

**THE CORPORATION OF THE CITY OF WINDSOR**  
**Office of the City Solicitor - Fire Rescue Services Department**

**MISSION STATEMENT:**

*"The City of Windsor, with the involvement of its citizens, will deliver effective and responsive municipal services, and will mobilize innovative community partnerships"*

<b>LiveLink REPORT #: 16934 SF2014</b>	<b>Report Date: December 20, 2013</b>
<b>Author's Name: Stephen Laforet</b>	<b>Date to Council: January 20, 2014</b>
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**To: Mayor and Members of City Council**

**Subject: Sale and disposal of surplus Fire Apparatus**

**1. RECOMMENDATION: City Wide:  Ward(s): \_\_\_\_\_**

That Council **APPROVE** the sale of one 1998 70' Aerial platform and one 1998 95' Aerial Platform to Sutphen Corporation for the total price of \$260,000 (USD) in accordance with by-law 93-2012 section 153 (c). and,

That Council **APPROVE** the donation of one 1993 Thibault firefighting pumper to St. Clair College in accordance with by-law 93-2012 Section 153 (d). and,

That Council **APPROVE** the advertisement and sale of remaining surplus firefighting vehicles at the highest price received through an auction or sealed-bid process in accordance with by-law 93 2012 Section 153 (b).

**EXECUTIVE SUMMARY:**

N/A

**2. BACKGROUND:**

In 2012, Council approved the purchase of 2 firefighting Pumper vehicles through CR26/2012. Delivery of the 2 pumpers occurred earlier this year and the vehicles have been placed in service.

In 2013, Council approved the purchase of 4 aerial platform firefighting vehicles through CR21/2013. Two of the Sutphen vehicles have been received with delivery of the remaining vehicles expected prior the end of January 2014.

The above noted vehicles are intended to replace current vehicles, as a result WFRS now has surplus vehicles requiring disposal. WFRS is seeking Council approval to dispose of the surplus vehicles in accordance with Purchasing By-Law 93-2012, Part XII "Disposal of Surplus and Obsolete Goods" Section 153.

Vehicles requiring disposal:

- One - 1993 Thibault Pumper,
- One - 1995 E-one Hurricane Pumper,
- Two - 1998 Sutphen SP 70 Aerial Platforms,
- Two - 1998 Sutphen 95' Aerial Platforms.
- One - 2001 Luverne Heavy Rescue.

### **3. DISCUSSION:**

A number of options exist under By-law 93-2012 regarding the disposal of surplus goods. Section 153 of the Purchasing by-law states the following:

153. If the surplus items cannot be used by City Departments, the Manager of Purchasing and Risk Management may dispose of them by any of the following methods:
- a. offered for sale to public agencies;
  - b. sold by external advertisement, including by tender, quotation, public auction or online auction;
  - c. sold or traded to the original supplier or others in that line of business;
  - d. donated to a charitable organization;
  - e. recycled;

or any other means appropriate and in the best interests of the City.

WFRS has received an offer to purchase 2 aerial platforms from the Sutphen Corporation (original manufacturer) for a total of 260,000. The offer is for one 1998 Sutphen 70' Aerial Tower (125,000) and one 1998 Sutphen 95' Aerial Tower (\$135,000). The offered amount is higher than the estimated residual value that was estimated by previous fire management and is considered reasonable given the condition of the vehicles.

It is impossible to predict or guarantee selling the vehicles back to Sutphen would result in a higher or lower price than advertising all vehicles for sale to the highest bidder. If all 4 Sutphen vehicles were to be advertised simultaneously then all would be on the market at the same time. We do not anticipate the demand for these vehicles to be very high as they are now over 15 years old.

By selling to Sutphen we effectively remove 2 of the vehicles from the market as Sutphen will completely recondition them, which will take some time and places those vehicles in a different marketing category when put up for sale. An additional advantage to selling the vehicles back to Sutphen Corporation is that unlike a municipality, Sutphen does not have to obtain further approvals to purchase the vehicles.

