Emergency Vehicle Sales and Service

November 20, 2015

Assistant Chief Don Davids City of Aurora Fire Department 75 N. Broadway Aurora, IL 60505

Chief Davids,

Thank you again for the opportunity to work with you and the City of Aurora on the next ambulance project.

We are proposing the following purchase to tag onto the previous contract(s) between Fire Service, Inc. and the City of Aurora, IL. The Purchase of the previous unit 351210, was approved utilizing the tag on opportunities provided within those contract(s). The pricing for the unit as specified in the bid with changes approved is as follows:

(1) 2016 Wheeled Coach Ford F450 4x2 Type I AD Ambulance

\$210,137.00

Website: <u>www.fireserviceinc.com</u>

Pricing differences between previous unit purchased in Jauary 2015 and current is 4.0%. The previous unit was a 2015 model year chassis, built under 2014 production costs. This current proposal includes the Ford chassis price increase (\$1,488.00) for the 2016 model year. There was also a significant annual increases passed on by Stryker (\$2,991.00) as well as routine production, labor and materials cost increases from the factory (\$2,885.00) which went into effect on 3/01/2015. This proposal is protected until December 20, 2015. January 2016 will bring forward a fixed 2.0% production increase, increasing the purchase price of the ambulance to \$214,399.00.

Currently, Ford production is quoting 18-20 weeks for chassis and production schedule is for 90 days after chassis for completion. We have (6) 2016 F450 4x2 189"wb chassis currently in place, and I have held one for Aurora thru 12/20/15. With a December 2105 order we anticipate an April 2016 delivery. A delay in ordering into January 2016 will not only result in a cost increase but a significant delay in chassis availibility.

I have enclosed the current build order for your review. I look forward to meeting with you soon to finalize. I again, am grateful for your continued business and as always contact me with any questions.

Regards,

Jeff LeBeda

Jeff LeBeda Director of Sales and Business Development Fire Service, Inc.