



# City Council Report

**Date:** January 27, 2020  
**To:** City Council  
**Through:** Michael Kennington, Deputy City Manager/Chief Financial Officer  
**From:** Edward Quedens, Business Services Director  
Matt Bauer, Procurement Administrator  
**Subject:** Purchase of Six Fire Apparatus including Five Pumpers (Replacements) and One Pumper (Addition) for the Mesa Fire and Medical Department **(Sole Source) (Funded by 2018 Public Safety Bonds and Public Safety Sales Tax) (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 \$4,657,084.37.

## Background / Discussion

The 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.

MFMD is requesting the purchase of six pumpers (CC654's): five replacement and one addition. The five replacement pumpers fall in line with MFMD's ongoing Apparatus replacement schedule and will be used as emergency response frontline units. The apparatus that are being replaced (Units 2589, 2575, 2554, 2510 and 2507) 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 one addition supports front line apparatus during training to help mitigate current and future call volumes within the City of Mesa.

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 Program:

FY 2019 - \$5,500,000 for 1 Pumper and 3 Ladders (Council awarded 4/1/2019)  
FY 2020 - \$5,900,000 for 6 Pumpers (This Purchase – Sixth is an addition and a different funding source), 1 Ladder (Council awarded 8/19/2019)  
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 (5 Pumpers - Replacements) and Public Safety Sales Tax (1 Pumper – Addition).

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

### AWARD RECOMMENDATION

Quantity Six – Velocity Pumpers CC654

Base Price	\$4,672,373.00
Less Mesa Contract Discount	<u>(\$140,171.00)</u>
Proposal Price	\$4,532,202.00
Less Chassis Progress Payment Discount	(\$77,694.00)
Less Payment Upon Completion at Factory Discount	(\$44,859.00)
Deduct for 100% Pre-Payment with Contract	<u>(\$109,650.00)</u>
Sub Total including all Pre-Pay Discounts	<u>\$4,299,999.00</u>
5.6% Arizona Sales Tax	\$240,799.94
2.7% Phoenix Sales Tax	\$116,099.97
0.3% of \$10,303 Phoenix Transportation Plan Tax	<u>\$185.46</u>
<b>Total Bid Price including Pre-Pay Discounts and Sales Tax</b>	<b><u>\$4,657,084.37</u></b>

Five Replacements funded by 2018 Public Safety Bonds and One Addition funded by Public Safety Sales Tax for Mesa Fire and Medical Department.