



"...meeting community needs...enhancing quality of life."

**APPLETON FIRE DEPARTMENT
700 N. DREW STREET
APPLETON, WI 54911**

MEMORANDUM

To: Alderperson Kathy Plank, Finance Committee
Alderperson Kyle Loebner, Safety and Licensing Committee
Members of the Common Council

From: Len Vander Wyst, Fire Chief

Date: 1/5/2017

Re: Request to Order Four Firetrucks from Fire Apparatus & Equipment

In July 2016, the Appleton Fire Department received approval to sole source purchase the fire pumper that was approved in the 2017 Capital Improvement Program (CIP). Plans are currently underway to proceed with that order in the coming weeks to avoid a February 1st price increase.

Since the Fire Department has identical pumpers in the 2018 and 2019 CEA replacement plan along with an identical, longer rescue pumper in the 2020 CEA replacement plan, the department has discussed the ability to take advantage of additional cost savings by placing all four orders at this time with subsequent delivery in budgeted years. This would allow the City to get the current pricing plus an approximate 3% Producer Price Index (PPI) increase each year. This breaks down as follows:

Description	CEA Replacement Year	Purchased as Four-Truck Order	Purchased Separately	Savings
189" PUC Engine	2017	\$616,625*	\$625,000	\$8,375
189" PUC Engine	2018	\$634,100	\$650,000	\$15,900
189" PUC Engine	2019	\$653,200	\$676,000	\$22,800
214" PUC Engine	2020	\$758,800	\$793,030	\$34,230
Total Savings:				\$81,305

*This price does not include the prepayment discount.

Under this scenario, no payment would be required until delivery. However, pre-payment discounts are still available based on interest rates at the time of delivery. For example, the 2017 prepayment discount is 4.5% bringing the cost from \$616,625 to \$590,225. The department will save \$26,400 by prepaying for this vehicle.

The department has identified that standardizing our fleet will improve efficiencies and safety by providing consistency from one truck to the next for those personnel moving from station to station. Efficiencies will also be gained relating to maintenance of the vehicles. By ordering the same fire pumper for the next four years, the department will save significant staff time by eliminating the need to develop specifications for each truck. The department will also save significant staff time relating to training on the new truck.

The department has a long-standing relationship with Pierce Manufacturing and has seen the innovation, cooperation, improved pricing, as well as their commitment and direct involvement in the growth of our City. When the department has encountered issues with our firetrucks, Pierce Manufacturing has been extremely responsive to our needs including taking parts off the assembly line to assist us in keeping our trucks in service.

Therefore, the Appleton Fire Department respectfully requests the approval of both the sole source purchase from Fire Apparatus & Equipment, our local Pierce Manufacturing vendor, of the four fire pumpers along with the ability to order all four replacement firetrucks in advance for future year delivery and payment.

Please do not hesitate to contact me should you have any questions at 832-5810. Thank you!