

City Council Agenda Memo

From: Darrell Hartmann, Fire Chief

Council Meeting: January 28, 2020

Subject: Resolution to approve the purchase of a 2020 Fire Engine from Toyne, Inc., Breda, IA / Allegiant Emergency Services, Sioux Falls, SD, through Sourcewell Contract #022818-TOY.

Person(s) Responsible: Darrell Hartmann, Fire Chief

Summary:

The replacement of an aging Fire Apparatus is critical. Staff recommends purchasing a 2020 Fire Engine from Toyne, Inc., Breda, IA / Allegiant Emergency Services, Sioux Falls, SD, for the amount of \$540,243.00 through Sourcewell Contract #022818-TOY. This is the first year of a multi-year replacement of major equipment. The vehicle will be financed from a Landfill Internal Fund.

Background:

A Fire Engine replacement should occur every 18-years to effectively reduce maintenance costs and breakdowns. The Brookings Fire Department budgeted to replace a 2001 Fire Engine in the 2020 Capital Improvement Plan. The Fire Engine is a very sophisticated piece of equipment and required the utilization of a specialized governmental approved service called Sourcewell. Within the next 10 years, five (5) engine trucks, one (1) rescue truck, and one (1) platform truck will need to be replaced.

Discussion:

Sourcewell Contract #022818-TOY: Toyne, Inc., Breda, IA / Allegiant Emergency Services, Sioux Falls, SD:

Apparatus	\$605,243.00
Trade-in Value/Discounts	<u>\$ 65,000.00</u>
Total	\$540,243.00

Staff worked with Sourcewell to provide the lowest and best source. Sourcewell exists to help government, education, and nonprofits work more efficiently by providing a wide range of cooperative contracts while complying with competitive bid process requirements. Their contracts are designed to help fulfill purchasing needs while making the buying process more efficient. All vendor agreements are the result of formal bids or negotiated contracts for equipment, products, and services. Sourcewell is in compliance with competitive bidding requirements.

Sustainability:

The engine is designed to meet EPA exhaust emissions and will be an all LED lighted apparatus to eliminate an onboard generator and cord reel.

Legal Consideration:

Legal counsel reviewed the utilization of Sourcewell as an acceptable source for purchasing as it meets bidding requirements.

Financial Consideration:

Staff recommends financing the purchase of this engine internally with an Interfund Loan from the Landfill. The loan terms are in line with current market investment instrument returns allowed for municipalities. This guarantees a competitive rate with fair return:

- Annual Interest Rate: 1.55%
- Years: 6
- Amount: \$540,243

The 2020 CIP has a budgeted amount of \$150,000 to cover the first installment of a multi-year payment schedule.

Options:

The City Council has the following options:

1. Approve as presented
2. Deny
3. Postpone and move to a study session
4. Do nothing

Recommendation:

Staff recommends approval of the resolution to purchase a 2020 Fire Truck from Toyne, Inc., Breda, IA / Allegiant Emergency Services, Sioux Falls, SD.

Action Requested:

Approve the Resolution to purchase a 2020 Fire Truck from Toyne, Inc., Breda, IA / Allegiant Emergency Services, Sioux Falls, SD.

Supporting Documentation:

1. Resolution
2. Appendix