

To: COUNCIL

Meeting Date: 7/22/2025

Subject: Fire Apparatus Procurement Approval

Submitted By: Sheena Pawliwec, CPA, CGA, Acting Chief Financial Officer

Prepared By: David Mawdsley, Manager of Procurement

Report No.: 25-035-CRS

File No.: FPO25-83

Wards Affected: All Wards

RECOMMENDATION(S):

THAT Report 25-035-CRS Fire Apparatus Procurement – Pre-Approval be received;
AND THAT Council approve capital project A/01157-10 Fire Fleet Apparatus with a budget of \$2,392,000 to be funded from the Equipment Reserve Fund;

AND FURTHER THAT Council approve the award and pre-payment of a Hybrid Idle Reduction Technology (IRT) Pierce Ascendant 110' Platform from Commercial Emergency Equipment Co. of Delta, BC in the amount of \$1,650,413 US dollars, this being part of a Co-operative Purchasing program.

EXECUTIVE SUMMARY:

Purpose

To seek council approval for the accelerated procurement of capital project A/01157-10 Fire Fleet Apparatus as identified in the 2029 Capital Budget Forecast.

Key Findings

Across the fire truck manufacturing industry, lead times to order trucks have been increasing and delaying deliveries up to 46 months, due in large part to supply chain issues and larger municipalities securing bulk purchases and creating a longer cue for smaller departments.

A capital project is included in the 2029 Capital Budget Forecast for the replacement of a Fire apparatus. Lead times from order to delivery are 40 - 46 months.

Accelerated approval of the 2029 capital project is required in order to enter into a commitment to purchase the apparatus and enter the manufacturing cue.

The apparatus is available as part of a Co-operative Purchasing program through the Ontario Association of Municipalities (AMO) Local Authority Services (LAS) Canoe Procurement Group of Canada.

Financial Implications

The 2029 Capital Budget forecast includes project A/01157-10 Fire Fleet Apparatus in the amount of \$2,300,000. The current purchase price net the offered pre-payment discount converted to \$240,000 CAD is currently within budget. In addition to this award, there will be vehicle upfitting cost, estimating to bring this total project cost to \$2,392,000 CAD. By approving this award, the City will save costs by taking advantage of the pre-payment discount option.

Tariffs have been currently paused for goods imported to Canada that qualify for duty-free preferential treatment under the Canada-United States-Mexico Agreement (CUSMA) which includes this fire fleet apparatus.

STRATEGIC ALIGNMENT:

☐ Strategic Action

Objective(s): Not Applicable

Strategic Action: Not Applicable

OR

☒ Core Service

Program: Fire Services

Core Service: Fire Suppression

BACKGROUND:

The 2029 Capital Budget Forecast includes a project for the replacement of a Fire Apparatus.

This purchase will replace a twenty-year old aerial apparatus. Fire Underwriters Laboratory of Canada (ULC), National Fire Protection Association (NFPA) and Risk Management Services (Fire Underwriters) advise replacement of all Fire Apparatus by the maximum service life of 20 years.

ANALYSIS:

Production and Delivery Lag Time

Due to a 40–46 month lead time for trucks to be built and delivered, pre-approval of the budget is required in order to enter into a commitment to purchase the apparatus and enter the manufacturing cue.

The production and delivery delays are consistent across all heavy equipment manufacturing sectors.

Production and delivery delays are more pronounced in the fire apparatus sector as large fire departments in the US have purchased upwards of 30-60 spaces to hold their place in production cues.

Idle Reduction Technology (IRT)

Idle Reduction Technology pairs automatic diesel engine controls with high performance lithium-ion batteries and lead-acid batteries. This supports Council's objectives to lower greenhouse gas (GHG) emissions as there are zero chassis emissions when operating under the lithium-ion power.

Tariffs

In March 2025 following the announcement of 25 per cent tariff on the importation of nearly all Canadian-origin goods, the United States confirmed that goods imported from Canada that qualify for duty-free preferential treatment under the Canada-United States-Mexico Agreement (CUSMA) would be exempted. This exemption currently remains in effect and applies to this fleet purchase.

EXISTING POLICY / BY-LAW(S):

Under Procurement By-law 19-187, Article 18.1, the City may participate with other government agencies or members of the Broader Public Service in Co-operative Procurement initiatives where it is in the best interests of the City to do so.

Article 18.2 further states that the purchasing policies of the originating co-operative (or lead agency) shall form the basis of accepted policy and procedure when participating in, or call, co-operative bids and this by-law shall otherwise be waived. The City will review the originating co-operative's purchasing policies before entering a Co-operative Procurement arrangement.

The City is an active member of the LAS Canoe Procurement Group of Canada, via participation in the LAS Natural Gas Program and fleet tracking solutions.

The LAS Canoe Procurement Group's procurement policies are compliant with the trade agreements and the City's Procurement By-law.

The procurement requires Council approval.

FINANCIAL IMPACT:

The tender for this capital project is within the \$2,300,000 project value, but other commitments (vehicle upfitting requirements), will require an additional \$92,000. It is recommended that additional funding of \$92,000 be obtained through the Equipment Reserve Fund.

By approving this award, the City can take advantage of the pre-payment discount effectively saving approximately \$240,000 CAD.

No additional impact on revenues, staffing or operating are expected.

Table 1 – A/01157-10 Fire Fleet Apparatus (Canadian Dollars)

Item of Expense	Funding	Approved Budget Forecast	Tender*	Other Commitments	Total Cost	Savings/ (Deficit)
A/01557-10 Fire Fleet Apparatus (2029)	Equipment Reserve Fund	\$2,300,000	\$2,291,292	\$100,708	\$2,392,000	\$(92,000)

*Subject to currency exchange rate fluctuation.

PUBLIC VALUE:

Sustainability

The project will support sustainability by:

- Focuses on the responsible management of financial resources, ensuring transparency and accountability;
- Encourages innovative approaches to address environmental challenges;
- Sets the corporate example by aligning messaging, spending and decision making with this strategy.

Leadership

The project is contributing to public safety and the environment by:

- Innovating through the early adoption of advanced technologies with an integrated vision for public good.

ADVISORY COMMITTEE INPUT:

N/A

PUBLIC INPUT:

The Canadian Free Trade Agreement (CFTA) requires any municipality wishing to participate in a buying group to publish a declaration of its intent.

The City posted the following declaration on its e-tendering website:

The City of Cambridge intends to participate in one or more procurements conducted by Local Authority Services (LAS) between January 2024 to December 2026. For further information and access to LAS request for proposal (RFP) notices, please review the website at www.las.on.ca .

INTERNAL / EXTERNAL CONSULTATION:

Group purchasing documents were compiled by Procurement however, the detailed equipment requirements were prepared and submitted to Procurement by the Fire Department.

CONCLUSION:

Council approval is required for accelerated approval of capital project A/01157-10 Fire Fleet Apparatus as identified in the 2029 Capital Budget Forecast, and to award and authorize pre-payment for the Hybrid Idle Reduction Technology (IRT) Pierce Ascendant 110' Platform from Commercial Emergency Equipment Co. of Delta, BC in the amount of \$1,650,413 US dollars.

REPORT IMPACTS:

Agreement: **No**

By-law: **No**

Budget Amendment: **Yes**

Policy: **No**

APPROVALS:

This report has gone through the appropriate workflow and has been reviewed and or approved by the following as required:

Director

Deputy City Manager

Chief Financial Officer

City Solicitor

City Manager

ATTACHMENTS:

N/A