



# AGENDA REPORT

**TO:** Edward D. Reiskin  
City Administrator

**FROM:** G. Harold Duffey  
Director  
Oakland Public Works

**SUBJECT:** Authorization of Fund Balance  
Transfer to Purchase of Fire  
Department Apparatus

**DATE:** April 6, 2022

City Administrator Approval

Date:

Apr 8, 2022

## **RECOMMENDATION**

Staff Recommends That The City Council Adopt A Resolution 1) Awarding A Contract To 1) Golden State Fire Apparatus, Inc. In An Amount Not To Exceed Two Million Six Hundred Thousand Dollars (\$2,600,000) For The Purchase Of One Fire Engine For Nine Hundred Fifteen Thousand Dollars \$915,000 And One Fire Truck For One Million Six Hundred Eighty Five Thousand Dollars \$1,685,000; 2) Appropriate And Allocate An Amount Not To Exceed Two Million Six Hundred Thousand Dollars (\$2,600,000) From The Undesignated 4100 Equipment Fund Balance To Pay For The Fire Apparatus Replacement; And 3) Waive The City's Advertising, Competitive Bid, Request For Proposal/Qualifications (RFP/Q) and Local Business/Small Local Business Requirements For Equipment, Products And Professional Services For The Above Described Agreements.

## **EXECUTIVE SUMMARY**

The Oakland Public Works Department (OPW) is preparing to purchase two fires apparatuses for the Oakland Fire Department (OFD) fleet that are beyond their economic life and are necessary to be replaced to provide reliable public safety functions and to comply with union mandated minimum apparatus counts. To cover the cost of this purchase, the Oakland Public Works Department is requesting authorization to appropriate from the Undesignated Fund balance of 4100 (Equipment Fund) to purchase one fire engine and one fire truck that are critical to the daily operations of the OFD.

## **BACKGROUND / LEGISLATIVE HISTORY**

The current method of acquiring apparatus' for Oakland Fire on a recurring basis is through the Master Lease agreements. The Master Lease program funding is limited to executing vehicle purchases every 2-3 years, is designated only to replace existing worn-out or unserviceable equipment and is only funded at a level sufficient to replace the fleet on an approximately 20- year cycle. This has resulted in increasing the average age of the OFD fire apparatus fleet to well over 20 years of years. OFD has an overall need to acquire twelve new fire engines and

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four new Fire trucks to bring our fleet to current NFPA (National Fire Protection Agency) standards. The recommended life span of a front-line fire apparatus is ten years with spare apparatus' being 15 years. At the end of 15 years, those apparatuses should be cycled out of the fleet for a new apparatus. This emergency fund balance budget appropriation is solving only the most urgent short-term need and represents a small percentage of the much larger need.

### **ANALYSIS AND POLICY ALTERNATIVES**

Adoption of this resolution will advance two key Citywide priorities: Holistic Community Safety; and Responsive Transparent Government. Purchasing and maintaining up to date city resources, such as fire engines and trucks, is critical to the mission of providing efficient sustainable emergency services to the residents and businesses of Oakland which rely on the fire department to respond to over 50,000 fire and emergency medical services (EMS) calls per calendar year. There is no negative outcome that could arise from the adoption of this resolution and the subsequent acquisition of new fire apparatuses.

A fire engine/truck is the single most important piece of equipment that allows fire departments to provide emergency services to their communities. The ability of local governments to replace old fire apparatuses in a timely manner is a serious issue, as public safety is directly tied to the reliability and performance of a community's fire apparatus. Below are the important benefits the City will accrue with the adoption of this resolution. The purchase cost of the apparatus will increase by 7% on April 29, 2022, so the failure to adopt the resolution during the April 19 meeting imposes an unnecessary financial impact on the city budget and compromises our capacity to purchase the necessary vehicles.

The following benefits will accrue from adopting this resolution:

- Replacement of existing apparatus's that are past their life expectancy, have excessive maintenance costs and are out of service frequently.
- Reduced maintenance costs, provides more reliable spare units and lower lifecycle costs for these apparatus's
- Reduced environmental impact by using newer equipment that lowers pollution and uses less fuel and emits less particulates
- Improved protection for City employees by deploying apparatus that include current safety features.

### ***Justification of Waiver***

Staff is recommending that the City Council take the following actions:

Authorize the City Administrator to execute the Fund Balance Transfer and all other related documents for the acquisition of the vehicles and equipment without returning to Council.

Authorize the City Administrator to acquire one fire engine and one fire truck on behalf of the City to replace the City's two fire apparatus that are overdue for replacement.

