



MEETING DATE: October 30, 2024

FROM: Dave Doonan

RE: Purchase of Used Type 1 Fire Engine

BACKGROUND:

The District has been trying to solve the Type 1 Fire Engine acquisition issue since 2016. It was a goal of the 2017 Strategic Plan -

Goal #8 Create Capital Improvement Plan for the next five years.

1. Acquire Type 3 Wildland Urban Interface Engine (FEPP, Grant)
2. Acquire Rescue Ambulance 2018 (\$150,000)
3. Acquire Command Vehicle 2018 (\$75,000)
4. Remodel Benton Station/Build Station in Hammil (\$250,000, USDA Grant, Financing, County Assistance)
5. Acquire Type 6 engine 2019 (\$100,000)
- 6. Replace Engine 3031 with 4x4 Type 1. (\$75,000-\$150,000))**
7. Consider Quint
8. Consider acquisition of Rescue vehicle

*Total of approximately \$950,000+.

(Subject to Financial Capability and Board of Directors' Approval)

For 4 years, the District has applied for FEMA Assistance to Firefighter Grants to purchase a Type 1 Engine. As of a few weeks ago, it has been turned down all 4 times. It is time to solve this problem internally.

The District is looking at a 2008 Type 1 that would meet its needs well into the future. The asking price is \$108,000 plus tax and shipping. The District is in a position to purchase this engine now.

This engine would provide ample storage, meet the specification for a Type 1 engine, provide the horsepower needed for our terrain, and the safety features to keep personnel safe in response throughout this district and beyond

EXECUTIVE SUMMARY:

Purchase a used Type 1 Engine to allow for safe, efficient district operations

RECOMMENDATION:

Inspect the engine and, if acceptable, negotiate a selling price agreeable to both parties and execute a purchase contract.

FISCAL IMPACT:

The current asking price is \$108,000. The final price will be subject to negotiation. Assuming full price and an additional \$3500 in shipping and \$7800 in sales tax paid at the time of registration, the total impact to the district would be \$116,300. At this time, the district has earmarked \$40,000 to support the purchase of a Type 1 Engine through the AFG process. This money could be applied to this purchase with no consequence to this FY 24/25 Budget. The district has generated, to this point, in the fiscal year, \$53,000 more than anticipated revenue from statewide mutual aid responses. The District's current Type 1 engine has a value of \$25,000, which would be sold to offset the purchase of this engine. The total available funds would be \$115,000. The current asking price is \$108,000, but the final amount will be subject to negotiation. If the District were to pay the full price, along with an additional \$3,500 for shipping and \$7,800 for sales tax paid at the time of registration, the total cost to the district would be \$116,300. This would result in a \$1300 impact on the FY 24/25 Budget.

Although the district currently has sufficient cash to make this purchase, it would strain resources while accounts payable are received and the current engine is sold. Therefore, for cash flow purposes, it is recommended that the district pursue a 3-year loan agreement with Eastern Sierra Community Bank, which has indicated it would work with the district. This would result in a potential interest cost of \$6-\$8000 but provide an uninterrupted cash flow for daily operations.

ATTACHMENTS:

- A. DSF.JPG
- B. PSFC.JPG
- C. PSSF.JPG





