

City Council Report

Date: May 7, 2012
To: City Council
Through: Alex Deshuk, Manager of Technology and Innovation
From: Edward Quedens, MPA, C.P.M., CPPO, Business Services Director
John Albin, CPPO, CPPB, Acting Purchasing Administrator
Subject: Purchase of a Replacement Interchangeable Thermal Imaging Camera for the Police Department, Aviation Unit (Contract #2012116)
“Citywide” Contract

Strategic Initiatives:



Purpose and Recommendation

Council is requested to approve the Purchase of a Replacement Interchangeable Thermal Imaging Camera and Ancillary Equipment as recommended. Bid pricing was obtained and evaluated by Police Department and the Purchasing Division.

The Purchasing Division recommends authorizing purchase from lowest, responsive and responsible bidder, Stark Aerospace, Inc. at \$243,382.73, including applicable use tax.

Background and Discussion

This purchase will provide a POP (Plug-in Optronic Payload) 300 interchangeable thermal imaging camera for use on a MD500E helicopter. The “interchangeability” feature allows the camera to be mounted and used with the department’s three helicopters. In addition to Police-related activities, the thermal imaging camera is used to provide thermal heat location on roofs for the Fire Department on structure fires. Aviation has specified brand names based on performance over the past nine years. These brand name units are standardized, and will not require additional training, and therefore should be more cost effective than unfamiliar models.

The department has another camera that is ten years old and has been out on repair. A rental thermal imaging camera is currently being used by the department.

The purchase would replace a FLIR 2000 (which is no longer being used) with two monitors and one hand controller. A trade-in credit option was provided for the old equipment on the bid’s Pricing and Compensation page, however, none of the bidders provided a trade-in credit. Therefore, the department will review options to sell the old camera.

The purchase of the interchangeable thermal imaging camera was originally awarded to City Council on November 21, 2011 to Aero Avionics, Inc. dba AeroServices for \$242,115.25. However, on December 16, 2011, the City received a request to cancel the contract due to the inability of the vendor to meet the requirements. After reviewing the other bid, pricing and the noted exceptions, it was determined that it was in the best interest of the City to rebid the camera.

Associated camera equipment was awarded to Logistics Concepts, Inc. for \$51,769.38 and was approved by City Council on November 21, 2011. The associated camera equipment is compatible to the interchangeable thermal camera being recommended for award.

As requested by City Council in December 2011, the Police Department Aviation Unit researched the possibility of leasing the thermal imaging camera and concluded that the lease option would incur the City a much higher cost. A brief analysis of a lease option revealed that the City will save approximately \$30,000 on installation costs due to existing cabling and mounts that are compatible. The estimated costs associated with a lease option:

Year	Purchase (Thermal Camera Only)	Lease (One Year Fixed Lease)
2012	\$242,115.25	\$ 254,762.00

The recommended vendor, Stark Aerospace, is sole supplier and only manufacturer of the POP 300 in the United States. Stark Aerospace can sell the POP 300 to other vendors, but the same basic terms would apply (see below). All vendors are subject to a credit check and dependent on credit rating, Stark Aerospace may require vendors to submit 100% payment up front.

Payment Terms

Vendor	Payment Terms
Phoenix Heliparts, Inc. - Mesa, AZ	Net 30
Stark Aerospace – Columbus, MS	30% invoiced on contract award and 70% invoiced upon delivery, Net 30.

The Mesa bidder and their pricing was calculated using Management Policy #214, which removed 1.75% (Mesa City TPT) for the purpose of bid evaluation. It did not have an impact on the award.

54 vendors were invited to bid, of which five were Mesa vendors, in addition to the standard advertising in the Arizona Republic, Record Reporter and Bid Net. 26 vendors downloaded the bid from the Purchasing website. Two bid responses and one “No Bid” response were received. The lowest, responsive and responsible bidder is being recommended for award.

Alternatives

Council may choose not to authorize the purchase and new bids will be obtained.

Fiscal Impact

The total amount of \$243,382.73 is available in the Police Department FY 11/12 budget through funds received through the proceeds of the public auction sale (on 1/28/2011) of the 1991 McDonnell Douglas helicopter.

Coordinated With

Police Department

**CITY OF MESA
PURCHASE RECOMMENDATION
REPLACEMENT INTERCHANGEABLE THERMAL IMAGING CAMERA
(INVITATION FOR BID #2012116)**

**Stark Aerospace, Inc.
Columbus, MS**

Description	Bid Pricing
Quantity 1 - Stark Aerospace (IAI North America) POP 300 Interchangeable Thermal Imaging Camera per bid specifications to include:	
a) Daylight color imager	
b) Thermal imager	
c) Auto video tracking and/or image locking.	
d) Slaving capability to Nightsun SX-16 and SX-16 enhanced searchlight, direct or through SLASS	
e) Hand Control Grip	
f) Lower dovetail mounting (certified on a Meeker Mount) on the camera	
g) Meeker dovetail mount DT-1	
Sub-Total	\$228,314.00
6.6% Use Tax	<u>\$15,068.73</u>
Total Amount	\$243,382.73
This camera will NOT require on-site configuration check out or installation services, as the existing mounts and wiring of the POP 200 is compatible with the POP 300	

"No Bid" Response Received From: Paravion Technology Inc. - Ft. Collins, CO

February 15, 2012 Bid Results:

Phoenix Heliparts, Inc.	\$235,814.00
Mesa, AZ	\$231,687.25 (bid price less 1.75% Mesa TPT)