

# BEST PRACTICES FOR...



## Purchasing New Fire Apparatus

### 8 Steps To A Happier Buying Experience For Volunteer Fire Departments

If your volunteer fire department is like many others across the United States, each fire truck buying experience can be like starting all over again. We searched the Internet for guidelines on best practices to help guide volunteer fire departments in purchasing fire trucks and other apparatus. To our surprise, Google was limited in its help in this area.

This is our effort to help volunteer fire departments get a head start the next time they consider buying a new fire truck or other new apparatus with a single document to help them build their own custom process. We recommend these eight steps to a happier fire truck buying experience for volunteer fire departments.

1. Decide to investigate a new truck purchase
2. Form a committee to select the new fire truck and manufacturer
3. Conduct preliminary research on key items such as type of truck/apparatus needed
4. Gather detailed information on trucks; KNOW WHAT YOU NEED AND WANT – BE VERY SPECIFIC
5. Request and secure funding
6. Determine purchase process
7. Evaluate proposals from manufacturers
8. Make selection

We will review each step to help you in building your own custom process for your volunteer fire department. While each department is unique and has a unique set of requirements, these eight steps can help you design an effective and efficient process for your department. So, let's get started.



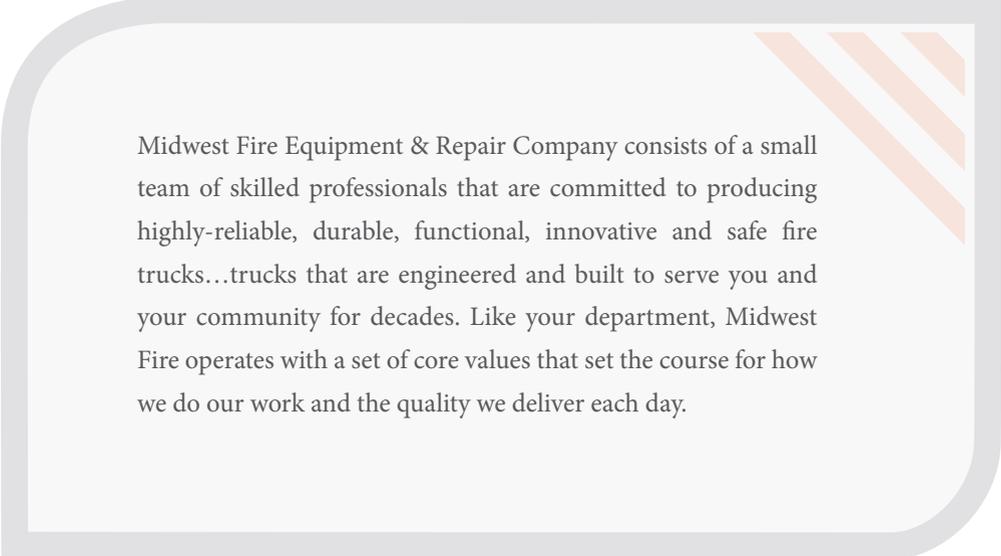


# Step One

## Decide To Investigate A New Truck Purchase

There are typically five triggers that start a volunteer fire department down the path to investigate a new fire truck purchase. The first trigger would be “safety concerns.” Each department constantly wants to look out for the safety of all concerned. A second trigger could be “old/faulty” equipment. As fire trucks and other apparatus age, they need to be replaced to maintain reliable operations. If your department has a planned replacement schedule and it is time for a replacement that would be the third trigger. An apparatus replacement schedule allows fire departments to look long term and plan accordingly. Growth in your city or community may necessitate an additional fire truck or fire trucks and would be another trigger. Lastly, your department received a grant, and you need to spend the money. Understanding why you need the new fire truck is helpful to all concerned in the process. It will help your department as you spec out the new apparatus and it will help you gain the support of the community as you fund the purchase.

