did site visits in the metro-area to inspect in-service pumpers for each of the vendors. The Pierce engine is the preferred vendor meeting all specifications including driving and operating safety, accessibility, and storage of equipment, and separation of fire-contaminated equipment from personnel gear storage. Pierce also has a local service center in Aurora and is produced at a single-source factory in Wisconsin.

One factor that makes this request necessary is that the delivery/lead time from the time of order has increased from about one year to 24-26 months. The other is an unpredictable cost increase. Normally, this particular vendor increases the cost by 3% each year. In 2022 alone there have already been three such increases. Each increase adds about \$25,000 to the cost. Upon placing the order, the price will be locked in which will result in substantial savings as prices keep rising. The third factor is equipment availability for such items as motors, axels, and pumps. At the present time, parts are in short supply or have extremely long lead times which continually pushes out the delivery date.

### **Alternatives**

The Board can approve the ordering of the unit now to lock in the price and secure a place on the assembly line.

The second option is to hold off ordering the unit now until the FY23 Capital Improvement Plan (CIP) is adopted but by doing so, not only could the price continue to escalate but part shortages may then push out the lead time and delivery of the new unit may not be possible until 2025.

### **Previous Board Action**

This vehicle was due to be replaced in 2020, as it was purchased in 2010 and has a ten-year useful life. It was

previously pushed out in 2020 due to the pandemic and again in 2021 to purchase a much-needed ambulance.

**Citizen Advisory Commission Action**

N/A

**Anticipated Future Actions/Commitments**

N/A

**Intergovernmental Cooperation Opportunities**

N/A