Administration recommends that the remaining Sutphen vehicles, as well as the 1995 E-One Hurricane and 2001 Luverne be advertised for sale using a sealed bid process and sold to the highest bidder.

The 2001 Luverne has been sitting idle and was removed from front line service 2 years ago. The vehicle is grossly underpowered and inadequate for our purposes. The vehicle was purchased at a time when WFRS operated 2 heavy rescue vehicles. Since that time, the deployment model has changed and WFRS has expanded the capabilities of its engines (pumpers) to include rescue functions.

The vehicle does not have adequate pumping capacity or the ability to carry adequate hose or ladders; which means it is not suitable for use as a spare engine. The vehicle was designed for a single purpose and fails to provide the versatility that we have in our current fleet. It will be 15 years old soon and at the end of its life. Other than in the event of a catastrophe with the remainder of our fleet it will continue to sit idle and continue to decline in value.

WFRS continues to operate a single heavy rescue (currently out of Station #2) but even its replacement will be designed to do more on a single vehicle platform.

Administration is also seeking approval to donate a 1993 Thibault pumper to St. Clair College for use in their Fire Service Pre-Entry program. The vehicle is over 20 years old and of little value. Donation of the vehicle would be contingent on St. Clair College accepting the vehicle "as is" and releasing the Corporation for any associated liability.

Our current partnership in support of the Pre-Service Fire Fighter Training Program is strong and the majority of Students traditionally are local and looking for local jobs. The Capital Fleet replacement reserve projection, does not anticipate any residual value at all for this particular vehicle, and as a result will have no effect on the reserve fund.

The vehicle would be provided on a similar basis (\$1.00 cost to the College). The college has and continues to provide us with no charge in-kind services.

As the aggregate value of these surplus vehicles exceeds \$150,000, Council approval is required to dispose of them in accordance with bylaw 93-2012.

#### **4. RISK ANALYSIS:**

The used fire truck market is limited and unpredictable. Approving the sale for 2 aerial platform vehicles back to Sutphen Corporation ensures a reasonable price that is guaranteed. The offer received by Sutphen Corporation is in excess of the original residual price that was estimated when the vehicles were first purchased.

The sale price of vehicles that will be advertised cannot be guaranteed. Sale of the vehicles as soon as possible will yield the highest price.

There is no associated risk with donation of the vehicle to St. Clair College. The vehicles will enhance the training programme available at the College and provide greater opportunity for local students.

**5. FINANCIAL MATTERS:**

Proceeds from the sale of the trucks will be deposited to the Fire Major Equipment Reserve (Fund 163), and will be used to help fund future truck replacements.

**6. CONSULTATIONS:**

Shelby Askin Hager, Deputy City Solicitor/Manager Purchasing and Risk Management

Sherri Arsenault – Manager of Administration, Office of the City Clerk

Jackie Korosec – Buyer, Purchasing and Risk Management

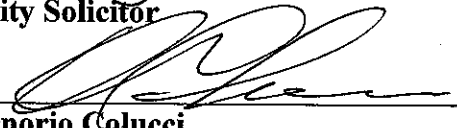
**7. CONCLUSION:**

Due to the recent purchase and delivery of new firefighting apparatus WFRS is in possession of surplus fire apparatus. These surplus vehicles are of no use to WFRS and will deteriorate further as time passes. Selling the vehicles as soon as possible will ensure the corporation receives the highest price possible. Due to the value of the vehicles, Council approval is required to dispose of them.

  
Bruce Montone  
Fire Chief

  
Shelby Askin-Hager  
City Solicitor

  
Stephen Lafoyet  
Deputy Fire Chief

  
Onorio Colucci  
Chief Financial Officer/City Treasurer and  
Corporate Leader Finance and Technology

  
Helga Reidel  
Chief Administrative Officer

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**APPENDICES:**

**DEPARTMENTS/OTHERS CONSULTED:**

Name:

Phone #: 519 ext.

**NOTIFICATION :**

Name	Address	Email Address	Telephone	FAX