When you decide to initiate the process, some departments find it helpful to do some early brainstorming on the specification of the new apparatus, based on what the members of the department think and need. These preliminary specs help paint a picture of what you think you want as you initiate the process. The goal of this step is to agree on the objective. What problem do we want to fix at this time? This is a key strategic element of this process.



Midwest Fire Equipment & Repair Company consists of a small team of skilled professionals that are committed to producing highly-reliable, durable, functional, innovative and safe fire trucks...trucks that are engineered and built to serve you and your community for decades. Like your department, Midwest Fire operates with a set of core values that set the course for how we do our work and the quality we deliver each day.



# Step Two

## Form A Fire Truck Purchase Selection Committee

Most volunteer fire departments find it beneficial to select a committee to lead the process and, when done right, that can enhance the effectiveness and efficiency of the process. Select enough people to spread the workload, but not so many people to bog down the process. Experience shows that committees of 4-7 people with a mix of tenured and relatively new volunteers work best as long as they cover all of the important functions:

- **Purchasing Administrator** – helps maintain the structure and timeline while holding the team accountable. It helps if one of your volunteers comes from this profession or a related one. Seek a well-organized person with good administrative skills and the time to do the job properly. Responsibilities may include:
  - Keeping minutes and other documentation archived and organized.
  - Ensuring legal items and processes are followed.
- **Mechanical Evaluator** – helps define wants and needs in the specifications so that it is clear to all concerned, including the department, the community, and the manufacturers. Perhaps you have a volunteer or two that are mechanical engineers or work in a mechanical trade.
- **Information Gatherer** – is the focal person that communicates with external organizations in seeking and collecting information. Seek a well-organized person, analytical individual with good administrative skills that helps the team be objective in the process.
- **Board Member or Council Member** – Including a board member/council member in the selection process will assist the department in gaining community support. This member needs to have significant influence and be skilled in helping influencing decisions in the community. Seek an individual that presents well and is well connected locally.
- **Fire Chief** – it is important to include the department's leader in the process.
- **Others** – as dictated by the needs of the department and community. Be careful not to include too many people.

Experience shows that more than seven members can bog down the process. Some departments tell us that five members are an ideal number.

In commissioning this committee, ensure that the team has the same set of objectives. For consistency in the process, it will also be important to standardize questions/evaluations across the team when the time comes. Make sure the committee has a documented process for the selection phase that is agreed upon by all committee members in advance. Covering all the bases with the right people completes the foundation of the buying process. You have the strategy and the people to develop and execute YOUR process.

“The Midwest team did a great job building this truck and we are very proud of this apparatus. We recommend them to anyone looking for a great quality truck for a low price.”

Greg Meredith – Asst. Chief  
Greenville Twp. Vol. Fire Dept.  
Greenville, Indiana



# Step Three

## Conduct Preliminary Research

The goal of this step is to do “just enough” research to determine the budget and basic scope for the new apparatus that you believe that you need to support the community. Let’s break Step Three down into five sub-steps:

### 1. Type of Truck to Meet the City/Community Needs

- Consider the truck/apparatus you are replacing
- Consider the future. What does the city growth look like? What growth is there in areas such as fire hydrants?
- Consider staffing, water supply and other needs such as, where to carry rescue and extrication equipment.
- Multi-purpose vehicles, such as tanker-pumpers, can be cost effective options to meet near-term goals, while preparing you for changes in the next 5-15 years.

### 2. Create a Timeline for the Project

- Start with the end in mind. When do you need the new truck? Is that feasible?
- Be organized. Remember that most committee members have full-time jobs outside of the department.
- Understand the community's budgeting process and applicable meeting schedules.
- Selecting new apparatus can happen in as quickly as one month when funding is already approved, and up to two years when funding needs to be approved. Based on our experience, most truck purchases typically take six months to one year.

