



## CITY COUNCIL ACTION REPORT

August 1, 2011

TO: John Szerlag, City Manager

FROM: Susan A. Leirstein, Purchasing Director  
William S. Nelson, Fire Chief

SUBJECT: Standard Purchasing Resolution 4 – MITN Cooperative Award  
Purchase of Fire Apparatus

### **Background**

The Fire Department operates a fleet of nine pumping engines to accomplish the mission of providing fire protection and related services to the citizens of Troy. Six of these engines are classified as rescue pumpers because, in addition to carrying fire suppression and related equipment, they also carry rescue equipment to effect vehicle and similar extrications at traffic crashes and industrial accidents.

In order to provide for timely replacement and uniformity of apparatus, a program was developed to replace five engines over a six year period beginning with the 2009 budget year. Two replacement rescue pumpers were purchased in 2009 using funds budgeted over a two year period. The pumpers purchased were manufactured by Pierce Manufacturing Inc. and utilized an innovative design called the PUC (Pump under Cab.) This design offers significant advantages compared to conventional fire apparatus design:

- Easily accessible pump location under the cab which greatly simplifies maintenance and repair.
- Larger storage capacity than comparable apparatus while maintaining a shorter wheelbase to permit maneuvering on boulevards and in apartment/business complexes.
- Power takeoff pump drive which eliminates the typical pump transmission which requires maintenance and occupies space that could otherwise be utilized for equipment storage.

The engines that are being replaced are Engine 3-2 placed in service in 1991, and Engine 1-2 placed in service in 1992. As these apparatus reach 20 years of front line service, a number of performance issues have arisen:

- Both units have failed the annual pump performance tests requiring trouble shooting, repairs, and retesting.
- Both units are experiencing corrosion in various body substructure areas.
- The electrical systems have been taxed by the addition of various components required as the operational capabilities of the rescue pumpers were increased in order to maintain the required vehicle extrication capabilities as automobile design has changed.

## **Bid Process**

The City of Troy participated in a cooperative bid with six other municipalities or fire protection authorities for the purchase of up to eleven fire apparatus. Seventy-three vendors were notified via the MITN system. On July 6, 2011, seven (7) bids were received by the Brighton Area Fire Department (BAFD) from which Troy received two (2) competitive bids. However, Pierce Manufacturing c/o Halt Fire was the only company that met the specifications as described above. The bid submitted by Alexis Fire Apparatus did not meet specifications as it utilizes a conventional fire pump with a pump transmission and has less total storage space than the specifications required.

The cost and discount summary for two pumpers is below:

Bid price	\$1,176,990	1 <sup>st</sup> unit \$591,645, 2 <sup>nd</sup> unit \$585,345
Multi group discount	(\$40,000)	(5 or more municipalities)
Multi unit discount	(\$72,000)	(5 or more apparatus)
Prepayment discount	(\$39,645)	(Interest discount)
<b>Total Bid Cost</b>	<b>\$1,025,345</b>	<b>\$512,672.50 for each pumper</b>

As a comparison, the last two PUC pumpers purchased in 2009 cost \$490,268 each. The current bid price per unit is a 4.6% increase in total cost over a two-year period. In addition, more stringent federal emission requirements took effect in the interim period since the last pumpers were purchased. It is estimated that the new emission requirements alone increased the cost of a diesel engine by \$15,000 each.

## **Financial Considerations**

Funds are budgeted and available in the Capital –Fire Apparatus Replacement account for the two apparatus.

## **Policy Considerations**

The purchase of two Pierce PUC pumpers supports the volunteer firefighters who help to make this a safe community. (Vision Statement and Goals – Feb 2011)

## **Recommendation**

City management recommends awarding a contract to purchase Two (2) PUC fire apparatus pumpers from Pierce Manufacturing Inc c/o Halt Fire Inc for \$512,672.50 each or \$1,025,345 total, utilizing the upfront payment discount option.

Bid Tabulation											
Vendor	Brighton Area, Mid-Mount Aerial	Pre-Payment Options BAFD Aerial	BAFD Multi Department Discount	Multi-Department Discount (5 or More)	BAFD Trade In Value	BAFD Total Aerial Cost	Brighton Area, Mid Mount, Exceptions	Brighton Area, Tanker One Unit	Brighton Area, Tanker price if two units	BAFD Trade In Tanker	Pre-Payment Options BAFD 2 Tanker
Alexis Fire Equipment (Illinois)	No Bid										
Apollo Fire Equipment	\$ 1,130,694.00				None	\$ 1,130,694.00	Yes				
B and B Truck Equipment	No Bid										
HME	No Bid							No Bid	No Bid		
J ad J Fleet and Fire Truck	\$ 956,634.00				None	\$ 956,634.00	Yes	No Bid	No Bid		
Spencer Manufacturing	No Bid										
Halt Fire Inc (Wixom) / Pierce Mfg (Wisconsin)	\$ 1,297,199.00	\$ (48,201.00)	\$ (109,000.00)	\$ (20,000.00)	\$ (75,000.00)	\$ 1,044,998.00	Yes	\$ 414,732.00	\$ 829,464.00	\$ (40,000.00)	\$ (30,907.00)

