



**Council  
Communication**  
Office of the City Manager

**Date** July 14, 2008

**Agenda Item No.** 52  
**Roll Call No.** 08-  
**Communication No.** 08-392  
**Submitted by:** Phillip C. Vorlander,  
Chief of the Fire Department

**AGENDA HEADING:**

Approval of the purchase of two (2) replacement fire engines for the Des Moines Fire Department (DMFD) from Toyne, Inc..

**SYNOPSIS:**

Recommend approval of an exception to competitive procurement process for good cause as provided for in Municipal Code Section 2-710(a); and acceptance of the extended 2007 bid of Toyne, Inc., 104 Granite Avenue, Breda, Iowa (Michael Schwabe, President), for the purchase of two (2) 1500 gallon per minute (gpm) fire engines. These are replacement apparatus and are not additions to the DMFD fleet.

**FISCAL IMPACT:**

Amount: \$924,958

Funding Source: 2008-2009 CIP, Page: Fire Protection Improvements – 6, CP041, FIR990000, FIR013, 544070.

**ADDITIONAL INFORMATION:**

On November 5, 2007 the City Council approved the low compliant bid of Toyne, Inc., 104 Granite Avenue, Breda, Iowa for the purchase of one (1) 1500 gallon per minute (gpm) fire engine equipped with a compressed air foam system (CAFS) in the amount of \$462,479. In a letter dated June 19, 2008, a copy of which has been provided, Michael D. Schwabe, President of Toyne, Inc., offered to extend this price to the City of Des Moines until July 18, 2008 as the result of a similar offer made to them by chassis manufacturer Spartan Motors, provided Spartan Motors' offer was accepted by Toyne, Inc. by July 18, 2008.

On February 20, 2006, the City Council approved the purchase of a substantially identical Toyne fire engine as that specified in the 2007 competitive bidding process at a cost of \$397,821; in the ensuing twenty months the cost of this apparatus increased 16.25%, or an annualized increase of 9.75%. The minimum known price increases stated in the letter from Toyne, Inc. equates to an annualized increase of at least 5.55%. Toyne, Inc. has been the low-compliant bidder since at least FY2000, and often the lowest of all bids received. Using these facts, the projected cost of a new Toyne fire engine acquired using the normal bidding process would be \$488,226, as compared to the price of \$462,479 being offered by Toyne.

The approved FY2009 CIP authorizes the purchase of two (2) fire engines and the specifications issued with a request for proposals will be identical to those of the previous process. Given the known minimum savings of \$51,494, the known quality and reliability of Toyne fire apparatus, the likelihood that Toyne, Inc. would be the lowest or lowest-compliant bidder, and the enhanced probability that planned purchases in the capital equipment account (two ambulances in addition to the two fire engines) will be within budgeted funds, the Chief of the Fire Department and the Procurement Administrator recommend that the City Council approve the exception to the competitive procurement process and accept the offer of Toyne, Inc. for the extension of their quotation of \$924,958 for the provision two (2) 1500 gallon per minute fire engines as specified in the Toyne, Inc. letter dated June 19, 2008.

As previously noted, this is not an expansion of the Des Moines Fire Department fleet. The two engines approved in the 2009 CIP are replacements for two 1992 Toyne-Spartan engines (VIN4S7DT9F01NC005202 mileage as of 6/2008: 61,600 and VIN4S7DT9F03NC005203 mileage as of 6/2008: 55,500) that will be removed from the fleet by trade-in or on-line auction, whichever is more advantageous to the City.

#### **PREVIOUS COUNCIL ACTION(S):**

Date: November 5, 2007

Roll Call Number: 07-2135

Action: Toyne Inc. for one replacement fire engine for use by the Fire Department, \$462,479. (Thirteen bids mailed, three received.) (Council Communication No. 07-648) Moved by Kiernan to adopt. Motion Carried 7-0.

Date: February 20, 2006

Roll Call Number: 06-366

Action: Toyne Inc. for one (1) replacement fire pumper truck to be used by the Fire Department, \$397,821. (Eleven bids mailed, three received.) (Council Communication No. 06-075) Moved by Vlassis to adopt. Motion Carried 6-1. Nays: Hensley.

#### **BOARD/COMMISSION ACTION(S): NONE**

#### **ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

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