### 3. Identify Sources of Information

- Associations, trade shows and the Internet can be good sources of information. Identify a variety of keywords to use in your Internet search to gain information. Trade shows provide an opportunity to kick some tires and talk with multiple manufacturers in one location. One of the largest trade shows, FDIC International, is held each spring in Indianapolis. Many state associations also have their own shows. (Contact us if you need help in identifying local or national shows.) Other major Associations are listed below. They can be helpful in your research.
  - i. FDIC International (<http://www.fdic.com/index.html> )
  - ii. Fire Apparatus Magazine (<http://www.fireapparatusmagazine.com/index.html>)
  - iii. Your respective state’s Fire Chief Association
  - iv. Fire Apparatus Manufacturers Association (<http://www.fama.org/> )
- Peer Departments – Call your neighbor departments to get ideas, recommendations or simply to check out their new apparatus to see what you like and don’t like. Contact as many as you can within your time constraints. Seek out communities that purchased a similar truck in the past 1-5 years, where possible.
- Manufacturers – Select a short list of 3-5 potential manufacturers based on past experience, input from peer departments, or other research. Look for manufacturers that appear to be a good fit for your community needs and have a good track record. You are not buying anything yet, but you are interested in finding manufacturers that are going to be the most helpful to you in your process.

Our vision is to earn a reputation for providing high-quality, best value products and superior service to you, our customers, to assist you in your mission to protect life and property.



# Step Three Cont.

## Conduct Preliminary Research

If your department follows this process, there may very well be a clear winner as you compare features, quality, service/customer service, warranty/terms, and price. At this point, review everything one more time with your team to make sure nothing was missed, and you are ready to gain final approval.

However, there will be times in which two or three manufacturers are neck and neck. At this point, the committee may need to review things more closely. This may be a good time to do additional background research on the short list of manufacturers through plant visits (if you have not been there yet), peer department visits, or peer department phone calls. Focus on your established requirements. The good news is that you will most likely win either way, but you now have the opportunity to find that best fit.

### 4. What Information Are You Looking For?

- You want to review available options to meet your needs while keeping an open mind to learn about capabilities that you are not aware of yet.
- Explore information with respect to the type of truck/apparatus that you think you want/need. During this phase you want to confirm the specific type of truck/apparatus is right for your department at this time and you can identify what options you want to consider.
- You do not need full specs and drawings at this point. General description and budgetary quote, itemized for various options, is all you need.

### 5. Explore Funding Options And Understand Your Budget. What Funding Is Available At This Time?

- It is important to know your budget before you leave this step. This budget will help you scope the project and you can focus on getting the best value for your dollars.
- Here are some of the typical funding options:
  - i. The money is in the bank. Your community has set aside money for this day in its budget. The question may remain: Is there enough money for what you need?
  - ii. “Lease to buy” can be an option when there is not enough money in the bank, but the budget can cover a monthly expenditure. Here are some typical “lease to buy” solutions:
    - Banks
    - Leasing companies such as Community Leasing Partners and Leasing 2
  - iii. Perhaps you received a grant, or you are eligible for a grant. Listed below are some of the most common grants used by volunteer fire departments. Some manufacturers are experienced in dealing with purchases involving grants and can work with you to make sure your purchase meets the grant qualifications. As you apply for a grant, pay special attention to classifying correctly your new apparatus, the item that you are replacing, and the priority level. As funds tighten, it is tough to get funded for anything below high priority.
    - FEMA AFG Program– Assistance for Firefighter Grants
    - Forestry Grants
    - State Grants
  - iv. Capital Improvement/Bonds

Keep the team focused on the agreed upon objectives to ensure good communication between all concerned parties. This will lead to a successful buying experience.



# Step Four

## Gather Detailed Information On Applicable Trucks And Manufacturers

Firefighters can get a little out of control here with their wish lists. As a chief, you have to be able to sort through the needs and the wants and help the committee seek the highest priority items to meet the needs and get the needed funding. Some chiefs find that it helps to start by giving the committee a budget. If they were to go over that budget you could start deleting unnecessary items:

### **Additional Information From Associations**

Fire Apparatus and Emergency Equipment is one source that can provide you with insight on what's new in the industry. They help update you on the new trends of the fire industry. You can also seek other sources such as Fire Trader to help you consume as much information as possible.

