

**CITY OF FERNDALE
REQUEST FOR COUNCIL ACTION**

FROM: Roger Schmidt, Fire Chief

SUBJECT: Purchase of a new fire truck

SUMMARY & BACKGROUND:

It is critically important to maintain and replace the fleet of fire apparatus in a timely manner to assure the prompt response and the reliability of the trucks. This in turn will assure that the service to our citizens and businesses is the best we can provide.

The recommended schedule for fire apparatus is ten years in front line service and five in reserve status. Our economies dictate that we stretch out the schedule a little. We generally keep a truck in front line service for fifteen years and in reserve for ten years. Last year we sold the 1980 Sutphen pumper after twenty-seven years of service. With five trucks in the fleet, four engines and one ladder truck, we should purchase a new truck every five years. The last truck was purchased in 2002. The leased truck from Royal Oak Township has allowed us to wait an extra year, but may force us to hang onto the 1992 engine as we technically don't own the Township engine.

We formed a committee and based on their recommendations, I drew up specifications and submitted them to three of the largest fire truck manufacturers - Pierce, Sutphen, and E-One. All three submitted bids and basically all three proposals met our specs. E-One also submitted an alternate bid but it did not meet the specifications.

After careful consideration the majority of the committee, myself included, agreed that the proposal from Sutphen was the best choice.

Apollo Fire Equipment Co., Romeo, Mich. – Sutphen		\$345,364
LTM Fire Equipment , Pontiac, MIch. -	E-One	\$365,095
Halt Fire, Wixom, Mich.-	Pierce	\$393,353

Because this is a very large purchase, we looked at a lease-to-buy option. Funds were placed in this year's budget for year 1 of a 5 year payment schedule, or \$78,000. Based on current interest rates, we have since ruled out leasing as the optimal choice. Instead we recommend transferring the Fire Apparatus Reserve funding (money set aside from ambulance mileage fees, which is \$104,414 at June 30, 2008) into the Motor Pool Fund to help offset the purchase.

ATTACHMENTS: Bids
Contract from Sutphen

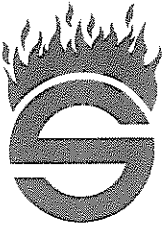
COUNCIL AGENDA DATE: November 10, 2008
CITY ATTORNEY REVIEW: Approved as to form, 10-31-08
FINANCE DIRECTOR REVIEW: JCHubanks, 10/31/08

RECOMMENDED ACTION:

Moved by , seconded by , to accept the proposal from Sutphen Fire Apparatus of Amlin, Ohio, through their local distributor, Apollo Fire Equipment Company of Romeo, Michigan for the purchase of a new Triple Combination Top Mount Aluminum Pumper in the amount of \$345,364 and authorize the Mayor and Clerk to sign the contract.

Within twenty (20) days of notification to Sutphen of being the successful bidder, prior to any work commencing on the proposed apparatus, they will, at their own expense, obtain and submit to the City of Ferndale a performance bond in the amount of 100% equal to the total purchase price.

Funds for this purchase are available in Account Number 661-000-977, Vehicle and Equipment, along with the transfer of \$104,414 from the General Fund Fire Apparatus Reserve.



PROPOSAL

To The: Fire Chief Roger Schmidt
Ferndale Fire Department
1635 Livernois
Ferndale, Michigan 48220

Date : September 23, 2008

FOR YOUR REVIEW:

We hereby propose and agree to furnish the following fire apparatus upon your acceptance of this proposal:

**One (1) Sutphen Model S2 Custom Aluminum Pumper Complete and Delivered
For the Sum of:\$345,364.00**

The cascade and foam systems which are included in the above price, are priced out separately in the option section.

Note: Financial options included in this proposal.

Which will be manufactured completely in accordance to the following proposal and delivered approximately **6-7 months** after approval of contract, subject to delays from all causes beyond our control. Unless accepted within **90** days from this date, the right is reserved to withdraw this proposal.

Respectfully submitted by:

**Robert Konepek
Apollo Fire Equipment
Representing
Sutphen Corporation**



Subsidiary of Federal Signal Corporation.

