

STAFF REPORT



ITEM NO. **7**
CITY OF OCEANSIDE

DATE: December 14, 2005
TO: Honorable Mayor and City Councilmembers
FROM: Public Works Department
SUBJECT: **APPROVAL OF A PURCHASE ORDER FOR A 1500-GALLON-PER-MINUTE TRIPLE COMBINATION FIRE PUMPER**

SYNOPSIS

Staff recommends that the City Council approve a purchase order in an amount not to exceed \$477,129 to Pierce Manufacturing, Inc., of Ontario for the purchase of a 1500-gallon-per-minute triple combination fire pumper used by the Fire Department, adopt a budget resolution transferring \$477,129 for the purchase of the vehicle plus \$72,871 for build-and-parts for a combined total of \$550,000 from the Community Facilities Fund to the Fleet Operations Fund, and authorize the financial services director, or designee, to execute the purchase order.

BACKGROUND

The new fire pumper is an addition to the Fleet inventory, will be used at the new temporary Fire Station 8, and was included in the FY 2005-2006 mid-budget adjustments brought to City Council and approved on November 16, 2005.

ANALYSIS

The City's purchasing procedures allow for the City to use other government agency bids as a basis for vehicle and supply purchases. The City maintains a voluntary purchase agreement with the City of San Diego which allows Oceanside to use San Diego's bid process and bid results. By attaching to the contract for the fire pumper between Pierce Manufacturing, Inc., and the City of San Diego, the Fleet Management Section is in compliance with guidelines set forth by the Financial Services Department's purchasing procedures. (Attachment 1)

FISCAL IMPACT

The purchase order for Pierce Manufacturing, Inc., of Ontario, California, is not to exceed \$477,129. This amount plus \$72,871 for additional build-and-parts for a combined total of \$550,000 will be transferred from the Community Facilities Fund to the Fleet Operations Fund.

COMMISSION OR COMMITTEE REPORT

Does not apply.

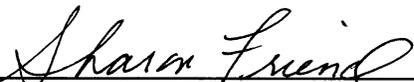
CITY ATTORNEY'S ANALYSIS

City Attorney analysis does not apply.

RECOMMENDATION

Staff recommends that the City Council approve a purchase order in an amount not to exceed \$477,129 to Pierce Manufacturing, Inc., of Ontario for the purchase of a 1500-gallon-per-minute triple combination fire pumper used by the Fire Department, adopt a budget resolution transferring \$477,129 for the purchase of the vehicle plus \$72,871 for build-and-parts for a combined total of \$550,000 from the Community Facilities Fund to the Fleet Operations Fund, and authorize the financial services director, or designee, to execute the purchase order.

PREPARED BY:



Sharon Friend
Program Specialist

SUBMITTED BY:



Steven R. Jepsen
City Manager

REVIEWED BY:

Michelle Skaggs Lawrence, Assistant to the City Manager

Peter A. Weiss, Public Works Director

Peter H. Lawrence, Battalion Chief

Robert Dunham, Interim Fire Chief

Nita McKay, Financial Services Director











Attachment 1

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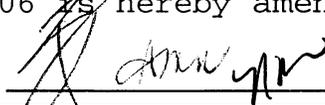
RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OCEANSIDE
AMENDING THE BUDGET FOR THE 2005-2006 FISCAL YEAR

WHEREAS, Resolution No.04-R438-1 approving the operating budget for fiscal year 2005-2006 was adopted on June 16, 2004; and

WHEREAS, the City Manager has recommended and the City Council desires to approve certain amendments to said budget;

NOW, THEREFORE, the City Council of the City of Oceanside does resolve as follows: that the Financial Services Director is authorized to amend the budget as requested and to record interfund cash transfers as required in accordance with this resolution and Resolution No. 04-R438-1 adopting the operating budget for fiscal year 2004-2006 is hereby amended as follows:

Reviewed by Financial Services 

PURPOSE

To authorize an increase in the Fleet Management budget of \$550,000 for the purchase of a Fire Pumper using funds from the Community Facilities Fund.

IN ORDER TO ACCOMPLISH THIS PURPOSE, THE FOLLOWING ACCOUNTING ENTRY IS NEEDED

<u>ADDITION</u>	<u>ACCOUNT NUMBER & NAME</u>	<u>AMOUNT</u>
(581) 837831.6990.00831	Trns-t Fleet Mgmt Fd	\$550,000
(831) 416210.5704	C/O- Auto Equip	550,000
<u>SOURCE</u>	<u>ACCOUNT NUMBER & NAME</u>	<u>AMOUNT</u>
(581) 837831.5704	C/O- Auto Equip	\$550,000
(831) 8310.4990.00581	Trns-f Comm Fac Fd	550,000
FUND: (581) GF Community Facilities CIP Fd		
(831) Fleet Management Fund		

PASSED AND ADOPTED by the City Council of the City of Oceanside this ___ day of _____, 2005, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

ATTEST:

MAYOR OF THE CITY OF OCEANSIDE

CITY CLERK

November 21, 2005

City of Oceanside
 300 N. Coast Highway
 Oceanside, CA 92054



Proposal for Furnishing Fire Apparatus

The undersigned is prepared to manufacture for you, upon an order being placed by you, for final acceptance by Pierce Manufacturing, Inc. at its corporate office in Appleton, Wisconsin, the apparatus and equipment herein name for the following prices.

