



**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 8e

**ACTION ITEM**

**Date of Meeting** February 23, 2021

**DATE:** December 1, 2020

**TO:** Steve Metruck, Executive Director

**FROM:** Randy Krause, Fire Chief  
Todd Starkey, Assistant Fire Chief

**SUBJECT: Update/Modify Fire Department Vehicle Maintenance Interlocal Agreement**

**Amount of this request:** None

**ACTION REQUESTED**

Request Commission authorization for the Executive Director to execute amendments to, option years for, the Interlocal Agreement (Agreement) with Puget Sound Regional Fire Authority (PSRFA), for maintenance services for Fire Department Fleet of vehicles.

**EXECUTIVE SUMMARY**

Fire Department emergency response vehicles include very complex and sophisticated technology. The regular maintenance of these essential vehicles requires special certification and detailed knowledge of their regular use and capabilities. Service is performed on various vehicles on a constant rotational basis.

There is an immediate need to amend and extend this Agreement allowing us to continue maintenance and readiness of our fleet. The Agreement changes are necessary to:

1. Adjust the Base Rate for hourly work and emergency work based on the increased cost of labor and update the CPI-W to Seattle/Tacoma/Bellevue.
2. Adjust the estimated annual spend due to the addition of seven vehicles not identified in the initial agreement in Exhibit A dated February 2016.

In addition to our immediate need to amend and extend, we would like authorization for the Executive Director to execute further option years.

**JUSTIFICATION**

The objective of this request is to allow the Fire Department to continue to work with Puget Sound Regional Fire Authority through an extension of the Interlocal Agreement in support of maintaining the fire department fleet of vehicles.

Meeting Date: February 23, 2021

**DETAILS**

- Adjust the current Base Rate to \$128.43 per hour with emergency repairs accomplished at the Base Rate plus one-half.
- Adjust the CPI-W to Seattle/Tacoma/Bellevue.
- Adjust the estimated annual spend to \$600,000.
- Authorize Executive Director to execute the remaining five years or until the \$3,000,000 authorization is exhausted, whichever comes first.
- Port staff will do an in-depth analysis of the current agreement, services required to maintain the FD fleet, and options for maintaining this service.

***Schedule***

Fifth Amendment to be executed in December of 2020 and effective January 1, 2021.

*Activity*

Contract Duration	2021 - 2030
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**ALTERNATIVES AND IMPLICATIONS CONSIDERED**

Three different variations of the new service contract are proposed below.

**Alternative 1)** – Return to status Quo. Prior to the Interlocal Agreement the Fire Department had a firefighter performing mechanic duties. This position was not certified nor qualified to perform this work. This model was not very effective and left our inventory of vehicles in substandard condition.

**Pro:** Might be less expensive.

**Con:** Increasing risk of not being able to meet FAA requirements due to vehicle down time. Additional risks include not being able to effectively meet our FAA required discharge requirements causing us to be out of compliance.

This is **NOT** the recommended alternative.

**Alternative 2)** – Hire two certified Fire Department Mechanics.

**Pros:** This option would allow us to bring this work back in-house. We could work with Labor Relations and negotiate terms of two new mechanics either to fall under the Fire Department or possibly Aviation Maintenance.

**Cons:** With new represented employees we would have to negotiate terms and conditions with labor.

**This is NOT the recommended alternative.**

Meeting Date: February 23, 2021

**Alternative 3)** – Renew the Interlocal Agreement with the new cost forecast.

**Pro:** Provides for two mechanics to provide daily care and maintenance for the Fire Department Fleet. Significantly reduces risk to fire department operations. Labor and Management are confident and pleased in the ability and services provided.

**Cons:** The current mechanics could be reassigned and not available to service our fleet. However, if this happens, new mechanics would be assigned this work.

**This is the recommended alternative.**

**FINANCIAL IMPLICATIONS**

	Actuals:	Allowance:	Under:
2016	59,089	300,000	
2017	128,542	300,000	
2018	152,520	300,000	
2019	129,782	300,000	
2020*	570,000	300,000	
	1,039,933	1,500,000	460,067

The above table shows the costs associated with the contract to date including the overages for 2020. This information shows that even with the increases in 2020, the overall contract is running under costs to date.

***Annual Budget Status and Source of Funds***

Contract payments are included in the Fire Department Expense budget. The funding source is the Airport Development Fund. Funding for future years will be included in future Fire Department annual expense budgets as a specific line item.

***Future Revenues and Expenses (Total cost of ownership)***

N/A

**ATTACHMENTS TO THIS REQUEST**

1. Amendment to Interlocal Agreement

**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

- Interlocal Agreement was approved on January 12, 2016.