



EXECUTIVE SUMMARY

DATE: September 26, 2012
TO: Bob Vitas, City Manager
FROM: Michael Davila, Division Chief of Operations
SUBJECT: Executive Summary – Purchase of Pierce Fire Pumper

PROJECT

The Key West Fire Department proposed, and was allocated \$575,000.00 in FY 12-13 Budget to replace Engine 4 as a front line apparatus in accordance with our strategic plan. We propose the purchase of a Pierce Pumper Truck under the Florida Sheriff's Association Bid No. 11-10-1202 for Fire/Rescue Vehicles and Other Fleet Equipment. The bid was awarded on behalf of the Florida Fire Chief's Association, Florida Sheriff's 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, and prepare and equip the truck for delivery. The initial truck and equipment cost without exercising a prepayment option is \$586,970. This price includes building the apparatus to our specifications and the necessary equipment to be installed on the truck. A 100% prepayment of \$569,199 will offer a \$17,771 discount.

A third recommended option would be to purchase the Fire Engine and equipment minus the Hurst Tools from Ten-8, and develop another PO from Team Equipment Inc. for the Hurst Tools (Jaws of Life) bringing the total cost down to \$565,659. All options will reflect the FSA pricing, and all prepay options will carry a 100% Performance Bond. The performance bond will be issued by parent company Oshkosh prior to payment authorization. A sample performance bond has been approved by the Key West Legal Department.

The FSA listed price of the Pierce Apparatus under the FSA Specification #17 without options is \$399,974. We worked with the Pierce dealer to design the truck specifically for the downtown area this truck will service. 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 a charging system, mechanical siren and Fire Bell.

This truck will come fully equipped with essential items such as hose, nozzles and pike poles; and a few items to better serve the community such as a thermal imager and Hurst tools (Jaws of Life). We priced many of the high cost items to ensure we were getting the best price from Ten-8. All items are the lowest except for the Hurst

tools; we will be purchasing the Hurst tools from a competitor of Ten-8, Team Equipment, saving the City approximately \$4000 on the Hurst tools (Jaws of Life).

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

- The company has 100 years of experience in constructing fire apparatus, this truck will be part of the Centennial Series
- 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 all of 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, \$586,970.
- Purchase a Pierce truck from Ten-8 under the FSA bid utilizing the Pre Pay Discount, \$569,199.
- Purchase a Pierce truck and equipment from Ten-8 under the bid utilizing the Pre Pay Discount, with Hurst Tools from Team Equipment Inc. at a total cost of **\$565,659**.
- 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 4, a unit that is more than 9 years old, and is experiencing escalating repair and maintenance costs as a front line truck.
- Engine 4 will move to reserve status replacing Engine 6, a 1991 Spartan Pumper

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 4. Repair and maintenance costs can be expected to increase for the existing unit, Engine 4, as a front line unit.

\$ 575,000.00 was allocated in the Infrastructure Fund for the FY 12-13 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 with options for operations in Key West and Equipment from Ten-8 and Team Equipment to fully outfit Fire Truck for use with pricing as follows:

FSA, Pierce Velocity Pumper Ten-8	\$399,974
KWFD Design Options	\$ 81,049
Performance Bond, 100% Prepay	\$ 1,617
Equipment (Hose, Nozzles, Thermal Imager)	\$ 57,787.
Hurst Tools (Jaws of Life), Team Equipment	<u>\$ 25,232</u>
Total	\$565,659

Purchase will be made contingent on Finance Department concurrence on prepayment option to receive maximum discount.

Purchase a Pierce truck from Ten-8 under the FSA State Contract bid utilizing the Pre Pay Discount, with Hurst Tools from Team Equipment Inc. at a total cost of \$565,659.