One (1) Pierce 1500 GPM Triple Combination Pumper mounted on an Pierce Custom Quantum chassis as per the enclosed proposal for the delivered sum of....	\$ 478,147.00
Pierce discount for two units.....	(\$ 10,000.00)
Discount for inspection trips.....	(\$ 9,600.00)
Subtotal.....	\$ 458,547.00
Prepayment discount.....	(\$ 15,736.00)
Contract price.....	\$ 442,811.00
Sales Tax.....	\$ 34,317.85
Grand Total.....	\$ 477,128.85

If the City of Oceanside would desire to pay the Board of Equalization direct, a letter informing Pierce Manufacturing must be provided with the purchase order. The amount of \$34,317.85 can then be deducted from the contract price.

Said apparatus and equipment are to be built and shipped in accordance with the specifications hereto attached, delays due to strikes, war or international conflict, failures to obtain chassis, materials, or other causes beyond our control not preventing, within about **7.5 to 8.5 months** after receipt of this order and the acceptance thereof at our office at Appleton, Wisconsin, and to be delivered to you at Oceanside, California.

The specifications herein contained shall form a part of the final contract, and are subject to changes desired by the purchaser, provided such alterations are interlined prior to the acceptance by the company or the order to purchase, and provided such alternations do not materially affect the cost of the construction of the apparatus.

The proposal for the fire apparatus conforms with all Federal Department of Transportation (DOT) rules and regulations in effect at the time of initial purchase, and with all National Fire Protection Association (NFPA) Guidelines for Automotive Fire Apparatus as published at the time of initial purchase, except where modified by customer requirements. Any increased costs incurred by the first party because of future changes in or additions to said DOT or NFPA standards will be passed along to the customers as an addition to the price set forth above.

Unless accepted within sixty (60) days from date, the right is reserved to withdraw this proposition.

PIERCE MANUFACTURING, INC.

By: 
 Sales Representative
 Kevin M. Newell



City of San Diego PRICING AGREEMENT

PA No. **8040039-0**

Bid No.: 4018-01-A

Ship : Center ID: 057 PURCHASING Attn: MS 56P 1200 3RD AVE STE 200 SAN DIEGO, CA 92101-4195	Bill To: Center ID: 057 PURCHASING MS 56P 1200 3RD AVE STE 200 SAN DIEGO, CA 92101-4195	Date: 07/28/05 Time: 1:05:17PM OPIS No.: PA02-8040039-0 Page: 1 of 1 Commodity Code: 1401 Last Option End Date: 07/31/08
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Vendor: PIERCE MANUFACTURING, INC. WESTERN REGIONAL CENTER 2020 S BAKER AVE ONTARIO, CA 91781-7709 USA	Terms: None FOB: Tax Code: T Buyer: Frank Moreno <i>Jw.</i> Phone: (619) 236-6248 Fax: (619) 533-3228 E-Mail: fmoreno@sandiego.gov
Vendor ID: PIM 02798791 Phone: (609) 930-2278 Fax: (909) 930-5258	

Line #	Item ID/Description	Quantity/U/M	Unit Price	Extended Price
<i>This Document is for Contractual Information Only and is NOT a Purchase Order Purchase Orders Will be Issued as Needed</i>				
1	FIRE PUMPERS 1500 G.P.M triple combination	12.00 EA	\$ 481,189.1400	\$ 5,534,269.68

Notes:

BID 4018-01-A RESO #R295156

EXERCISING OPTION #4 FOR "1500 G.P.M. TRIPLE COMBINATION FIRE APPARATUS" INCLUDING RADIOS FOR ONE YEAR PERIOD 08/01/05 THROUGH 07/31/06 AT 3% INCREASE IN PRICE.

NOTE: UNIT PRICE DOES NOT INCLUDE THE COST OF \$15,281.75/PER UNIT FOR RADIOS.

NO OPTIONS REMAIN

PUBLIC AGENCY: YES COMMODITY CODE: 1401
 DELIVERY: 192-225 ARO TERMS: \$1,000 (20) DAYS

VENDOR CONTACT: MIKE SCHOENBERGER/V.P. MARKETING & SALES,
 PH 920-832-3000, FAX 920-832-3617.

UPDATE BONDS AS REQUIRED

DISTRIBUTION: FILE, VENDOR, MORENO, OPIS, CHIEF FRAZIER MS-15,
 FRANK DISEMAN MS-15 AND KRISTINA BLAKE MS-78.

cell
949-456-1001

Have questions about doing business with the City of San Diego? Visit our Purchasing web site at www.sandiego.gov/purchasing and get all the answers.