Bid Tabulation												
Vendor	BAFD 5 or More Purchase	BAFD Total Two Tankers	HDFA Engine Pumper	HDFA Engine Pumper Exceptions	HDFA Pumper/Engine, Two Units	City of Troy Engine/Pumper	City of Troy Multi Dept Discount	City of Troy If Five or More trucks are awarded to Pierce	City of Troy If Two Are Purchased	City of Troy Pre-Payment for Two Units Discount	Total for Troy Two Units	City of Troy Exceptions
Alexis Fire Equipment (Illinois)			\$ 580,021.00			\$ 529,910.00 => DMS				\$ (40,000.00)	\$ 1,019,820.00	No Exceptions (Includes 2) trips to Illinois)
						Bid Deposit -	Ch #0788503912		\$20,000			
						Delivery	330 days ARO					
						Terms	Blank					
						Warranty	One-year					
						Acknowledgement	signed - Yes					
						Indemnification included	- No					
Apollo Fire Equipment B and B Truck Equipment HME			\$ 533,288.00			No Bid						
J ad J Fleet and Fire Truck			\$ 562,346.00	Yes	\$ 562,346.00	No Bid						
Spencer Manufacturing												
Halt Fire Inc (Wixom) / Pierce Mfg (Wisconsin)	\$ (32,000.00)	\$ 726,557.00	\$ 740,869.00	Yes		\$ 591,645.00	\$ (72,000.00)	\$ (40,000.00)	\$ (6,300.00)	\$ (39,645.00)	\$ 1,025,345.00	Attached To Bid
						Bid Deposit -	Ch #9494151918		\$20,000.00			
						Delivery	7-8 months after the order is placed with Pierce Mfg					
						Terms	Net due at final inspection in Appleton Wisconsin					
						Warranty	One-year					
						Acknowledgement	signed - Yes					
						Indemnification included	- Yes					
						<b>BOLDFACE TYPE DENOTES RECOMMENDED BIDDER</b>						
	<b>DMS:</b>											
	Alexis Fire Equipment \$1,019,820.00 Re: PUC (pump under cab) design not available as specified											

Bid Tabulation													
Vendor	City of Troy Pre-Payment One Unit	City of Troy Pre-Payment Two Units	City of Birmingham Engine Pumper	City of Birmingham Multi-Group Discount	City of Birmingham if 5 Communitis Buy	City of Birmingham Total Engine Pumper All Discounts	City of Birmingham Engine Pumper, Exceptions?	Clearwater Township, Quick Attack Unit	Multi-Unit Discount if Five or More Are Purchased	Clearwater Township, Quick Attack Unit Exceptions	Clearwater Township, Engine/ Pumper	Clearwater Township, Engine/ Pumper Multi- Unit Discount	Clearwater Township, Engine/ Pumper, Exceptions?
Alexis Fire Equipment (Illinois)	\$ (20,000.00)	\$ (40,000.00)											
Apollo Fire Equipment			\$ 482,141.00				Yes						
B and B Truck Equipment								No Bid			\$ 270,800.00		Yes
HME			No Bid					\$ 151,176.00		Yes	\$ 268,290.00		Yes
J ad J Fleet and Fire Truck			\$ 558,283.00				Yes	No Bid			No Bid		
Spencer Manufacturing								\$ 152,005.00		Yes	\$ 244,664.00		Yes
Halt Fire Inc (Wixom) / Pierce Mfg (Wisconsin)	\$ 19,924.00	\$ 39,645.00	\$ 653,861.00	\$ (36,000.00)	\$ (20,000.00)	\$ 597,861.00	Yes	\$ 171,471.00	\$ (9,000.00)	Yes	\$ 259,057.00	\$ (12,000.00)	Yes

Bid Tabulation				
Vendor	Grand Blanc Township, Engine/Pumper	Grand Blanc Twp Multi-Group Discount	GBFD if More than 5 Municipalities Purchase	Grand Blanc Township, Engine/Pumper Exceptions
Alexis Fire Equipment (Illinois)				
Apollo Fire Equipment				
B and B Truck Equipment				
HME	No Bid			
J ad J Fleet and Fire Truck	No Bid			
Spencer Manufacturing				
Halt Fire Inc (Wixom) / Pierce Mfg (Wisconsin)	\$ 575,061.00	\$ (36,000.00)	\$ (20,000.00)	Yes