



## **EXECUTIVE SUMMARY**

**DATE:** September 18, 2018  
**TO:** Jim Scholl, City Manager  
**CC:** Greg Veliz, Assistant City Manager  
**FROM:** Alan Averette, Division Chief of Operations  
**SUBJECT:** Executive Summary – Purchase of Pierce Fire Truck

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## **PROJECT**

The Key West Fire Department proposed and was allocated \$590,000.00 in the FY 18-19 annual operating budget to replace Engine 5 as a front-line apparatus in accordance with our strategic plan. We propose the purchase of a Pierce Pumper Truck under Bid No. FSA 18-VEF 13.0 for Fire/Rescue Vehicles and Other Fleet Equipment, awarded on behalf of the Florida Fire Chief's Association, Florida Sheriffs' Association, and the Florida Association of Counties for participating Agencies in the State of Florida and is commonly referred to as the FSA Bid.

Ten-8 Fire Equipment, Inc. is the authorized Pierce dealer for the State of Florida and is the listed dealer in the FSA Contract. They will coordinate the sale, prepare and equip the truck for delivery. The initial truck and equipment cost without exercising a prepayment option is \$568,722. This price includes building the apparatus to our specifications and the necessary equipment to be installed on the truck except the Hurst eDraulic power equipment which is required to be purchased directly from the sole source dealer, MES. A 100% prepayment of \$552,153 including performance bond cost will offer a \$16,569 discount. Both options reflect the FSA pricing, and the prepay option will carry a 100% Performance Bond.

The FSA listed price of Pierce Apparatus under the FSA Specification #19 without options is \$404,485. We worked with the Pierce dealer to design the truck specifically for Key West streets. The design calls for a shorter wheel base PUC configuration and TAK-4 front axle which provides for a tighter turning radius. We also added many features traditionally on KWFD fire trucks like the charging system, mechanical siren and Fire Bell. An informal solicitation was conducted per City Code of Ordinances and the solicitation showed the FSA contract provided a significant savings of 6% for the design options to the vehicle, as opposed to a direct purchase from Ten-8, an authorized dealer for Pierce Manufacturing.

This truck will come fully equipped with required items such as generator, monitor and thermal imager charging kit to better serve the community. A Motorola radio already in our fleet will be installed by Pierce and connected and re-programed by the local vendor, Sun Communications. A thermal imager will be purchased with the

remaining funds, a municipal purchasing agreement is expected for that item after the new fiscal year.

The power tools (Jaws of Life) equipment is required to be purchased from the sole source vendor, MES. Hurst is the brand used by the Key West Fire Department, Pursuant to purchasing Code 2-844 relating to Brand Name Specifications and 2-797 (1) b sole source requirements, MES is the authorized vendor for all Hurst eDraulic equipment. A separate PO to MES will eliminate markup that Pierce would attach if they were to purchase the equipment from MES and install it into the fire truck.

The Fire Department proposes a Pierce truck for the following reasons:

- The company has more than 100 years of experience in constructing fire apparatus
- Pierce is an ISO 9001 certified manufacturer of Fire Apparatus
- Pierce apparatus incorporate important safety features desired
- This Pierce vehicle will be designed specially to negotiate our small streets and corners safely
- While Pierce is not the least expensive line, it is not the most expensive, it represents a balance of quality and price
- Pierce has consistently delivered our orders in a timely and efficient manner
- This purchase will continue our goal of standardizing our Engine Companies, Rescue Truck and Ladder

Under the provisions of the Procurement Ordinance, the department proposes to purchase under the bid for the following reasons:

- The bid provides a price level that Key West could not achieve purchasing only one truck independently.
- It eliminates the necessity for duplicating the bid process.

**OPTIONS:**

- Purchase a Pierce truck from Ten-8 under the FSA bid and pay full price upon delivery, \$568,722
- Purchase a Pierce truck from Ten-8 under the FSA bid utilizing the Pre-Pay Discount, **\$552,153**
- Purchase the Hurst eDraulic equipment from the sole source dealer, MES, **\$31,920**
- **Total price for all items,** **\$584,073**
- Competitively bid the purchase.
- Do not purchase the truck at all.

**ADVANTAGES:**

Purchasing a Pierce truck under the bid will accomplish the following:

- Provides the truck in a timely and cost-effective manner.
- Incorporates important firefighter and public safety features.
- Continues our process of standardization to Pierce apparatus.
- It will replace Engine 5, a unit that is 9 years old, and is experiencing escalating repair and maintenance costs as a front-line truck.

#### **DISADVANTAGES:**

- No apparent disadvantages present themselves.

#### **FINANCIAL IMPACT:**

Rising costs for production are expected to continue. A delay will increase the future cost for a replacement for Engine 5. Repair and maintenance costs can be expected to increase for the existing unit, Engine 5, as a front-line unit.

\$ 590,000.00 was allocated in the Infrastructure Fund / Fire Department / Machinery and Equipment 101-2201-522-6400 for the FY 18-19 budget for this purchase. The cost, with the 100% pre-payment option, is below the allocated amount.

#### **RECOMMENDATION:**

The Key West Fire Department strongly recommends the purchase under the FSA

State Contract Spec #19, Ten-8;	\$404,485
KWFD design options, Ten-8;	\$164,770
6% discount on design options;	(\$9,886)
Prepay discount (includes 100% performance bond);	(\$16,569)
Vehicle required equipment, Ten-8;	\$9,353
Purchase the Hurst eDraulic equipment, MES,	\$31,920

<b>Total price for all items;</b>	<b>\$584,073</b>
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