



CITY OF WAUKESHA

Administration

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Committee: ID# 18-1269 Finance	Date: September 11, 2018
Common Council Item Number: ID# 18-1269	Date: September 18, 2018
Submitted By: Steve Howard, Fire Chief	City Administrator Approval: Kevin Lahner, City Administrator KL
Finance Department Review: Rich Abbott, Finance Director RA	City Attorney's Office Review: Brian Running, City Attorney
Subject: Review and Act on a request to prepay in 2018 for a 2019 fire engine and approve the Mayor to sign the contract with Reliant Fire Apparatus for the purchase in the amount of \$695,603 pending final review of the contract by the City Attorney.	

Details:
The Fire Department is seeking approval to pre-pay the purchase of a fire engine that is scheduled to be purchased in 2019. The department is seeking this approval due to an anticipated 10 month build time and to avoid a price increase if the vehicle contract was signed in January 2019. Attached is the actual contract with Reliant Fire Apparatus (RFA) and a letter from RFA President, Scott Krueger. The letter explains the pricing based on our existing agreement to purchase two fire engines and a ladder truck from Pierce Manufacturing/ RFA. The document details their reasoning for not offering the purchase price based on our past contract and the producer price index. Scott Krueger will be present the night of the Finance Committee to provide the committee with additional information and to answer questions.

Options & Alternatives:
The Finance Committee and Council could wait until January 2019 to complete this purchase; however, there is a risk of price increases.

Financial Remarks:
By prepaying for the engine, Pierce will give the City a discount on the engine of about \$21,000. In negotiating the contract, Pierce waived the 2018 price increase of 3%, however there is a tariff surcharge on the vehicle due to the surging price of steel. The fire engine is scheduled to be paid out of account 0430.4320.68140.

Executive Recommendation:
The administrator is supportive of this purchase that is part of the community improvement plan by signing a contract now to achieve the lowest possible purchase price.

