



**STAFF REPORT**  
**9/14/2022**

**TO:** Honorable Mayor and City Council Members

**FROM:** Nathan Statham, Finance Director

**SUBJECT:** Transfer Fire Engine 279 to Riverside County under the current fire engine use agreement.

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**STAFF RECOMMENDATION:**

Approve resolution No. 2022-87 authorizing the City Manager to Transfer Fire Engine 279 to Riverside County (County) under the current fire engine use agreement.

**BACKGROUND:**

The City owns and maintains two type 1 fire engines. Fire engine 79 was in service as the City's primary fire engine until it was struck by another vehicle while on scene at an emergency incident in March of this year and rendered inoperable. Fire engine 279 has been retained and maintained as the City's secondary backup fire engine. Since Engine 79 became inoperable Engine 279 has been the primary response unit for the City.

Fire engines that reach the end of their useful lives of 15 years for a primary unit and 20 year for a secondary unit require replacement to maintain compliance with safety standards. Engine 279 is a 2004 model with 300k equivalent miles. As a secondary engine it will reach the end of its useful service life in 2024. Engine 79 is a 2007 model and reached the end of its useful service life as a primary unit this year. Even if unit 79 was repaired, it would not be eligible to go back into service as a primary unit.

The City currently has an additional service (Fire Engine Use Agreement) included in its contract with the County. The Fire Engine Use Agreement ensures that the City has access to the County's fire engine fleet pool. This serves two purposes. If the City needs a backup Fire engine while the primary engine is inoperable one would be provided, if the secondary unit was then rendered inoperable, a third unit would be provided and so on ensuring the City always has an operable fire engine. The second provision is that the City would receive a new or newer fire engine to replace the existing fire engine when the existing fire engine reaches the end of its service life (15 years) or becomes inoperable.

Since 2009 the City has paid \$334,000 into the replacement fund under the Fire Engine Use Agreement. If the City had taken steps to fully transfer its fire engine assets to the County, the City would now be in the que for a new fire engine to replace Engine 79 at no additional cost to the

City. However, neither Fire engine 79 nor Fire Engine 279 were ever transferred to the County which is a requirement for receiving a replacement fire engine when needed.

Fire Engine 79 was insured by the City. The insurance adjuster appraised the Engine 79 at \$105,260. The cost to fix the damage to the engine was assessed at \$50,795 with the City's self insurance retention amount of \$25,000 not being covered. After reviewing the damage and insurance adjuster report, City and County Fire staff do not believe adequate repairs can be done for \$50,795. The insurance adjuster specifically states that replacement parts would be from wrecked/scrapped vehicle which is not considered acceptable for a public fire safety vehicle. Based on fire staff observations, it does not appear the insurance adjuster pulled the cab to see what damage there is under the hood and no mention was made of repairing and pressure testing the engine's water tank that is clearly damaged in the adjuster's photos. City and County Fire staff believe the repair costs to restore the engine to the required specifications necessary for the engine to be placed in service and retained or sold would exceed the market value of the vehicle.

#### **DISCUSSION/ANALYSIS:**

Given that Engine 79 has reached the end of its useful life, making repairs is not a feasible option. Even if the engine were repaired, it would only be a backup engine leaving the City with two backup engines and no primary engine. This would require the purchase of a new primary engine.

If the City transfers title of engine 279 to the County, the engine will go into rotation for replacement. Given that the engine is near the end of its useful life, it would be prioritized for replacement. The City would then be able to scrap Engine 79 and retain \$50,795 that would otherwise go toward repairs or a new engine. The City would have further savings from not having to pay insurance or maintenance on either engine.

#### **FISCAL IMPACT:**

There is no direct fiscal impact from transferring Engine 279 to the County. The City would be able to forego the purchase of a new primary fire engine for \$875,000. The City would also incur savings from not having to insure and maintain the new primary and remaining (Engine 279) secondary engine.

#### **ALTERNATIVES:**

1. Approve Resolution No. 2022-87 authorizing the City Manager to Transfer Fire Engine 279 to the County under the current fire engine use agreement for replacement by the County.
2. Decide to move forward with purchasing a replacement primary fire engine through direct purchase by the City with an estimate cost of \$875,000. This alternative would also require the City to continue paying \$36,000 per year under the Fire Engine Use Agreement and provide maintenance and insurance costs for the new primary fire engine.

#### **ATTACHMENTS**

Resolution 2022-87