



**FIRE DEPARTMENT**

**MEMORANDUM**

TO: Gregg Mandsager, City Administrator

FROM: Jerry Ewers, Fire Chief

DATE: October 12, 2012

SUBJECT: City Council Agenda Item – Fire Engine Purchase Request

**INTRODUCTION:**

The 2012/2013 Fire Department budget included a request for \$490,000 for the purchase of a new fire engine. The City's approved budget for 2012/2013 included "assigned" funding of \$250,000 from the General Fund toward the intended future year (2013/2014) purchase of this fire engine. The balance of the fire engine cost, estimated at \$240,000, was to be funded from the 2013/2014 budget if sufficient funding would be available. With the General Fund balance at the end of fiscal year 2011/2012 exceeding the projected amount by \$648,000 as well as the prepayment discount, staff is requesting City Council consider authorizing the full amount for the fire engine purchase in the current 2012/2013 fiscal year. This will require amendment of the 2012/2013 budget.

**BACKGROUND:**

The Fire Department currently has two front line fire engines, a 1992 at Station 2 and a 2006 and Station 1, and one 1989 back up reserve engine. The department is requesting to purchase a replacement engine for Station 2 in order to move the 1992 engine with 121,451 miles to a back up reserve engine. This way both stations will have a reserve pumper. The National Fire Protection Association (NFPA) recommends using fire engines for 15 years and then placing them in reserve status. The department's fire engine committee has been working with vendors and manufacturers the last two years putting together specifications for the new replacement fire engine. Currently, the specs are ready to go out to bid. It is recommended to move forward now on the new purchase before the cost of a new fire engine increases due to anticipated NFPA changes, annual vendor price increases, and engine price increases due to emission compliance. The Fire Department also recommends moving forward now to take advantage of prepayment discounts. As of today, prepayment discounts are quoted at 6.5% for paying 100% of the contract amount at contract signing. It is anticipated to drop to 5.5% in the near future. Estimated delivery time of a new fire engine once the order is placed is seven (7) months.

**RECOMMENDATION/RATIONALE:**

Request authorization for the Muscatine Fire Department to move forward with receiving bids for a new fire engine. The estimated cost for a new fire engine will be \$ 497,000 (inclusive of prepayment discount) and will require an amendment of the 2012/2013 budget.