



Capital Equipment Purchase and Financing

May 2, 2023

Lease Financing

- Several large capital equipment purchases are included in the City's capital equipment replacement program which are past their recommended useful life
 - Fire Engines (2), Aerial Quint Truck (1) , Ambulances (3), and SCBA Units (112)
 - Replacement vehicles (14) and Arrow Board Trailers (8)
 - Total cost: \$7,742,143
- Due to supply-chain issues, the delivery times for these items has lengthened substantially, in some instances by several years
- Current interest rates are competitive; therefore, staff is recommending financing these purchases through a seven-year loan at a interest rate not to exceed 3.837%
 - Level annual debt service payments of \$1,282,157
- Section 6 of City Budget Resolution 2022-28 requires the acquisition of any capital items with exceed \$500,000 by approved by City Council

3M Scott Self-Contained Breathing Apparatus (SCBA) Replacement Units

- The current SCBA units that are used by our firefighters are 12 years old and are currently out of warranty.
- SCBA units allow firefighters to make entry to smoky environments and hazardous materials incidents.
- The proposed 3M Scott replacement units contain safety mechanisms that are compliant with the most up to date regulations from the National Fire Protection Association (NFPA) and industry standards
- AllStar is the only dealer in the area authorized to sell these units in the Orange County area.
- Quote for 112 replacement units is \$1,088,199.



Triple Combination Pumper Engines (2) and 100-foot Aerial Quint Truck

- The current reserve truck was manufactured in 2002 and has reached its 20 year operational life span.
- Two of our current engines were manufactured in 2005 and are currently in need of replacement as well.
- Due to industry slowdowns and supply chain issues, the current wait time for an engine is at least 2 years, and the wait time for a truck company is 3-4 years once a purchase agreement is issued.

• 2 Engines	\$2,425,246
1 Truck	\$2,151,085
<u>Total Proposal</u>	<u>\$4,576,331</u>



Recommended Actions

- The Authorize the City Manager or designee to purchase 112 3M Scott Self-Contained Breathing Apparatus (SCBA) Replacement Units in the amount of \$1,088,199 through a sole source procurement from AllStar Fire Equipment;
- Approve the purchase of two (2) Triple Combination Pumper Engines in the amount of \$1,212,623 each and one (1) 100-foot Aerial Quint Truck in the amount of \$2,151,085 for a total of \$4,576,331 from Rosenbauer America; and,
- Authorize the City Manager or designee to enter into all documents necessary to acquire and finance the purchase of these items and other vehicles and capital equipment for a total not to exceed \$7,742,143 at an interest rate not to exceed 3.837%.

Questions?

