



# City Council Report

**Date:** February 5, 2018  
**To:** City Council  
**Through:** Michael Kennington, Chief Financial Officer  
**From:** Edward Quedens, Business Services Director  
Matt Bauer, Procurement Administrator  
**Subject:** Purchase of One Replacement Fire Apparatus, an Air Light/Rehab Unit for the Fire and Medical Department **(Sole Source) (Funded by the Capital-General Fund and 2013 authorized Public Safety Bonds) (Citywide)**

## Recommendation

Council is requested to approve the purchase as recommended.

The Fire and Medical Department and Purchasing recommend authorizing the purchase using the City's five-year purchase agreement with Pierce Manufacturing Inc. through their designated, local dealer, Hughes Fire Equipment Inc. at \$502,264.75.

## 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 is cost effective through greater reliability and ease of repair and operation.

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

The new Air Light/Rehab unit, will be used as a front-line emergency response unit. The unit will provide scene lighting, breathing air, firefighter crew rehabilitation and needed supplies at fire events.

The purchase is part of the ongoing apparatus equipment replacement schedule managed by Fire and Medical. The apparatus being replaced (#2534, a 1998 Pierce Air Light unit, and #2632, a 2001 Pierce Rehab unit) 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. In addition, Fire and Medical will trade-in two units (#2634 – a 2002 Pierce Ladder Truck) and #2557, a 2001 Grumman Command Vehicle) to off-set the contract pricing for the Air/Light Rehab unit.

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

### **Purchase Information**

Action: Additional Purchase

Procurement Type: Sole Source

Contract Number: 2014173

Original Council Award Date: 2/24/2014

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%.

Funding Source: The purchase is funded in the Fire and Medical Department operating budget through the Capital-General Fund and authorized 2013 Public Safety Bonds

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

### **AWARD RECOMMENDATION**

Quantity One – Freightliner HDR JC 413

Base Proposal Price	\$535,264.00
Less Mesa Contract Discounts	(\$16,058.00)
Less Pre-Payment	<u>(\$21,962.00)</u>
Sub-Total including Discounts	\$497,244.00
 Less Trade-In of Grumman Command Vehicle	 (\$3,500.00)
Less Trade-In of Pierce Quantum 85' AWS	<u>(\$30,000.00)</u>
Sub Total Pre-Pay and Trade-In Discounts	\$463,744.00
 5.6% Arizona State Sales Tax	 \$25,969.66
2.7% Phoenix Sales Tax	\$12,521.09
0.3% of \$10,000 – Phoenix Transportation Plan Tax	<u>\$30.00</u>
Total Bid Price including Pre-Pay Discounts and Sales Tax	<b><u>\$502,264.75</u></b>