

P.O. Box 1749 Halifax, Nova Scotia B3J 3A5 Canada

Item No. 14.1.2 Halifax Regional Council November 22, 2016

TO:	Mayor Savage and Members of Halifax Regional Council		
SUBMITTED BY:	Original Signed by		
	Jacques Dubé, Chief Administrative Officer		
	Original Signed by		
	Jane Fraser, Acting Deputy Chief Administrative Officer		
DATE:	October 24, 2016		
SUBJECT:	Award - Quotation 16-107, Purchase of three (3) Fire Quint Apparatus		

<u>ORIGIN</u>

Approved 2016/17 Capital Budget - Fire Apparatus Replacement (p.C1). This account is used for the replacement of Fire Apparatus Fleet. Regular replacement of these units is necessary to support continued operations.

LEGISLATIVE AUTHORITY

Under the HRM Charter, Section 79 Halifax Regional Council may expend money for municipal purposes. Administrative Order #35, the Procurement Policy, requires Council to approve the award of contracts for sole sources exceeding \$50,000 or \$500,000 for tenders and RFP's.

RECOMMENDATION

It is recommended that Halifax Regional Council award Tender 16-107 for three (3) Fire Quint Apparatus vehicles to Mic Mac Fire & Safety LTD, the lowest bidder meeting specifications, for \$3,390,283 (net HST included) with funding from Project Account No. CVJ01088 - Fire Apparatus Replacement, as outlined in the Financial Implications section of this report.

BACKGROUND

Halifax Regional Fire & Emergency (HRFE) uses their fleet of vehicles to provide emergency support to the residents of Halifax. These units will be required to respond to a variety of fire related emergency calls throughout the Halifax service area. The three (3) Fire Quint Apparatus vehicles being replaced in this classification are required by HRFE in support of their day to day operations.

Unit numbers 01-143Q and 01-144Q are 75' Quint Ladder Trucks that were manufactured by American Lefrance Fire Trucks, which closed its business in March of 2014, making it extremely difficult to locate replacement parts. This, along with the high mileage, has made these units unreliable causing operational challenges for HRFE.

A third Quint will be replacing Engine unit number 97-109E. This unit has reached the 20-year mark as a front line engine. As outlined by the National Fire Protection Association, this unit should be removed from front line service. The upgrade from an Engine to a Quint is a recommendation from the Insurance Underwriters Survey conducted with HRFE. OPTA – Municipal Consulting Services, and was commissioned by HRFE to conduct an insurance underwriter's survey of HRFE's services. The resulting Underwriters Survey report provides a grading of HRFE services which are used by insurance companies to set insurance rates across the municipality. Within this report OPTA identified a gap in HRFE's capabilities related to its capacity to provide elevated water flows (Aerials) to some areas within the municipality. HRFE will address this gap by enlarging their fleet of Quints. Qunits are multi-task fire apparatus that can serve as either Engines or Aerials dependent on need. The replacement upgrade identified within this report provides the most economical approach to address the short fall identified within OPTA 's report.

DISCUSSION

As part of the Fire Apparatus Replacement program and reasons mentioned above, it has been determined that two (2) Fire Quint Apparatus units and one (1) Engine, based on age, mileage and high repair costs be replaced.

Tender 16-107 for three (3) Fire Quint Apparatus vehicles, was posted to the Province of Nova Scotia's Procurement website on July 21, 2016 and closed on September 6, 2016. Three (3) compliant bids were received from the following vendors:

Company Name	Price Net HST		No. Of Units	Total (Net HST)	
*Mic Mac Fire & Safety	\$3,250,947	\$139,336	3	\$ 3,390,283	
Smeal Fire Apparatus	\$3,427,350	\$146,897	3	\$ 3,574,247	
KME Technofeu Inc.	\$3,595,500	\$154,104	3	\$ 3,749,604	

*Recommended Bidder

As per the terms of Tender 16-107, Mic Mac Fire & Safety will be supplying three (3) 2017 Arrow XT PAL units.

Unit 97-109E will be replaced upon arrival of the new vehicles and will be sold as surplus. It is recommended to maintain 01-144Q and 01-143Q as spares. Maintaining spare Quint's provides HRFE with much needed support to HRFE's six frontline operational Quint's. Spare Quints can also be used as spares for Engines and Aerial apparatus, providing greater and much needed flexibility within HRFE's spare fleet. Maintenance costs for these units will decrease as they will be exposed to less wear and tear within their role as spare units. Maintaining these Quints as spares enables Fleet the capability to provide

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a suitable replacement unit when a frontline Aerial or Quint is down for repairs, preventative maintenance, MVI's, enabling HRFE to maintain their response criteria and service standard.

Unit #	Make	Model	Year	Age	LTD* repair costs	Kilometres
01-143Q	American LeFrance	Alf Eagle	2001	15	\$431,549	187,813
01-144Q	American LeFrance	Alf Eagle	2001	15	\$336,960	147,827
97-109E	EONE	Cyclone	1997	19	\$317,490	161,099

* Life to Date (LTD)

Delivery of the new equipment is approximately 395 days from date of purchase order.

Any vehicle scheduled for replacement is first stripped of all salvageable equipment that HRM may be able to reuse and sell at auction. Revenue received from the sale of these units will be placed into the Fleet Vehicles & Equipment Reserve Q531

FINANCIAL IMPLICATIONS

Corporate Fleet recommends the award of this tender to Mic Mac Fire & Safety based on the qualified bid price of \$3,250,947 plus net HST of \$139,336 for a total of \$3,390,283.

Funding is available in Capital Project No. CVJ01088 - Fire Apparatus Replacement for a total of \$3,390,283 (net HST included). The budget availability has been confirmed by Finance.

Project Account No. CVJ01088	- Fire Apparatus Replacement
Cumulative Unspent Budget	\$ 6,116,118
Less: Tender 16-107*	<u>\$ 3,390,283</u>
Balance	\$ 2,725,835
	Cumulative Unspent Budget Less: Tender 16-107*

*This project was estimated in the Approved 2016/17 Capital Budget at \$3,000,000 (Net HST included). It was originally funded in the 2015/16 Capital budget.

RISK CONSIDERATION

Due to the inability to locate replacement parts, age, mileage, and high repair costs incurred by these vehicles, this could result in loss of service due to mechanical failure.

ENVIRONMENTAL IMPLICATIONS

Implications not identified.

ALTERNATIVES

Regional Council could elect to forgo the purchase of the three (3) Fire Quint Apparatus vehicles and keep the existing units in service.

This course of action is not recommended.

ATTACHMENTS

None

A copy of this report can be obtained online at http://www.halifax.ca/council/agendasc/cagenda.php then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

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