



City Council Report

Date: February 8, 2016
To: City Council
Through: Alex Deshuk, Chief Innovation Officer
From: Edward Quedens, MPA, C.P.M., CPPO, Business Services Director
Matt Bauer MBA, CPPO, CPPB, CPSM, Procurement Administrator
Subject: Purchase of Two Replacement Fire Apparatus, including One 75' Ladder Truck and One Pumper 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 one, 2000 GPM 75 ft. ladder truck and one, 1500 GPM fire pumper.

The Fire and Medical Department, and Purchasing recommends this purchase from Pierce Manufacturing Inc. through their designated, local dealer, Hughes Fire Equipment Inc. at \$1,749,778.61.

Background / Discussion

The Fire and Medical Department 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 a 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. The apparatus being replaced have met established replacement 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 units.

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 \$1,749,778.61 is available in the Fire and Medical budget through the 2013 Public Safety Bond.

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 (3/17/2014 through 3/31/2019)

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 Dealer)***

Description	
<u>Quantity One</u> – Quantum 75' Ladder JC402 (to replace vehicle #2632)	
Base Price	\$1,009,852.00
Mesa Contract Discount	(\$29,413.00)
Less discount for Chassis Progress Payment	(\$12,070.00)
Less discount for Aerial Device Progress Payment	(\$3,701.00)
Less Payment Upon Completion at Factory Discount	(\$11,300.00)
Less 100% Pre-Payment Discount	<u>(\$29,705.00)</u>
Price including all Available Discounts	\$923,663.00
8.6% Sales Tax (\$10,000.00)	\$860.00
8.3% Sales Tax (\$913,663.00)	<u>\$75,834.02</u>
Total	<u>\$1,000,357.02</u>
<u>Quantity One</u> – Quantum Pumper JC399 (to replace vehicle #2599)	
Base Price	\$790,450.30
Mesa Contract Discount	(\$21,896.00)
Less discount for Chassis Progress Payment	(\$11,810.00)
Less Payment Upon Completion at Factory Discount	(\$8,157.00)
Less 100% Pre-Payment Discount	<u>(\$17,945.00)</u>
Price including all Available Discounts	\$691,959.00
8.6% Sales Tax (\$10,000.00)	\$860.00
8.3% Sales Tax (\$681,959.00)	<u>\$56,602.59</u>
Total	<u>\$749,421.59</u>
Total Purchase	<u>\$1,749,778.61</u>