



Staff Report

File #: TMP-1433, **Version:** 1

MEETING DATE:

SEPTEMBER 22, 2020

SUBJECT:

RESOLUTION NO. 2020-8814 - AWARDING A PURCHASE CONTRACT TO SOUTH COAST FIRE EQUIPMENT, INC./PIERCE MANUFACTURING AND LEASE AGREEMENT WITH PNC EQUIPMENT FINANCE FOR ONE (1) TYPE III FIRE ENGINE AND PURCHASE OF ASSOCIATED SUPPORT EQUIPMENT.

Recommendation

ADOPT a resolution awarding a purchase contract to South Coast Fire Equipment Inc./Pierce Manufacturing and a lease agreement with PNC Equipment Finance for one (1) Type III Fire Engine and purchase of associated support equipment.

Board or Commission Action (If not applicable, please state not applicable below)

Not Applicable

Relevant Council Strategic Theme (If not applicable, please state not applicable below)

Dynamic and Responsive Service Delivery

Relevant Department Goal (If not applicable, please state not applicable below)

Not Applicable

Executive Summary

The City Council adopted the Fiscal Year 2020-2021 budget on June 23, 2020. The adopted budget includes funding for the purchase of one (1) Type III Fire Engine through the Vehicle & Equipment Replacement Fund.

Discussion

The purchase of the Type III Fire Engine will provide the enhancement necessary to maintain a reliable first-line fleet. With the addition of this new replacement engine, the Department will retire the oldest Type III Fire Engine which was purchased in 1998.

Both the San Marcos Municipal Code (SMMC) and the California Government Code permit the acquisition of equipment from vendors through competitive bid. Bidding requirements outlined in the SMMC Chapter 2.30 (Purchasing) can be met by utilizing a cooperative purchasing program pursuant to Section 2.30.110, when the lead agency has made its purchase in a competitive manner. The cooperative leasing/purchasing program in question, H-GACBuy, has utilized a public competitive bid process and has made such arrangements with South Coast Fire Equipment, Inc./Pierce Manufacturing for fire engines, including the Type III Fire Engine

recommended for lease/purchase.

Environmental Review

Not Applicable

Fiscal Impact

Based on these specifications, Staff is planning to enter into a purchase agreement and a 7-year lease agreement for the Type III Fire Engine. The cost of this contract and associated support equipment is and will be budgeted in the Vehicle & Equipment Replacement Fund (602). The total cost for the Type III Fire Engine is \$612,000 and includes, but is not limited to, principal, interest and equipment.

The principal, interest and equipment costs for the first year of the lease are included in the adopted Fiscal Year 2020-2021 budget.

Attachment(s)

Resolution 2020-

Prepared by: Dean White, Division Chief
Submitted by: Heather Todd, Fire/EMS Administrative Services Manager
Reviewed by: Dan Barron, Fire Chief
Approved by: Jack Griffin, City Manager