



### City Council Memorandum

**To:** Mayor Fasbender & City Council Mmembers

**From:** John Townsend, Fire Chief

**Date:** October 16, 2023

**Item:** Pre-Authorize Purchase of Ladder truck, and authorize signature of contract with Macqueen Emergency

**Council Action Requested:**

Pre-Approve purchase of Ladder Truck and authorize signature of contract with Macqueen Emergency

**Background Information:**

The proposed 2024 Budget currently includes \$900K of funding towards the purchase of a Ladder Truck to replace the current 2014 Ladder truck. The current ladder truck has been difficult to maintain, and operate due to lengthy out of service times and costly repairs. To date in 2023, maintenance costs have exceeded \$23K. The replacement will be an efficient set-up with decreased maintenance and operational expenses. The current ladder will be sold to help offset costs.

Fire apparatus cost are increasing to overall industry increased costs and new emission standards in 2024. These trucks have extended build times and availability. The current time to delivery for this ladder truck is 31-34 months, taking this to August of 2026.

**Cost:**

\$1,722,952 (costs will increase after October 31, 2023 \$1,740,181) savings of \$17,229 if ordered before October 31, 2023, this will likely increase again in January.

**Cost for pre-payment option:**

\$1,580,775 (Savings of \$142,177, payment within 30 days of purchase agreement.)

**Financial Impact:**

- \$1,580,775 – total cost if we prepay
- (\$900,000) – planned portion of State Public Safety allocation (funds will be received in late December)
- (\$345,232) – unallocated cash that is in the Budget Stabilization Fund
- (\$229,797) – cash in the Budget Stabilization Fund that had been planned to fund the Police radios, which were then purchased without transferring this money
- (\$107,761) – remaining balance; staff suggests we take this from Fund 500 reserves
  - We currently have an internal loan in place to repay Fund 500 for the last Engine we bought.
  - There are 7 years remaining in that loan.

- Staff suggests we add about \$17k to the \$81,100 payment for the next 7 years and we be able to purchase this Ladder and also refund Fund 500 to maintain reserves.

**Advisory Commission Discussion:** N/A

**Council Committee Discussion:** N/A

**Attachments:** Proposal from MacQueen Emergency



PERFORM. LIKE NO OTHER.

October 9, 2023

Fire Chief John Townsend  
City of Hastings  
115 West 5<sup>th</sup> Street  
Hastings, MN 55033

Subject: **Proposal for one (1) Pierce Enforcer PUC 107' Ascendant Ladder Proposal / Bid 1151**

Dear Fire Chief Townsend,

With regard to the above subject, please find attached our completed proposal. Pricing, is as follows, including 100% prepay option.

**Pricing Summary:**

Sale Price – **\$1,722,952.00\***  
*\*Houston-Galveston Area Council (HGAC) Consortium Pricing.*

**100% Performance Bond:**

Included in the above sale price.

**100% Prepayment Option:**

Should the City of Hastings elect to make a 100% prepayment at contract signing, a discount of (**\$142,177.00**) can be subtracted from the above "Sale Price" resulting in a revised contract price of **\$1,580,775.00**

**Terms and Conditions:**

- Taxes – Not Applicable
- Freight – F.O.B. – Appleton, WI / Shipping to Hastings, MN
- Terms – Net due prior to vehicle(s) release at the Pierce Manufacturing Plant(Appleton, WI). Net due at Contract signing for **Prepay discount** to be applicable.
- Delivery – 31 - 34 months from receipt and acceptance of contract.

Said apparatus and equipment are to be built and shipped in accordance with the specifications hereto attached, delays due to strikes, war, or international conflicts, or other causes beyond our control not preventing, could alter the delivery schedule.

The specifications herein contained, shall form a part of the final contract, and are subject to changes as desired by the purchaser, provided such changes are acknowledged and agreed to in writing by the purchaser.

Various state or federal regulation agencies (e.g., NFPA, DOT, EPA) may require changes to the Specifications and/or the Product and in any such event any resulting cost increases incurred to comply therewith will be added to the Purchase Price to be paid by the Customer. Any future drive train upgrades (engine, transmission, axles, etc.) or any other specification changes have not been calculated into our annual increases and will be provided at additional cost. The Company reserves the right to update pricing in response to manufacturer-imposed increases as a result of PPI inflation. The Company will document and itemize any such price increase for the Customer's review and approval before proceeding. Should the customer choose not to accept the pricing update, the customer has the ability to cancel without penalty.

This proposal for fire apparatus conforms with all Federal Department of Transportation (DOT) rules and regulations in effect at the time of bid, and with all National Fire Protection Association (NFPA) Guidelines for Automotive Fire Apparatus as published at the time of bid, except as modified by customer specifications.

The attached proposal is valid **until October 31, 2023**. After October 31, 2023, Sale Price will increase to approximately \$1,740,181.00.

We trust the above and the enclosed to be full and complete at this time; however, should you have any questions or require additional information, please do not hesitate to contact me at 507-272-2360 or [tom.soland@macqueengroup.com](mailto:tom.soland@macqueengroup.com) .

We wish to thank the City of Hastings for the opportunity to submit our proposal.

Respectfully,

*Tom Soland*

Tom Soland  
Apparatus Sales  
MacQueen Equipment LLC  
DBA MacQueen Emergency Group