

**Meeting:** GENERAL PURPOSE AND  
ADMINISTRATION COMMITTEE

**Date:** March 1, 2010

**Dept:** Fire & Emergency Services

**Report No:** F&ES-2010-07-GP&A

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**Title:** RESCUE 101 – TOTAL COSTS AND FUNDING

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**RECOMMENDATION:**

**THAT** this report be received for information.

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**BACKGROUND:**

At the January 18, 2010 Committee meeting, Committee endorsed the report awarding the contract for the purchase of a new rescue truck, however they asked that a subsequent report be brought forward outlining the total costs and funding for the purchase of Rescue 101. The purpose of this report is to provide details regarding total costs and funding.

Under current Retail Sales Tax law, fire trucks and related equipment are PST exempt. It is unknown at this time if this exemption will be available after the introduction of the HST on July 1, 2010.

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Based on the payment schedule as set out in the contract with Seagrave Fire Apparatus Company, most of the truck (\$242,300.00 + applicable taxes) will be paid before July 1, 2010. It is anticipated that the Township will only have to pay HST on the remaining balance of \$87,550.00. As indicated by the Treasurer, municipalities will continue to recover the GST portion of the HST, as well as approximately 78% of the PST portion. Therefore, the non-recoverable portion of the HST which will be paid on the final instalment is expected to be \$1,540.88. Total purchase costs for the new rescue truck, including non-recoverable taxes, are anticipated to be \$331,390.88. Please refer to chart below.

#### Cost Breakdown of Rescue 101:

Payment Date	Amount	GST		PST Payable	HST		TOTALS
		Payable	Recoverable		Payable	Recoverable	
Feb 3/10	65,970	3,298	-3,298	EXEMPT		N/A	65,970
June 30/10	176,330	8,817	-8,817	EXEMPT		N/A	176,330
Oct. 15/10	87,550		N/A	N/A	11,382	-9,841	89,091
Truck Cost	329,850	12,115	-12,115	0.00	11,382	-9,841	331,391
Additional Equipment	20,000	- unknown – see comments below					20,000
Sale of Truck	-20,000						-20,000
FINAL COSTS	329,850	12,115	-12,115	0.00	11,382	-9,841	331,391

#### Funding Sources:

Source	Amount
Community Enhancement Fund	210,000.00
DCA Reserve	30,000.00
Municipal Projects Reserve	100,000.00
Total	340,000.00

Note: Approximately \$8,600.00 (2.5%) has been budgeted over the contract cost of the truck as a contingency in the event of work change orders.

Upon receipt of the new rescue truck, the Fire Department will sell the current rescue truck in line with the process outlined in Procurement By-Law No. 122-07, section 19, subsections 1 to 3. The current rescue truck will be sold for approximately \$20,000.00 - \$25,000.00. This money could be used to offset the cost of additional equipment. This would include breathing apparatus and auto extrication hydraulic hose. The anticipated cost of these purchases is \$20,000.00, with full tax recovery before July 1<sup>st</sup>, or approximately \$352.00 non-recoverable tax paid if purchased after July 1<sup>st</sup>.

**ENVIRONMENTAL CONSIDERATIONS:** N/A

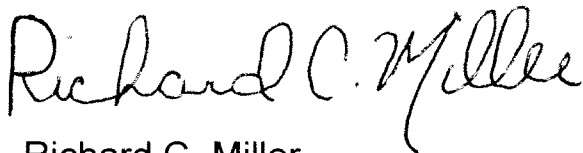
**ACCESSIBILITY CONSIDERATIONS:** N/A

**FUNDING OPTIONS:** 2010 Capital Budget

**CONCLUSION:**

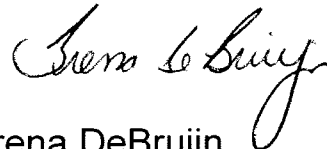
The total cost of the new rescue truck is expected to be \$331,390.88, including non-recoverable taxes. Funding for this purchase is from the Community Enhancement Fund, DCA Reserve and Municipal Projects Reserve, as outlined in this report. The current rescue vehicle will be sold in accordance with Section 19. Surplus Stock of the Procurement By-Law and money received from the sale may be used to purchase new equipment.

Respectfully submitted,



Richard C. Miller  
Fire Chief

Financial recommendations  
concurring by:



Trena DeBrujin  
Director of Finance/Treasurer

Approved for presentation to Council by:



Bev Hendry  
Chief Administrative Officer

<b>OUTSTANDING MATTERS</b>			<b>March 1, 2010</b>
<b>FIRE &amp; EMERGENCY SERVICES</b>			
<b>Date</b>	<b>Dept.</b>	<b>Description</b>	<b>Status</b>
March 2/09	F&ES	Staffing structures and resulting response times	Staff requested to prepare a subsequent report of comparable composite Fire Departments that would include staffing and response times
Oct. 19/09	F&ES	Fire Safety House	Staff requested to bring forward a report
Jan. 18/10			Staff to investigate level of commitment from Uxbridge and Brock
Jan. 18/10	F&ES	F&ES-2010-04-GP&A - Replacement of Rescue 101	Staff requested to bring forward a subsequent report to Council outlining the full project costs and proposed funding <b>STAFF REPORT F&amp;ES-2010-07-GP&amp;A included in this Agenda</b>
<b>CORRESPONDENCE REFERRED TO STAFF</b>			
<b>TABLED STAFF REPORTS - NIL</b>			