LTM FIRE EQUIPMENT
1591 E. HIGHWOOD
PONTIAC, MI 48340
(248) 333-3772

CITY OF FERNDALE
1635 Livernois
Ferndale, Michigan 48220
Chief Roger Schmidt

September 30, 2008

Re: PROPOSAL A NEW E-ONE TYPHOON RESCUE PUMPER

Thank you for allowing us to offer your city the new Typhoon Rescue Pumper

This is a direct contract between the City of Ferndale and E-One Inc.

One (1) New E-One TYPHOON RESCUE PUMPER \$365,095.00
WITH ALL OPTIONS LISTED IN SPECIFICATIONS
WITH PREPAY DISCOUNT \$356,082.00

Respectfully,

A handwritten signature in black ink, appearing to read "Tim Marriott", written over a horizontal line.

Tim Marriott, President
LTM Fire Equipment

E-ONE Inc. • 1601 SW 37th Avenue • Ocala, FL 34474
ph. 352.237.1122 • fx. 352.237.1151

We proudly manufacture E-One, Superior and Bronto Skelift.

PROPOSAL FOR FURNISHING FIRE APPARATUS

September 30, 2008

City of Ferndale Fire Department
1635 Livernois
Ferndale, Michigan 48220

The undersigned is prepared to manufacture for you, upon an order being placed by you, for final acceptance by Pierce Manufacturing, Inc., at its home office in Appleton, Wisconsin, the apparatus and equipment herein named and for the following prices:

One (1) Pierce Manufacturing Custom Contender chassis and aluminum top mount pumper as stated in the enclosed proposal with exceptions. \$ 393,353.00

See "Finance options" section for optional payment plans.

Proposal is valid until November 20th, 2008 or 3% will be added to the proposal price.

Total \$ 393,353.00

Said apparatus and equipment are to be built and shipped in accordance with the specifications hereto attached, delays due to strikes, war, or intentional conflict, failures to obtain chassis, materials, or other causes beyond our control not preventing, within about 198 working days after receipt of this order and the acceptance thereof at our office at Appleton, Wisconsin, and to be delivered to you at Ferndale, Michigan

Terms: Net balance is due at time of final inspection trip in Bradenton Florida. If payment is not received then add \$87.00 per day until terms are met.

The specifications herein contained shall form a part of the final contract, and are subject to changes desired by the purchaser, provided such alterations are interlined prior to the acceptance by the company of the order to purchase, and provided such alterations do not materially affect the cost of the construction of the apparatus.

The proposal for fire apparatus conforms with all Federal Department of Transportation (DOT) rules and regulations in effect at the time of bid, and with all National Fire Protection Association (NFPA) Guidelines for Automotive Fire Apparatus as published at the time of bid, except as modified by customer specifications. Any increased costs incurred by first party because of future changes in or additions to said DOT or NFPA standards will be passed along to the customers as an addition to the price set forth above.

Unless accepted within 30 days from date, the right is reserved to withdraw this proposition.

PIERCE MANUFACTURING, INC.

By: Joe Miller and Todd Lincoln
SALES REPRESENTATIVE





PURCHASE AGREEMENT
FOR
SUTPHEN FIRE APPARATUS

THIS AGREEMENT, made and entered into this tenth day of November, 2008, by and between SUTPHEN CORPORATION of Amlin, Ohio, hereinafter called "SUTPHEN" and the CITY of FERNDALE, Michigan, hereinafter called "PURCHASER",

WITNESSETH:

1. **PURCHASE:** Purchaser hereby agrees to buy and Sutphen hereby agrees to sell and furnish to Purchaser the apparatus and equipment according to the Sutphen Proposal attached hereto and made a part hereof.

2. **PAYMENT:** Purchaser agrees to pay for said apparatus and equipment the total purchase price of Three Hundred and Forty-Five Thousand, and Three Hundred and Sixty-Four dollars (\$345,364.) payable in full upon pick-up of apparatus.

