



RAPID CITY FIRE DEPARTMENT

Prepare, Prevent, Protect



To: Mayor Sam Kooiker
Members of City Council

From: Fire Chief Mike Maltaverne

Subject: Authorization to purchase 2014 Dodge Pickup

Date: August 28, 2014

Mayor and members of Council,

The Fire Department is requesting authorization to purchase a 2014 Dodge pickup. The new vehicle is replacing a 2000 Dodge Durango with 95,000 miles. We try to replace staff cars at 15 years of service or 100,000 miles, whichever comes first or depending on approved Fire Department budget.

This vehicle is currently used by one of our inspectors in our Fire Prevention Division as a front line staff car for day to day use. The Fire Department has decided to retain the Dodge Durango in its fleet and reduce it to a backline vehicle. A backline vehicle is kept in storage and not assigned to any position or function in the Department for day to day use. We have determined this vehicle still has limited use for special circumstances and to generate revenue for the City, thus reducing our burden on the general fund. The vehicle will be used for sending FD personnel out on wildland fires throughout the United States. This is done under a state contract where we are reimbursed for personnel costs and an hourly rate for the vehicle of which the firefighter drives on the fire. I was asked to provide justification for the decision of retaining the Durango, versus surplusizing it. Following is a conservative and estimated cost vs. benefit analysis for the 2000 Dodge Durango:

If the vehicle is used on the **front line** or for day to day operations, *estimated* annual maintenance costs are as follows:

3 oil changes	(\$30/ea)	\$90
3 shop hours	(\$50/hr)	\$150
Depreciation	(\$500/yr)	\$500
Tire wear	(\$50/yr)	\$50
Annual Maintenance Cost (estimated)		\$790



RAPID CITY FIRE DEPARTMENT

Prepare, Prevent, Protect



If the vehicle is moved to the **backline** and deployed twice for wildland deployments, *estimated* annual maintenance costs are as follows:

2 oil changes	(\$30/ea)	\$60
2 shop hours	(\$50/hr)	\$100
Depreciation	(\$500/yr)	\$500
Tire Wear	(\$50/yr)	\$50
Annual Maintenance Cost (estimated)		\$710

***Revenue Generated** by Durango: Based on two 16 day deployments a year

Hourly rate	(\$65/day)	\$2080
-------------	------------	--------

Annual Revenue		\$2080
----------------	--	--------

<u>Reduced maintenance costs</u>		<u>+\$80</u>
----------------------------------	--	--------------

Net revenue generated		\$2160
------------------------------	--	---------------

The vehicle's life is typically extended by three years. This is in line with the typical manufacturer's warranty for the new replacement vehicle. During this time, maintenance costs are very low.

Three years of revenue and reduced costs		\$6480 (estimated)
---	--	---------------------------

I hope this provides a clearer picture of yet another way the Fire Department works very hard to manage our fleet while seeking to operate as efficiently and effectively as possible. Please call me with any questions you may have.

Thank you,

Mike Maltaverne, Fire Chief