



CITY OF HAMILTON
HEALTHY AND SAFE COMMUNITIES DEPARTMENT
Hamilton Fire Department

TO:	Chair and Members Healthy and Safe Communities Committee
COMMITTEE DATE:	June 11, 2018
SUBJECT/REPORT NO:	Fire Apparatus Addition to Contract C5-13-17 for the Hamilton Fire Department (HSC18033) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Shawn De Jager (905) 546-2424 Ext. 3378 Brian Keenan (905) 546-2424 Ext. 3332
SUBMITTED BY:	Dave Cunliffe Chief, Hamilton Fire Department Healthy and Safe Communities Department
SIGNATURE:	

RECOMMENDATION

That the Chief of the Hamilton Fire Department, or his/her designate, be authorized to purchase one additional fire apparatus, known as an Urban Engine, under existing City Contract C5-13-17 funded by the favourable variances existing within the 2017 and 2018 Fire Vehicle Replacement capital projects and in a form satisfactory to the City Solicitor.

EXECUTIVE SUMMARY

Due to extensive continuous improvement work related to the specifications for fire apparatus there is now a favourable variance in the combined 2017 and 2018 approved capital projects for Fire Vehicle Replacement of approximately \$1m. This provides an opportunity for the Hamilton Fire Department to accelerate the purchasing of fire apparatus.

By adding another fire apparatus to this contract, the benefits to the City and the Hamilton Fire Department would be:

- To take advantage of existing contract pricing (approximately \$814,000 CDN) prior to potential cost increase.
- To utilize an existing contract that allows for this additional purchase to take place while staying compliant with Procurement By-law 17-064.

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

The City awarded Contract C5-13-17 Supply and Delivery of Fire Apparatus for the Hamilton Fire Department to Metz Fire and Rescue on January 16, 2018. Contract C5-13-17 allows the City the right to purchase additional Fire apparatus (large vehicle) as listed within this contract if required. Council approval is required because the existing Contract C5-13-17 was awarded for a total of ten large vehicles which reflects the original capital budget submissions for 2017 and 2018 respectively and by adding one more vehicle the Hamilton Fire Department is going above the original request of ten large vehicles as outlined within these approved capital budget submissions.

Based on the above rationale, the availability of the necessary funds and the procurement authority contained within Contract C5-13-17, the Hamilton Fire Department seeks Council's approval to add one additional Fire Apparatus (Urban Engine) to contract C5-13-17 awarded to Metz Fire and Rescue.

Alternatives for Consideration – Not Applicable

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: The approved 2017 Fire Vehicle Replacement Capital (Project ID 7401751702) budget is \$5,202,400 and approximately \$4,581,930 is committed to be spent which will leave an available balance of \$620k. The approved 2018 Fire Vehicle Replacement Capital (Project ID 7401851601) budget is \$5,025,000 and approximately \$4,643,860 is committed to be spent which will leave an available balance of \$381k. The combined available balance of approximately \$1m will be used to fund the purchase of the additional Fire Apparatus (Urban Engine).

Staffing: There are no staffing implications associated with Report HSC18033.

Legal: There are no legal implications associated with Report HSC18033.

HISTORICAL BACKGROUND

Since 2016, extensive work has been undertaken by the Hamilton Fire Department working with Finance and Procurement staff to review all operational aspects of the fire apparatus design, procurement documentation and finance strategies to ensure that future specifications meet exactly what is required at the most competitive cost to the City.

In 2017, Council approved the 2017 Fire Vehicle Replacement capital project budget of \$5,202,400. This project was tendered in 2017, however all bids that were received were non-conforming and disqualified, which meant that it would need to be re-issued.

As part of the 2018 Capital Budget process, the Fire Department made a submission for the 2018 Fire Vehicle Replacement capital project budget in the amount of \$5,025,000. In consultation with Procurement, the decision was made to combine the two projects into one tender, upon Council's approval of the 2018 project.

The Fire Department Leadership Team saw this as an opportunity to implement a continuous improvement initiative relative to the potential cost reduction of our front-line apparatus. In collaboration with front line staff, operational requirements/functionality of the existing apparatus was reviewed. The findings were then compared to the current specifications being used for the tender process. This resulted in the updating of specification documents which better reflected current requirements and functionality of the apparatus. These updated documents were then incorporated into the tender process that resulted in a favourable variance (budget vs actual) being realized within the 2017 and the 2018 Fire Vehicle Replacement capital projects, which combined is approximately \$1m.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

The City of Hamilton Bylaw #17-064 - Procurement Policy.

RELEVANT CONSULTATION

Staff have consulted with the Procurement Section, Financial Services Division and the Financial Planning, Administration and Policy Division of Corporate Services and their feedback has been incorporated in this report.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

As part of the 2019 Capital Budget process, the Hamilton Fire Department will be identifying the need to replace two existing Urban Engines that will be reaching their 20 year end of life cycle and are currently in service within the full time division. Given the favourable variance within the 2017 and 2018 combined capital projects there is the opportunity to bring forward the purchase/replacement of one of these Urban Engines.

The Urban Engine provides frontline firefighters with a multi-use, highly versatile piece of fire apparatus, while maintaining its focus of being able to pump high volumes of water as part of any initial fire attack operation. Some of the features of the Urban Engine include: an on-board water supply tank, a full range of ground ladders, a full hose load including high volume supply lines and various length and diameter fire attack hose lines. It can carry up to five firefighters and ancillary firefighting equipment. Through the continuous improvement process implemented by the Fire Department's Leadership Team, consideration was given to the City's Multi Model Transportation Network approach during the redesign process given that this type of

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

apparatus will be utilized in the urban areas of the City. This meant performance parameters such as size, height, length and overall manoeuvrability were factored in.

The Hamilton Fire Department deems it appropriate to purchase one additional Urban Engine for the following reasons:

- The Urban Engine being recommended for purchase by Report HSC18033, is one of the vehicles that would be included in the 2019 Fire Vehicle Capital Replacement request that will be submitted as part of the 2019 Capital Budget process.
- Contract C5-13-17 awarded in January 2018 includes the procurement authority to add vehicles at the same price up to 1 year from the award date of the latest Purchase order issued.
- Based on the approved budget amounts and the issued purchase order commitments for both the 2017 Fire Vehicle Replacement capital project budget and the 2018 Fire Vehicle Replacement capital project budget, there is approximately a \$1m favourable variance within these combined capital projects.
- The Hamilton Fire Department is satisfied with the current builder of fire apparatus and the product they provide.

By adding another fire apparatus to this contract, the benefits to the City and the Hamilton Fire Department would be:

- To take advantage of existing contract pricing (approximately \$814,000 CDN) prior to potential cost increase.
- To take advantage of an existing contract that contains the necessary approval authority to add vehicles if required.

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Community Engagement & Participation

Hamilton has an open, transparent and accessible approach to City government that engages with and empowers all citizens to be involved in their community.

Built Environment and Infrastructure

Hamilton is supported by state of the art infrastructure, transportation options, buildings and public spaces that create a dynamic City.

APPENDICES AND SCHEDULES ATTACHED

None