



# City Council Report

**Date:** April 1, 2019  
**To:** City Council  
**Through:** Michael Kennington, Chief Financial Officer  
**From:** Edward Quedens, Business Services Director  
Matt Bauer, Procurement Administrator  
**Subject:** Purchase of Replacement Fire Apparatus including Three Aerial Trucks and One Pumper Truck for the Mesa Fire and Medical Department **(Sole Source)**  
**(Funded by 2018 Public Safety Bonds) (Citywide)**

## Recommendation

Council is requested to approve the award as recommended.

The Mesa Fire and Medical Department and Purchasing recommend awarding this purchase to Pierce Manufacturing Inc. through their designated local dealer, Hughes Fire Equipment Inc., at \$4,981,603.16.

## Background / Discussion

Mesa Fire and Medical Department (MFMD) has been purchasing Pierce fire apparatus for more 30 years and began standardizing their fleet with Pierce fire apparatus manufactured by Pierce Manufacturing over 20 years ago. 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.

The new apparatus will be used as emergency response frontline units. This purchase is part of the ongoing apparatus equipment replacement schedule managed by MFMD. The apparatus that are 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 apparatus to be replaced includes a 2006 Pierce Ladder with 160,000 miles, a 2005 Pierce Ladder with 161,000 miles, a 2002 Pierce Ladder with 182,000 miles, and a 1999 Pierce Pumper with 211,000 miles.

Council approved the City of Mesa entering into a five-year fire apparatus purchase agreement on 2/24/2014, and the three-year renewal on 2/11/2019, with Pierce Manufacturing. MFMD has agreed to bring each apparatus purchase to Council for approval as needed during the term of the agreement.

MFMD has allocated budget for replacement fire apparatus in their Capital Improvement Plan:

**FY 2019 - \$5,500,000 for 1 Pumper and 3 Ladders (This Purchase)**

FY 2020 - \$5,900,000 for 4 Pumpers, 1 Ladder and 1 ARFF Unit

FY 2021 - \$4,500,000 for 3 Pumper and 1 Air/Light Unit

FY 2022 - \$5,300,000 for 1 Tanker, 2 Pumpers and 3 Rescues

FY 2023 - \$3,500,000 for 1 RRT and 1 Pumper

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

### Purchase Information

Action: Award

Procurement Type: Sole Source

Contract Number: 2014173

Local Consideration: Policy did not apply to this procurement method

Protests Received: None

Original Council Award Date: 2/24/2014

Initial Contract Term: Five years (3/17/2014 through 3/31/2019)

Renewal Term (1st of 1 Possible) (from 2/24/2019 to 2/23/2022)

Funding Source: 2018 Public Safety Bonds

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

### AWARD RECOMMENDATION

Quantity Three – Velocity Ascendant 100' Aerial Tower CC584 (to replace apparatus #2505, 2506 and 2508)

Base Price	\$4,461,449.00
Less Mesa Contract Discount	(\$128,439.00)
Less Multiple Unit Discount	<u>(\$180,144.00)</u>
Proposal Price	\$4,152,866.00
Less Chassis Progress Payment Discount	(\$41,073.00)
Less Aerial Device Progress Payment Discount	(\$24,444.00)
Less Payment Upon Completion at Factory Discount	(\$46,100.00)
Deduct for 100% Pre-Payment with Contract	<u>(\$161,900.00)</u>
Sub Total including all Pre-Pay Discounts	<b>\$3,879,349.00</b>

Quantity One – Velocity Pumper CC605 (to replace apparatus #2589)

Base Price	\$819,554.00
Less Mesa Contract Discount	<u>(\$24,587.00)</u>
Proposal Price	\$794,967.00
Less Chassis Progress Payment Discount	(\$12,513.00)
Less Payment Upon Completion at Factory Discount	(\$7,973.00)
Deduct for 100% Pre-Payment with Contract	<u>(\$14,183.00)</u>
Sub Total including all Pre-Pay Discounts	<b>\$760,298.00</b>

Total Bid Price (including all Pre-Pay Discounts at <u>\$308,186.00</u> )	\$4,639,647.00
Less Trade-In (2002 Quantum 85' AWS 12469-02)	(\$10,000.00)
Less Trade-In (2006 Quantum 85' AWS 17214-01)	(\$30,000.00)
5.6% Arizona Sales Tax	\$257,580.23
2.7% Phoenix Sales Tax	\$124,190.47
0.3% of \$10,303 Phoenix Transportation Plan Tax	<u>\$185.46</u>
<b>Total Purchase (Three Aerials and One Pumper)</b>	<b><u>\$4,981,603.16</u></b>