



# City Council Report

**Date:** August 19, 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 One Platform 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 \$1,407,643.92.

## 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 apparatus. This purchase is part of the ongoing apparatus equipment replacement schedule managed by MFMD. The apparatus that is being replaced has 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 is a 2009 Pierce Quantum Ladder with 125,000 miles; this unit will be in service an additional 12 to 15 months due to apparatus build times.

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 (Council awarded 4/1/2019)  
FY 2020 - \$5,900,000 for 4 Pumpers, 1 Ladder (This Purchase) 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

One – Velocity Ascendant 100' Tower CC584 (to replace apparatus 2503)

Apparatus Price	\$1,476,175.00
Less Mesa Contract Discount	(\$42,484.00)
Less Multiple Unit Discount	<u>(\$60,048.00)</u>
Proposal Price	\$1,373,643.00
Less Chassis Progress Payment Discount	(\$13,691.00)
Less Aerial Device Progress Payment Discount	(\$8,148.00)
Less Payment Upon Completion at Factory Discount	(\$15,233.00)
Deduct for 100% Pre-Payment with Contract	<u>(\$36,836.00)</u>
Sub Total including all Pre-Pay Discounts	<u>\$1,299,735.00</u>
5.6% Arizona Sales Tax	\$72,785.16
2.7% Phoenix Sales Tax	\$35,092.85
0.3% of \$10,303 Phoenix Transportation Plan Tax	<u>\$30.91</u>
<b>Total Purchase (One Aerial)</b>	<b><u>\$1,407,643.92</u></b>