

Proposal to Obtain Personal Protective Equipment through Leasing

Issue

In the current situation, we purchase at least 5 sets of gear and 5 SCBA assemblies a year. This is allowing us to maintain our current level of fire protective equipment. A set of gear is approximately 3,400.00 per firefighter and an SCBA assembly is approximately 5,000.00. This comes to 42,000.00 a year in outward expense, not counting additional replacement costs or destroyed gear throughout the year. A set of gear has a 10-year lifespan per NFPA and an SCBA assembly is rated for 10 years and bottles can be hydrostat tested up to 15 years. This puts us in a 10-year replacement cycle for both items. At the current situation we are bound to the vendor that we currently have as we cannot cycle the entire inventory, nor can we price shop. This is because the packs and assemblies have to work together and if we replace an apparatus at a time as we are now and change vendors then we would have to have special masks and items to keep that truck in service for all firefighters to use.

Proposal

Purchase all new turnout gear this year and five years from now purchase all new SCBA assemblies and set them up on a rotating basis for leasing.

Approval is being sought to change our mentality and mindset on gear replacement for the Yorktown Fire Department. Rather than doing this on a rotational basis of only a few sets of gear at a time, we are wanting to leverage several different items to our favor. A large bulk order would allow us to utilize that leverage in obtaining a large order discount. In addition to this we would not be vendor dependent, each time we go through this we would be able to investigate all vendors available, their specialties and their weaknesses. Finally, it would provide us with a timeline for replacement that is within the NFPA regulated guidelines for all firefighters regardless of size or needs.

The proposal would be to setup a 5-year line of credit with an institution, called leasing for a government entity but is not leasing as we are making payments to own. This would allow us to purchase all the gear now for all firefighters, then we would simply make the payments on that over the next 5 years. Upon successful completion of paying off that lease we would immediately turn around and do the same thing for the SCBA assemblies for 5 years. The back to gear. Upon being established this would put us in a full 10-year rotation for both necessary items. The fire department could budget for this payment out of their normal annual budget without issue which will be shown below. The administration would only have to address gear for new firefighters as they came on, replacement for damaged or items of that nature as we are currently.

Rationale

Firefighter turnout gear and SCBA assemblies are a critical piece of firefighting equipment that necessitates compliance and a rotational replacement plan. By starting the replacement process in this manner, it will provide the opportunity for full compliance without any additional burden to the taxpayers, the Town will not have to absorb the cost all at once as well.

A loan through Republic First National that deals in this type of equipment leasing all the time for the fire service quoted us at a 4.09% rate. With their being an average trend of 3-5% increase of firefighting gear each year anyway this cost is already being encountered. The 4.09% is fixed over the term of the loan. If we go with a 5-year loan that is going to be an approximate payment of 3138.00 a month or 37,656.00 annually. This is well below what we are paying now, but turnout gear is the cheaper of the two items to replace.

If we were taking the same approach with SCBA assemblies then the numbers are going to be a bit larger. Going on the larger end we were quoted at a 3.97% for 300,000.00 (this is a rough estimate and the administration feels this would be around the number). This is a 5,520.43 a month or 66,245.16 annually. This is a bit more than we are currently paying per year but there have been instances where we have had to purchase 10 sets of gear or 6-7 SCBA assemblies and it is expected that we will be able to accommodate this well within the annual budget when that time arises. Again, this will allow us budget during those 5 years for the increased amount needed and would allow for full rotation on a given year and allow us to shop options. We do feel this would lower the above-mentioned price a bit.

Many departments across the nation are starting to go to this type of leasing agreement to make for ease of administration, compliance and rotation in turnout gear and SCBA assemblies. This is becoming the next level of administration for future thinking.

Cost

50 sets will cost **\$170,000.00 approximately** leased out over the next 5 years

Sets would include – helmet, coat, pants, boots, fire gloves, rescue gloves, nomex and flashlight.

Summary

These necessary pieces of equipment have a predetermined life span due to their life safety utilization; with that in mind the administration of the department is getting ahead of the replacement needs to minimize the budget impact over the long term. Again, this will move us to the next progressive step to ensure that at no time will the fire department get to a point that we are out of compliance with regulations that are set forth by NFPA or OSHA. We feel this is an effective plan and has been proven thorough its implementation in other areas. As stated this is the next progressive step of replacement measures.