



City Council Report

Date: May 21, 2012
To: City Council
Through: Alex Deshuk, Manager of Technology and Innovation
From: Edward Quedens, MPA, CPM, CPPO, Business Services Director
John Albin, CPPO, CPPB, Acting Purchasing Administrator
Subject: Purchase of Three (3) Replacement Fire Pumper Trucks for the Fire Department
(Contract #2007172) **(\$1.2 million Funded by Fire Bonds)**
"Citywide" Contract

Purpose and Recommendation

Council is requested to approve the Purchase of Three (3) Replacement Fire Pumper Trucks as recommended. Pricing was obtained and evaluated by the Fire Department and the Purchasing Division.

The Purchasing Division recommends authorizing purchase from Pierce Manufacturing, Inc. at \$1,875,920.15, including applicable use tax.

Background/Discussion

Three of the trucks will be replacements for vehicles that have met criteria for replacement and have exhausted their useful life: one Pierce, model year 1997 with 180,000 miles and 15 years of service; one Pierce, model year 1997 with 165,000 miles and 15 years of service; and one Pierce, model year 1997 with 206,000 miles and 15 years of service.

The new fire pumper trucks will be used as emergency response front line units. The vehicles that are being replaced will be sold by a sealed bid process.

In December 2007, Council approved a five-year Pierce Fire Apparatus Master Purchase Agreement that provides for the purchase of fire apparatus and repair parts used in the maintenance of fire apparatus at a discounted rate. Pierce brand name fire apparatus have been requested by the Fire Department in an effort to maintain a standardized fleet of fire apparatus to assure reliability, efficiency and economy.

For this purchase, the vendor has offered a pre-payment discount of \$77,064.00. Quoted pricing is for orders placed prior to May 31, 2012 at which time a 3% price increase will be applied. The three units must be purchased and built simultaneously for the discounts to apply. The units will be ready for delivery six to seven months after contract execution.

Alternatives

Council may choose not to authorize purchase off the Master Purchase Agreement, in which, the Fire Department will not have adequate, reliable resources available to do their job effectively.

Fiscal Impact

The total amount of \$1,875,920.15 is available in the Fire Department budget: \$1,200,000 through Fire Bond funds and \$675,920 from their operating budget.

Coordinated With

Fire Department

**CITY OF MESA
PURCHASE RECOMMENDATION
THREE (3) REPLACEMENT FIRE PUMPER TRUCKS
(Contract #2007172)**

**Pierce Manufacturing, Inc.
Appleton, WI**

Quantity	Description	Pricing
3 each	Quantum Pumper Trucks @ \$612,279.67* ea.	
	Selling Price of Three Apparatus	\$1,836,839.00
	Pre-Payment Discount**	<u>(\$77,064.00)</u>
	Sub-Total	\$1,759,775.00
	6.6% Use Tax	<u>\$116,145.15</u>
	Total Amount	\$1,875,920.15

* Unit Cost is valid for orders placed prior to 5/31/2012 at which time a 3% price increase will be applied.

** Pre-payment discount of \$77,064.00 is valid for 90 days. If this option is elected, payment of any changes processed during manufacturing will be due upon final inspection of the units at the factory.