Authorize the waiver of the Oakland purchasing ordinance's formal advertising, competitive bidding and Request For Proposals/Qualifications requirements and award a contract to Golden State Fire Apparatus, Inc. In An Amount Not To Exceed Two Million Six Hundred Thousand Dollars (\$2,600,000) For The Purchase One Fire Engine For \$915,000 And One Fire Truck For \$1,685,000. Section 2.04.050 of the Oakland Municipal Code ("OMC") requires advertising and competitive bidding where the cost of services, supplies or combination required by the City exceeds \$50,000.00. Additionally, OMC section 2.04.051 A. requires a Request For Proposal/Qualifications ("RFP/Q") competitive selection process for the purchase of professional services.

However, Section 2.04.050 I permit the waiver of advertising and competitive bidding, and OMC section 2.051 B permit the waiver of the RFP/Q requirement, after a finding and determination by the City Council that it is in the best interests of the city to do so. The staff recommends that the Council find and determine that it is in the best interests of the City to waive advertising, bidding and RFP/Q requirements for the above contracts because the City wishes to purchase the needed fire apparatus equipment made by Pierce Manufacturing from Golden State Fire Apparatus, Inc., as Pierce Manufacturing is the standardized fire apparatus in use throughout OFD. Pierce Manufacturing has formally designated Golden State Fire Apparatus, Inc. as a sole provider for sales, maintenance, parts and repair of all Pierce-manufactured fire apparatus (emergency response vehicles) in Central and Northern California. However, waiver of the advertising, competitive bidding and RFP/Q requirements of the OMC is required to avoid having to advertise and solicit competitive bids on the open market as normally would be required for acquisitions of items available from multiple sources.

Ordinance number 13640 C.M.S. requires a minimum 50-percent (50%) Local Business Enterprise/Small Local Business Enterprise ("LBE/SLBE") participation for all professional service contracts valued at or over fifty thousand dollars (\$50,000) when there are at least three certified business listed in the industry, trade, or profession that constitutes a major category of work. However, there are no LBE/SLBEs available that can **provide** the fire trucks, apparatus (emergency response vehicles), equipment and services in Oakland that are required by the City under this contract. Therefore, staff recommends that the Council make a finding and determination to waive the requirements of OMC section 2.04.042 and Ordinance Number 13640, and to award a contract to Golden State Fire Apparatus, Inc.

### **FISCAL IMPACT**

There is no fiscal impact to the General Fund. Staff is requesting to appropriate \$2,600,000 from the available Equipment Services Fund (Fund 4100) Undesignated Fund Balance to purchase two (2) new replacement fire apparatus's:

- \$1,685,000: One (1) Fire Truck; and
- \$915,000: One (1) Fire Engine.

Funds will be appropriated in the Equipment Services Administration Organization (30541), Vehicle Additions Account (57611) and Fleet Management & Maintenance (IN01), Project Number to be determined.

### **PUBLIC OUTREACH / INTEREST**

No outreach was deemed necessary for the proposed policy action beyond the standard City Council agenda noticing procedures.

### **COORDINATION**

The Office of the City Attorney and the Budget Bureau were consulted in the preparation of this report.

### **SUSTAINABLE OPPORTUNITIES**

***Economic:*** Adoption of this resolution will reduce maintenance costs, provide for reliable spare units, and lower lifecycle costs for these apparatuses.

***Environmental:*** Adoption of this resolution will allow for reduced environmental impact by using newer equipment that lowers pollution and uses less fuel.

***Race and Equity:*** There are no race and equity impacts related to the adoption of this resolution.

**ACTION REQUESTED OF THE CITY COUNCIL**

Staff Recommends That The City Council Adopt A Resolution 1) Awarding A Contract To 1) Golden State Fire Apparatus, Inc. In An Amount Not To Exceed Two Million Six Hundred Thousand Dollars (\$2,600,000) For The Purchase Of One Fire Engine For Nine Hundred Fifteen Thousand Dollars \$915,000 And One Fire Truck For One Million Six Hundred Eighty Five Thousand Dollars \$1,685,000; 2) Appropriate And Allocate An Amount Not To Exceed Two Million Six Hundred Thousand Dollars (\$2,600,000) From The Undesignated 4100 Equipment Fund Balance To Pay For The Fire Apparatus Replacement; And 3) Waive The City's Advertising, Competitive Bid, Request For Proposal/Qualifications (RFP/Q) and Local Business/Small Local Business Requirements For Equipment, Products And Professional Services For The Above Described Agreements.

For questions regarding this report, please contact Tanisha Thomas, at 510-615-5977.

Respectfully submitted,



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G. Harold Duffey  
Oakland Public Works