



TO: Board of Contracts and Awards

FROM: James P. Duggan, Fire Chief *D*
Michael Fitzgerald, Assistant to the Chief, Budget & Finance *MFG*

COPY: City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator, and Richelle Krienke, Sr. Buyer, Finance/Purchasing

SUBJECT: Three or More 1,500 Gallon per Minute Triple Combination Pumper Engines
National Joint Powers Alliance Contract No. 011714-RSD – November 29, 2016

DATE: November 14, 2016

SUMMARY:

The Tacoma Fire Department (TFD) recommends a contract be awarded to Rosenbauer South Dakota, LLC, Lyons, South Dakota, for two 1,500 gallons per minute (GPM) triple combination pumper (fire) engines totaling \$1,016,470, including discounts, plus approval for an optional third identical engine to be ordered in early 2017, for a total potential purchase amount of \$1,524,705, plus taxes.

STRATEGIC POLICY PRIORITY:

State and briefly explain which strategic policy priority is best aligned to this action.

- Strengthen and support a safe city with healthy residents.

The proposed purchase continues the planned replacement of part of TFD’s current fleet of fire engines with new apparatus.

BACKGROUND:

Funding to purchase two replacement fire engines is included in the City’s 2015-2016 budget. Fire staff developed specifications and obtained pricing proposals from two vehicle manufacturers using competitively established cooperative purchasing contracts. Fire staff determined that the proposal received from Rosenbauer, with competitively set pricing from National Joint Purchasing Alliance (NJPA) Contract No. 011714-RSD, was technically and financially acceptable.

The City Manager’s proposed 2017-2018 City of Tacoma budget includes funds for one additional replacement fire engine.

ISSUE: TFD desires to purchase up to three replacement fire engines using an NJPA contract and contract pricing. Funds for the third vehicle will not be available until 2017 and are contingent upon approval of the proposed 2017-2018 budget.

ALTERNATIVES: TFD could delay the proposed purchase. However, some vehicle purchases were already delayed during and after the Great Recession. Currently, TFD has not ordered replacement engines in over two years. Additional delays increase the risk that aging equipment will become unreliable or less effective. TFD could formally request competitive bids; however, the solicitation and review will require additional staff time and effort. Fire staff believes the available Rosenbauer contract provides an excellent vehicle with very competitive pricing.



COMPETITIVE SOLICITATION: TFD staff developed specifications to competitively purchase three or more fire engines to replace existing engines for Fire/Operations. Fire staff used the assembled specification to obtain proposals and review pricing from two vehicle manufacturers using existing competitively established cooperative purchasing contracts. Rosenbauer pricing available from NJPA Contract No. 011714-RSD was about 6.9 percent less than the Fire staff estimated cost while the pricing provided by Pierce Manufacturing, Appleton, Wisconsin, using an available National Purchasing Partners, Government Division (NPPGov) contract was about 22 percent over the staff estimate.

<u>Respondent</u>	<u>Location (city and state)</u>	<u>Submittal Amount*</u>	<u>Evaluated Submittal**</u>
Rosenbauer South Dakota	Lyons, SD	\$1,586,973.00	\$1,524,705.00
Pierce Manufacturing	Appleton, WI	\$2,062,415.00	\$1,998,642.00

* Submittal amount is for three units.

** Evaluated submittal amount includes discounts for payment of chassis and unit completion and multi-unit purchase discounts.

Pre-bid Estimate: \$1,800,000 including sales and excise taxes
The recommended award is 6.9 percent below the pre-bid estimate.

CONTRACT HISTORY: This is a new contract.

SUSTAINABILITY: Rosenbauer has formally adopted extensive sustainability policy and practices. As a family business, they actively practice sustainability to ensure a successful and long-term future for the firm and its employees. They practice progressive employment practices and environmentally friendly manufacturing and purchasing. They emphasize workplace health and safety and are very energy conscious consumers.

SBE/LEAP COMPLIANCE: Not applicable.

RECOMMENDATION:

TFD recommends that a contract be awarded to Rosenbauer South Dakota, LLC, Lyons, South Dakota, for two 1,500 GPM triple combination pumper engines totaling \$1,016,470, plus tax. In addition, TFD recommends that purchase authority for a third engine be approved with the understanding the unit will not be ordered until early 2017, following the City Council’s approval of the 2017-2018 budget. The total purchase amount recommended is \$1,524,705, plus taxes.



FISCAL IMPACT:

EXPENDITURES: (EXCLUDES APPLICABLE SALES AND VEHICLE EXCISE TAXES)

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
5400 Equipment Rental Fund	467600	5641500	\$1,016,470
0010 General Fund, Fire	253000	5390004	\$508,235
TOTAL			\$1,524,705

* General Fund: Fire Department

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
TOTAL			

POTENTIAL POSITION IMPACT:

POSITION TITLE	PERMANENT/ PROJECT TEMPORARY POSITION	FTE IMPACT	POSITION END DATE
TOTAL			

This section should only be completed if a subsequent request will be made to increase or decrease the current position count.

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: No expenditure impact. (Funding totaling \$1,016,470 in the 2015–16 budget will be contractually obligated.)

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Revenues and expenditures are planned and budgeted in 2015–2016 for two units. The proposed optional third unit funding is included in the City Manager’s proposed 2017–2018 General Fund budget for transfer to the Equipment Rental Fund.

FINANCE PURCHASING
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