



# CITY OF LODI

# COUNCIL COMMUNICATION

AGENDA TITLE: Advertisement for bid for financing for  
Two (2) 1750 GPM Class A Custom  
Fire Apparatus

MEETING DATE: November 20, 1996

PREPARED BY: Interim Fire Chief

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RECOMMENDED ACTION: That the City Council authorize the advertisement of bids  
for two (2) 1750 GPM Custom Fire Apparatus.

BACKGROUND INFORMATION: It is requested that the council consider the financing possibilities for two new fire engines. These will replace two aging front line apparatus. The financing strategy was to maintain the same level of expenditures so as not to significantly increase the operating budget of the fire department. Delaying the purchase of one fire engine may result in as much as a 10% increase in cost and continued maintenance on existing front line apparatus. Bid requests will ask for 5, 7 and 10 year terms. A 7 year term should come in at approximately 4.2% interest. This will result in an approximate annual payment of \$83,000.00 for the two apparatus. The last three budget years had a lease purchase expenditure of \$109,000.00. This should leave room for the financing of the Rescue Support Vehicle that was discussed during the council shirtsleeve session on Technical Rescue. The bid award for the fire engines and financing should be ready for approval at the December 4, 1996 regular council meeting.

FUNDING: There will be no expenditures through the 1996-97 budget plan. The first payment will be expected in January of 1998.

A handwritten signature in black ink, appearing to read "Frank Ortiz".

Frank Ortiz, Interim Fire Chief

APPROVED: \_\_\_\_\_

A handwritten signature in black ink, appearing to read "H. Dixon Flynn".

H. Dixon Flynn -- City Manager