### **Detailed Spec Information From Selected (best fit) Fire Truck Manufacturers**

- **Visit Manufacturers** – If you have the time and the money, it can help to visit 1 or 2 manufacturers, based on your preliminary research. However, attending your state conference or a trade show such as the FDIC may be a more effective and efficient option. Tradeshows give you, the buyer, an opportunity to see the apparatus up close and personal, and also to gather as much information as you need. The biggest piece of advice when preparing for a tradeshow is have your questions listed out pre-attendance. This will make your visits efficient and informative.

### **Additional Peer Fire Department Research**

- **Visit Departments** – Visit several peer departments, especially any with newer trucks. It's always good to see newer trucks that have been in service. It's also good to get the opinions of your comrades on what worked and what they would do differently if they could purchase again. Review quality, cost, reliability, and maintenance issues. Visiting other departments will help generate new ideas for your apparatus planning committee, and help you better understand what new technology is available.

- **End Goal Is A Document That Goes Out For Bids**

***We will cover "Selecting A Purchase Process" in Step Six.***

"Wow. What a great experience! Our department shopped several brands of trucks from the "big names" to the regional builder. Midwest Fire and Rick Peterson provided us with the simple solution. If you are in the market for a quality apparatus and don't want the headaches or price of the corporate monsters, Midwest is your answer.

Jason Mooney – Fire Chief  
Martinsville Volunteer Fire Department  
Martinsville, IN



# Step Five

## Request And Secure Funding – Build Business Case For Funding Authority

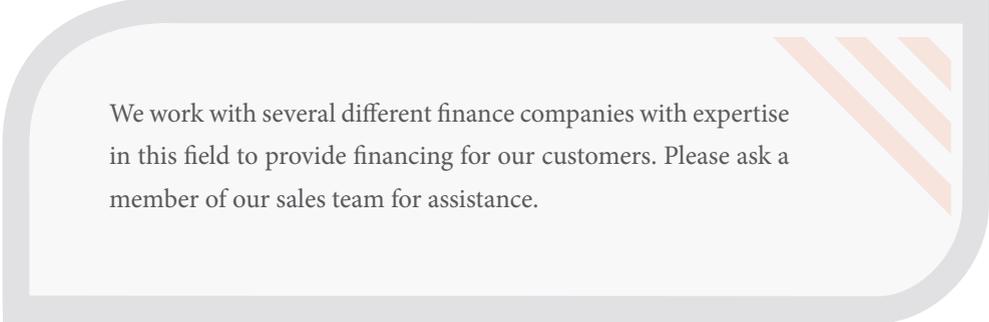
At some point, someone is going to “write a significant check,” and they will want to understand what they are getting and that it is worth the investment. There is competition for every dollar within the community budget. Most, if not all, will agree that fire protection and emergency services are important, if not critical, to their community. However, this is still an expense, it is a cost, that is most likely not going to show a return in the form of increased revenue. Some may be focused on how to limit the expense. Therefore, this step is critical to help insure that you get the necessary funding.

We must answer more than the question “Why do you need a new fire truck?” We need to be able to explain why we need this particular fire truck. It may help to identify one or more reasons that justify a need for a new truck such as a safety hazard, maintenance issue, or growth. This could be logical, rational, objective reasoning. If everyone can first agree that there is a need for a truck, you are halfway there.

The second half of the question is about “Why this truck?” This section can get more subjective. You need to explain that if you need to buy a new truck, you want to make the smartest purchase for our town today and tomorrow. Now comes the time to outline why this purchase is the best bang for the buck. This goes beyond safety hazards or out of service trucks. Identify data that will help defend the amount of funding that for the equipment that you need.

