



City Council Report

Date: July 1, 2014
To: City Council
Through: Alex Deshuk, Manager of Technology and Innovation
From: Edward Quedens, MPA, C.P.M., CPPO, Business Services Director
Matt Bauer MBA, CPPO, CPPB, CPSM, Procurement Administrator
Subject: Purchase of Six Replacement Fire Apparatus, including Five Fire Pumpers and One 85 ft. Aerial Platform Truck, for the Fire and Medical Department
(Sole Source) (Funded by 2013 Public Safety Bonds) (Citywide)

Purpose and Recommendation

Council is requested to approve the purchase for five, 1500 GPM fire pumpers and one, 2000 GPM 85 ft. aerial platform truck.

Fire and Medical recommends awarding the contract to Pierce Manufacturing Inc. through their authorized dealer, Hughes Fire Equipment Inc. at \$4,522,065.42.

Background / Discussion

Fire and Medical has been purchasing Pierce fire apparatus for the past 25 years. The department is 100% standardized with Pierce fire apparatus manufactured by Pierce Manufacturing. The Pierce product has proven to be an excellent performing apparatus with low cost per mile, low down time and cost effective through greater reliability and ease of repair and operation.

On February 24, 2014, Council approved the City of Mesa entering into another five-year fire apparatus purchase agreement with Pierce Manufacturing. Fire and Medical also agreed to bring each apparatus purchase to Council for approval as needed during the term of the agreement.

This purchase is part of the ongoing apparatus equipment replacement schedule managed by Fire and Medical. All requested apparatus being replaced has met established criteria and will be sold by a sealed bid process or traded-in as part of the City's fire apparatus purchase agreement with Pierce Manufacturing. The new apparatus will be used as emergency response frontline apparatus.

Hughes Fire Equipment Inc. is the sole distributor of Pierce fire apparatus for Arizona.

Alternatives

Council may choose not to authorize the purchase.

Fiscal Impact

The total amount of \$4,522,065.42 is available in the Fire and Medical budget through 2013 Public Safety Bonds.

Coordinated With

Fire and Medical Department, and Purchasing

PURCHASING INFORMATION

Action: Award

Procurement Type: Sole Source

Solicitation Number: 2014173

Protests Received: None

Initial Contract Term: Five years

Possible Renewals: One, three-year renewal subject to future Council consideration

Prices: Prices will be based on the apparatus proposals as they are needed. Prices for additional, like apparatus once specified and priced, will be limited to the lesser of the change in the Producer Price Index or 4%.

Pricing Available to Other Cooperative Agencies: No

AWARD RECOMMENDATION

***Pierce Manufacturing, Inc. Appleton, WI (Master Purchase Agreement)
through
Hughes Fire Equipment, Inc. Phoenix, AZ (Local Distributor)***

Description	
Quantity Five – Quantum Pumpers JC364 @ \$3,404,879.44 (\$680,975.89 each) Quantity One – Quantum Aerial JC363 @ \$1,117,185.98	
Base	\$4,390,304.00
Less discount for Chassis Progress Payment of \$2,162,416.00	(\$64,873.00)
Less discount for Aerial Device Progress Payment of \$256,030.00	(\$5,120.00)
Less Payment at time of Completion at the Factory discount	(\$52,080.00)
Less 100% Pre-Payment Discount	(\$92,732.00)
Price including all Available Discounts	\$4,175,499.00
8.3% Sales Tax	<u>\$346,566.42</u>
Total	<u>\$4,522,065.42</u>