



**Contra  
Costa  
County**

To: Contra Costa County Fire Protection District Board of Directors  
From: Lewis T. Broschard III, Chief, Contra Costa Fire Protection District  
Date: April 26, 2022

Subject: AEV purchase agreement increase for Ambulance Production

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Fire Chief, or designee, to execute an amendment to the ambulance purchase agreement with Halcore Group, Inc, an Indiana Corporation, to increase the payment limit by \$99,000 to a new payment limit of \$2,799,000 for the manufacture of 20 ambulance vehicles.

**FISCAL IMPACT:**

100% CCCFPD EMS Transport Fund

**BACKGROUND:**

On September 14, 2021, the Contra Costa County Fire Protection District (District) Board of Directors authorized the Fire Chief to execute a purchase contract with American Emergency Vehicle (AEV) in an amount not to exceed \$2,700,000 for the manufacture and sale of twenty ambulances. On September 21, 2021, the Fire Chief's designee executed this contract, and AEV began production. In February 2022, AEV notified the District of challenges in acquiring chassis for all twenty ambulances.

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☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY  
ADMINISTRATOR

☐ RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **04/26/2022** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

AYE: John Gioia, Director  
Candace Andersen, Director  
Diane Burgis, Director  
Karen Mitchoff, Director  
Federal D. Glover, Director

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: April 26, 2022

Monica Nino, County Administrator and Clerk of the Board of Supervisors

Contact: Aaron McAlister, Deputy  
Fire Chief 925-383-5003

By: June McHuen, Deputy

cc:

### BACKGROUND: (CONT'D)

The chassis market has been impacted by COVID conditions and computer chip availability. AEV was only able to acquire six of the 2022 model year chassis, and the remaining fourteen ambulances will be built using model year 2023 chassis. There is a corresponding increase in the cost of the chassis that is being passed along to the District. In addition to chassis pricing, there are other increases, due to market conditions, that are being passed on to the District. The net result of the total cost increase is \$99,000, and staff seeks Board approval to amend the current agreement and increase the total amount to \$2,675,180. This surcharge represents a 3.84 percent increase in the contract price.

These vehicles were purchased through a lease-purchase agreement. The Board approved the lease schedule for these ambulances on September 14, 2021. The District will continue with the financing of these vehicles through the lease-purchase schedule, with the exception of the aforementioned cost increase of \$99,000. That amount will be paid directly to AEV by the District upon approval of this item. The additional \$99,000 cost will be allocated to the 20 new ambulances on a per vehicle basis for capitalization purposes.

### CONSEQUENCE OF NEGATIVE ACTION:

If this item is not approved, the District would need to terminate the existing contract and search for another vendor to purchase ambulances from. This would result in further delays.