# **Municipality of East Ferris**

# **Report to Council**

Report No.: FD-2025-01 Date: March 25, 2025

Originator: Steph Amyotte, Fire Chief

Subject: Fire Truck Purchase

### **RECOMMENDATION**

THAT Council of the Municipality of East Ferris approves Option 1: Proceed with Request for Proposal for the purchase of a new fire truck to replace the 2007 pumper tanker;

AND THAT the Treasurer for the Municipality of East Ferris be authorized to submit a loan application to Infrastructure Ontario and the Royal Bank of Canada to seek financing for this purchase.

### **BACKGROUND**

During 2025 budget deliberations, discussion was had regarding the replacement of the aging 2007 pumper truck located at Station 2 in order to remain current with today's standards and to maintain our insurance grading with the Fire Underwriters Survey (FUS).

The approved 2023-2026 strategic plan indicates that the fire department strive to achieve Tanker Shuttle Accreditation. A key factor in obtaining this accreditation is all apparatus used for the tanker shuttle operation should not be older than 20 years. Further, if we have apparatus that exceeds the 20-year life span, we are at risk of losing our insurance grading with FUS, which in turn would increase home insurance rates for taxpayers.

An asset replacement plan for fire department fleet was presented to council during the 2025 budget deliberations that outlined the replacement costs and timelines. The purpose of the plan was to schedule purchases strategically so that we replace fleet at certain times to maintain the 20-year life span of our apparatus. The purchase of a new pumper tanker was presented as there is a 2 year wait time for delivery of fleet from time of order. The 2007 pumper will be 20 years old in 2027.

As directed by Council during budget deliberations, more information was obtained from various fire truck manufacturers to gain a better understanding of the cost and if we could have guaranteed pricing. We also asked if payment terms would affect the overall cost.

We reached out to four different manufacturers to gain clarification on purchase terms and cost guarantees. All four manufactures responded with the same basic information. They will not guarantee any pricing regardless of purchase terms. These terms include prepayment in full, money down upon order with balance due upon delivery, or full payment upon delivery. There are three main reasons that all manufacturers spoke of as to why they will not guarantee pricing:

1. There are new engines coming out that must meet stricter emissions standards that will cost substantially more money. There is no confirmed date on when these engines will be

put into the trucks and so this is an unknown, and one reason the cost could increase. Currently, truck manufacturers are still using the old engines but these engines are not in production anymore. That said, as stock runs out, the new engines will be put in and the cost will increase.

- With the U.S. implementing tariffs, at this time, there is no way to know how much this will affect the cost of materials coming across the border. This unknown is another reason the cost could increase.
- 3. With the possibility of tariffs coming into play, there's no way to know how the economy will be affected and what it will do to the US/Canadian dollar exchange rates. Again, this is an unknown and another reason the cost could increase.

We must also take into consideration the resale value of our current pumper. A quick search online would suggest we could expect to generate approximately \$100,000.00 from the sale of the 2007 pumper. As this truck ages, the salvage value will decrease.

### **OPTIONS**

## Option 1: Proceed with Request for Proposal in 2025

Staff could proceed with a Request for Proposal (RFP) for a new pumper in 2025. After a full review of the submitted proposals, we would have better information and be in a better position to make a recommendation on how or whether we should proceed with a purchase. This option may allow us to take advantage of the less expensive engines and beat some of the increases that are expected to happen with the economy.

## **Option 2: Revisit Tanker Purchase During 2026 Budget Deliberations**

Staff can reintroduce the purchase of a new pumper during the 2026 budget deliberations. By 2026, some of the unknows mentioned earlier in the report may be known. If choosing this option, it is expected that the new engine model will be in use; therefore, we expect the cost to increase for this new engine. Furthermore, manufacturers may be more likely to guarantee price.

Respectfully Submitted,

I concur with this report and recommendation.

Jason H. Trottier, HBBA, MPA, CPA, CMA

Steph Amyotte Fire Chief

CAO/Treasurer