3. **COMPLETION:** The apparatus and equipment being purchased hereunder shall be available for pick-up within approximately six to seven months after the receipt and acceptance of this agreement at Sutphen's office in Amlin, Ohio, provided that such date shall be automatically extended for delays due to strikes, failure to obtain materials or other causes beyond Sutphen's control. Notwithstanding the above and any statement in Sutphen's Proposal, should the apparatus and equipment not be available for pick-up within one year after the acceptance of this agreement at Sutphen's office for any reason regardless of whether it is beyond Sutphen's control, Purchaser may terminate this agreement in its sole discretion by providing written notice to Sutphen's office and the agreement shall be null and void and neither party shall have any remaining rights or obligations under the agreement.

4. **SUTPHEN WARRANTIES:** Sutphen warrants the apparatus purchased here under as set forth in the warranty included with bid proposal.

5. TESTING SHORTAGES: The apparatus shall be tested per NFPA #1901 at Sutphen's plant site in Amlin, Ohio. Purchaser agrees that the apparatus and equipment being purchased hereunder will not be driven or used in any manner until it is paid for in full, provided, however, that if there are any minor shortages, Purchaser may withhold a sum equivalent to the retail purchase price of any equipment shortages at the time of pickup and may use the apparatus and equipment during this period.

6. DEFAULT: In the case of any default in payment hereunder or in the payment on any notes, negotiable paper, obligations or other instruments issued by Purchaser, Sutphen may take full possession of the apparatus and equipment or of the piece or pieces upon which default has been made, and any payments that have been made theretofore shall be applied as rent in full for the use of the apparatus and equipment up to the date of taking possession by Sutphen.

7. PURCHASER WARRANTIES: With the signing of this agreement, Purchaser warrants that it has the full power and legal authority to enter into this agreement and guarantees that funds for its purchase are available or in the process of collection.

8. ACCEPTANCE: This agreement shall not be binding until it is signed and approved by an officer of the Sutphen Corporation.

9. TAXES, ETC.: The purchase price provided for herein does not include any federal, state or local sales tax, duties, imposts, revenues, excise or other taxes which may hereafter be imposed by governmental authority or otherwise and which are made applicable to the apparatus or equipment covered by the agreement. In the event that any such taxes are subsequently imposed and become applicable, the purchase price herein shall be increased by the amount of such taxes and such sum shall be immediately paid by Purchaser to Sutphen. To the extent applicable, the prices and deliveries set forth herein are subject to the Defense Production Act.

10. INSURANCE: Sutphen shall provide insurance insuring the apparatus and equipment against loss by fire, theft or collision and insuring against property damage and personal injury through until pick-up and acceptance of the apparatus.

11. GENERAL: This agreement and the Sutphen proposal provided herein take precedence over all previous negotiations, oral or written, and no representations or warranties are applicable except as specifically contained in this agreement or in the Sutphen proposal attached hereto. No alteration, modification, amendment or change of this Agreement shall be binding unless executed in writing by the parties. No waiver of any of the provisions of this Agreement shall be deemed a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver.

This Agreement shall be governed and controlled as to interpretation, enforcement, validity, construction, effect and in all other respects by the laws, statutes and decisions of the State of Ohio. Exclusive jurisdiction and venue for any litigation at all related to this Agreement, directly or indirectly, based upon contract, tort, or other theory of law, shall lie in the Franklin County Court of Common Pleas, Columbus, Ohio, and the parties hereto consent and submit to the general jurisdiction of this court. All of the terms and provisions of this Agreement shall be binding upon and inure to the benefit of and be enforceable by Sutphen, Purchaser, their successors and assigns.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be duly executed and attested by its duly authorized representatives, effective as of the date below when accepted at Sutphen Corporations offices.

SUTPHEN CORPORATION

By _____
Sales Representative

THE _____
Purchaser

By _____

Title _____

Accepted at office
SUTPHEN CORPORATION
7000 Columbus-Marysville Road
PO Box 158
Amlin, Ohio 43002-0158

By _____

Title _____

By _____

Date _____

Title _____

Date _____