In addition to the associations mentioned earlier, here are some organizations that may have data in their reports that will assist you:

- National Volunteer Fire Council (<http://www.nvfc.org/>)
- National Fire Protection Association (<http://www.nfpa.org/>)
- International Association of Fire Chiefs (<http://www.iafc.org/index.cfm>)



We work with several different finance companies with expertise in this field to provide financing for our customers. Please ask a member of our sales team for assistance.



# Step Six

## Determine Purchase Process

While bidding is the primary process in purchasing a new truck, it is not the only process. Some communities allow departments to purchase which truck they want outright. It's up to you and the committee to research what local bylaws are within your jurisdiction. Also, there are government regulated procurement programs, which allow you to use alternative procurement processes. One such process is HGACBuy. As a unit of local government, HGACBuy strives to make the governmental procurement process more efficient by establishing competitively priced contracts for goods and services and providing the customer service necessary to help its members achieve their procurement goals. In this case, it's up to you and the chosen manufacturer to develop the truck you want and purchase it outright.

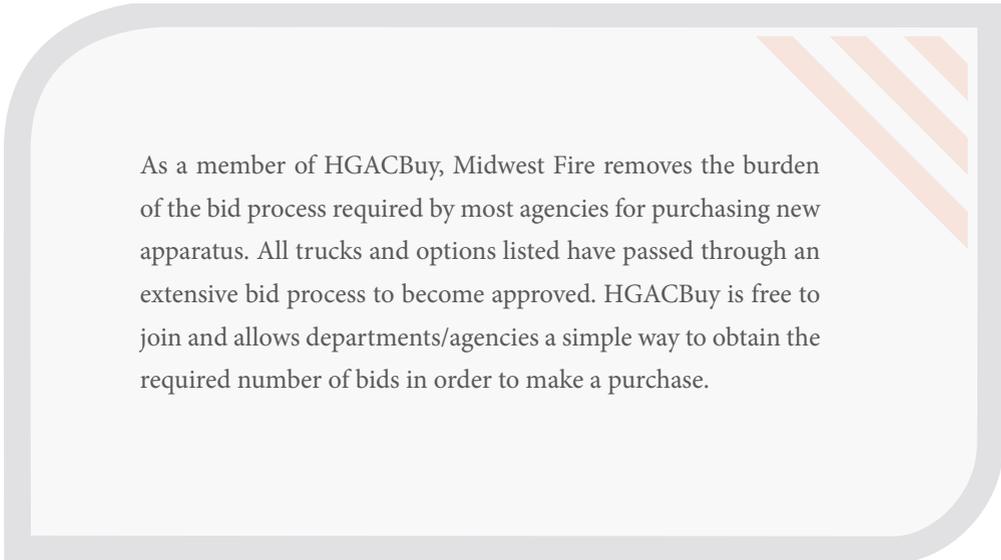
- **The Most Common Process Is To Post A Bid And Seek 3 Or More Sealed Quotes.**

Each state has its own guidelines. Most organizations require posting for ten days. While posting the proposal in the local paper can sometimes meet this requirement, your research should help you identify the 5-6 manufacturers that best fit your community's needs and budget.

- **Some Communities Simply Require 3 Bids That Need Not Be Sealed**

- **Other Processes:**

- Buy outright with existing budget
- HGACBuy
- State procurement – some states have special pricing based on selected registered manufacturers
- Bond/grant



As a member of HGACBuy, Midwest Fire removes the burden of the bid process required by most agencies for purchasing new apparatus. All trucks and options listed have passed through an extensive bid process to become approved. HGACBuy is free to join and allows departments/agencies a simple way to obtain the required number of bids in order to make a purchase.



