



CITY OF
HAYWARD
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DATE: July 1, 2008
TO: Mayor and City Council
FROM: Director of Finance
SUBJECT: Authorization to Procure New Fire Apparatus

RECOMMENDATION

That Council authorizes the Director of Finance to proceed with the procurement of a new aerial ladder fire apparatus to replace Truck No. 7, which is currently in service.

BACKGROUND

The City of Hayward operates two front-line Tiller trucks and two reserve trucks with 100-foot aerial ladders. One of the front-line trucks (#725, T-7) is due for replacement in FY 2009. This vehicle is over twelve years old and is showing its age due to increased maintenance costs and decreased reliability. For the past three years, this truck has drawn maintenance costs as follows:

FY 2005 - \$ 8,423.44 FY 2006 - \$12,997.84 FY 2007 - \$20,431.72

The repairs to this truck are becoming more frequent, causing it to be out of service, forcing the reserve truck to be deployed. It is critical that a replacement truck be procured as soon as possible.

DISCUSSION

Procurement of a 100-foot Aerial Tiller truck requires a design-build contract. This process entails the Fire Department and Fleet Management working together to develop detailed specifications using the newest technology. The design-build process can take up to one-year to complete. All City of Hayward Fire apparatus are built by Seagrave Fire Apparatus, LLC. Seagrave is the only major manufacturer to offer "A" frame jacks. This allows for aerial set-up in tight quarters, i.e. alleys, San Mateo Bridge, narrow streets. They construct identical cabs for our tillers and engines, which allows for a high degree of proficiency and is a life-safety measure.

FISCAL IMPACT

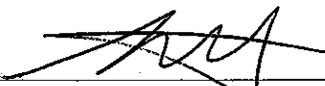
The cost of a new 100-foot Aerial Tiller truck is approximately \$1 million. Due to the approximate one-year lead time required to design and build such apparatus, funds are not required until the end of FY 2009. This purchase will be funded using capital lease borrowing at the lowest available

interest rate in the Spring of 2009. Staff will return to Council at that time to seek approval to execute the lease agreement. The FY 2009 and FY 2010 budget allows for the lease debt service payments in the Fleet Management Fund. The acquisition expense is delayed until the truck is ready for delivery; therefore there will be time to determine the most favorable means of financing.

SCHEDULE

With Council's approval to proceed, staff will issue a Purchase Order for the purchase, and the design specification period will begin shortly thereafter. Financing will be secured during Spring 2009. The funds will remain in an interest-bearing escrow account until the truck construction is complete, the City takes delivery, and certifies acceptance of the truck.

Prepared by:



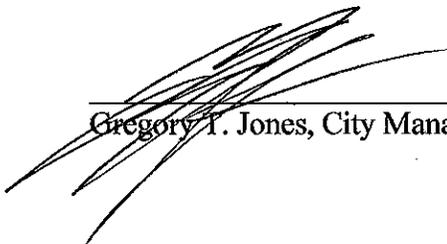
Scott C. Estes, Fleet Manager

Recommended by:



Debra C. Auker, Director of Finance

Approved by:



Gregory T. Jones, City Manager

