



City Council Report

Date: December 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: Three-Year Term Contract for Helicopter Engine Parts and Repairs for the Police Department **(Citywide)**

Purpose and Recommendation

Council is requested to approve the Term Contract for Helicopter Engine Parts and Repairs as recommended.

Police and Purchasing recommend awarding the contract to the lowest priced bidder, Aeromaritime America, Inc. (a Mesa business), at \$500,000.00 annually, based on estimated requirements.

Background / Discussion

This contract will provide aviation turbine engine overhauls, repairs, modifications, furnishing parts, tooling, rental, technical assistance and/or labor for complete engines, engine modules, engine components, and engine accessories for the Police Department, Aviation Unit's three MD Helicopter Corporation (MDHC) Model 500E and 530F helicopters.

The contract is required to ensure helicopter availability and usage for continuous operations. Parts and services may be ordered on an "as-needed" basis. The contract will cover costs associated with scheduled and unscheduled repairs.

Alternatives

Council may choose not to authorize the purchase and new responses will be solicited.

Fiscal Impact

The annual contract amount is funded by the Police department operating budget.

Coordinated With

Police and Purchasing

PURCHASING INFORMATION

Action: Initial Award
Procurement Type: Request for Bids
Solicitation Number: 2015005

Vendors Registered: ProcureAZ (602) and VSS (15)

Advertising: Arizona Republic, Bid Net, ProcureAZ, and Purchasing Website

Downloads: 16

Protests Received: None

Initial Contract Term: Three years

Possible Renewals: Two, one-year renewal subject to future Council consideration

Prices: Parts pricing were quoted as a percentage of discount to be applied against the manufacturer's published price list. Discounts quoted will be firm and fixed for the duration of the contract. Upon request, labor rates may be adjusted annually, upon approval from City. The reasonableness of the request will be determined by comparing the request with the Consumer Price Index or by performing a market survey. Hourly labor rates for repair or overhaul work will remain firm and fixed for each one-year period.

Pricing Available to Other Cooperative Agencies: Yes

Local Consideration: The Mesa bidder was already the lowest, responsive and responsible bidder. Calculating pricing by using Management Policy #214, removing 1.75% (Mesa TPT) for the purpose of bid evaluation was not necessary.

October 30, 2014 Responses:

Bid Tabulation available upon request

Aeromaritime America, Inc.

Mesa, AZ

Dallas Airmotive Inc. dba Premier Turbines

Grapevine, TX

AWARD RECOMMENDATION

Aeromaritime America, Inc.

Mesa, AZ

Description
Helicopter Engine Parts and Repair Services per Terms and Conditions, Specifications and Pricing as offered
Annual Contract Amount: <u>\$500,000.00</u>