# Step Seven

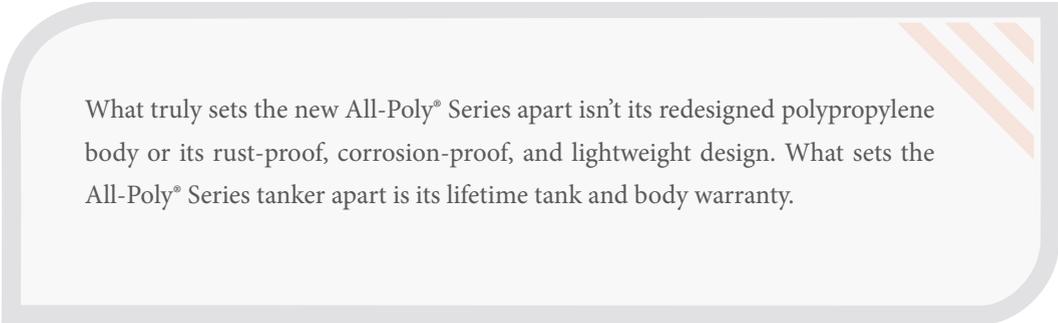
## Evaluate Proposals From Manufacturers

The next step is to decide how to evaluate the actual bid. In Step Two we recommended that you ensure the committee has a documented process for the selection phase that is agreed upon by all committee members in advance. Here's a suggested approach:

During the RFP evaluation, evaluate the bids under a minimum of the following five headings, more could be added to accommodate your specific needs:

- **Features Of Apparatus** – The evaluation team will assess the fit between the proposed solution and the requirements of the proposal. Does the manufacturer have the required features? This section can be a bit of a pass/fail section to screen out suppliers that do not provide required features.
- **Quality Of Apparatus** – The evaluation team will assess the quality of the proposed solution based on their personal research of the manufacturer and contact with peer departments. It is important to maintain objectivity here, especially on public bids.
- **Service/Customer Service** – The evaluation team will assess the ability to have the apparatus serviced through its life and the ability of the manufacturer's personnel to understand your needs and provide timely, accurate responses to questions/issues.
- **Warranty/Terms** – The evaluation will assess specifics of the terms and warranties. Make sure you have a detailed person review this area to protect the fire department and the community.
- **Price** – The evaluation team will assess the price points to select the best value for the community. The team will need to balance the needs of the budget, the initial cost, and the lifetime cost of the apparatus.

It will also help to prioritize, and possibly “weigh” each of these areas prior to posting the bids. As a team, you want to objectively determine what is most important to the department and the community. You will pay for this piece of apparatus one time, but need it to serve you and your community for many years. Service, quality, warranty, and terms are investments in the future of your apparatus.



What truly sets the new All-Poly® Series apart isn't its redesigned polypropylene body or its rust-proof, corrosion-proof, and lightweight design. What sets the All-Poly® Series tanker apart is its lifetime tank and body warranty.



# Step Eight

## Make Selection

If your department follows the process, there may be a clear winner as you compare features, quality, service/customer service, warranty/terms, and price. At this point, review everything one more time with your team to make sure nothing was missed, and you are ready to gain final approval.

However, there will be times in which two or three manufacturers are neck and neck. At this point, the committee may need to review things more closely. This may be a good time to do additional background research on the short list of manufacturers through plant visits (if you have not been there yet), peer department visits, or peer department phone calls. Focus on your established requirements. The good news is that you will most likely win either way, but you now have the opportunity to find that best fit.

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Midwest Fire has been manufacturing high-quality tankers, tanker-pumpers, brush trucks, and fire rescue vehicles since 1987. We work directly with our customers to keep costs down and communication consistent during the entire sales and manufacturing process. By creating long-term relationships with our customers, we are able to help devise state-of-the-art approaches to meet each department's needs. We take pride in our work and our ability to produce some of the most innovative fire apparatus on the market.

Thank you for considering Midwest Fire Equipment & Repair Company. We would appreciate an opportunity to earn your business and develop a relationship as a trusted partner for your department.



**MIDWEST FIRE.**

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