For specific information regarding contract opportunities with the City of San Diego, please visit our Bid & Contract Opportunities web site at www.sandiego.gov/bids-contracts.

Line Item Total	\$ 5,534,269.68
Tax	428,905.90
Freight	0.00
PA Total:	\$ 5,963,175.58

(R-2002-16)

RESOLUTION NUMBER R- 295156ADOPTED ON JUL 16 2001

BE IT RESOLVED, by the Council of the City of San Diego, that the low bid meeting specifications, of Pierce Manufacturing, Inc. (Appleton, WI), is hereby accepted and the City Manager is hereby authorized to execute a contract for furnishing Triple Combination Fire Apparatus at a cost of \$441,517.48 each, including sales tax, plus radios at City contract price from Motorola Inc., terms \$1,000 twenty (20) days; as may be required for a period of one (1) year beginning on date of award of contract, with options to renew the contract for four (4) additional one (1) year periods, with price escalations not to exceed 3% of prices in effect at the end of each prior contract year.

BE IT FURTHER RESOLVED that an initial order for twelve (12) units at an estimated cost of \$6,605,000 including sales tax, radios and lease payments may be placed.

BE IT FURTHER RESOLVED that the City Manager be authorized to finance this acquisition under the Equipment and Vehicle Lease Program over a period of seven (7) years.

BE IT FURTHER RESOLVED that the expenditure, estimated not to exceed \$382,000, from Fund No. 100, Department No. 120, Organization No. 2252, Object Account No. 6029, and Job Order No. 005700, is hereby authorized for cash payment of sales tax for said contract, and

the Auditor and Comptroller is hereby authorized, upon advice from the Fire Department to transfer excess budgeted funds, if any, to the appropriate reserves.

APPROVED: CASEY GWINN, City Attorney

By *Lisa Foster for*
Stuart H. Swett
Senior Deputy City Attorney

SHS:smf

07/02/01

Or.Dept:FM/Purchasing

Bid No. 4018-01-A

Aud.Cert:22000014

R-2002-16

Form=r-t



THE CITY OF SAN DIEGO

December 28, 2001

Mr. Kevin Newell
Pierce Manufacturing
c/o South Coast Fire Equipment
2020 South Baker Avenue
Ontario, CA 91761

Dear Mr. Newell:

Subject: Bid Number 4526-02-Q

The City of San Diego is ordering the equipment described below from Pierce Manufacturing in accordance with the specifications of bid number 4526-02-Q. This order is independent of any other equipment the City of San Diego may order from Pierce Manufacturing through a purchase order. The total price of this order is \$1,399,214.00 plus sales tax. The equipment will be funded by the City through a lease purchase agreement with PB Municipal Funding Inc. Preapproval of the lease purchase through PB Municipal Funding Inc. is enclosed.

The equipment to be lease purchased, in accordance with specification is:

- Two (2) Pierce 105' Heavy Duty Aerial Ladder Trucks, with 750lb Tip Load Dash 2000 Chassis, 500 hp Detroit Diesel Series 60 Engine, Allison HD4060P Transmission, and related equipment

This letter authorizes Pierce Manufacturing to provide the City with the equipment as specified and to bill the City for the sale. Upon passing the City's incoming inspection and upon receipt of original invoice(s) and, if appropriate, manufacturer's certificate(s) of origin, the City will notify PB Municipal Funding Inc. to make payment for the equipment. The sales tax will be paid by the City to Pierce Manufacturing in a separate check at 7.75%.

Please use lease #PB 02-22 on all shipping and billing documents related to this order. Where appropriate, equipment identification number(s) should be listed on the invoice(s). Please send original invoices to the City at the following addresses:

Capt. Kevin Ester
Fire and Life Safety Services
City of San Diego
3870 Kearny Villa Road
San Diego, CA 92123

Kristina Blake
Financing Services
City of San Diego
202 C Street, MS 7B
San Diego, CA 92101



Financing Services
Office of the City Treasurer

202 C Street, MS 7B • San Diego, CA 92101
Tel (619) 235-5840 Fax (619) 235-5835

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Mr. Kevin Newell
Pierce Manufacturing
December 28, 2001

Please sign below, indicating your acceptance of this order, and return a copy of this letter within 10 business days to Kristina Blake at the above address. Please refer questions regarding the leasing procedure to Kristina Blake, Financing Services, (619) 533-6491. Thank you.

Sincerely,


Patricia T. Frazier
Deputy City Manager

kb

Enclosure: Equipment and Vehicle Financing Program Pre-Approval Form

Pierce Manufacturing

Date

SAN DIEGO MASTER LEASE PROGRAM - FINANCING SERVICES PRE-APPROVAL

Date: November 29, 2001
Master Lease Contact: Kristina Blake
Telephone: (619) 533-6491
FAX: (619) 235-5835

Department: Fire Department
Contact: Kevin Foster
Telephone: (858) 636-4821

Equipment Costs:
Total Costs: \$1,399,214.00
Financing Term: 7 years
Est. Delivery Date: 07/02
Delivery in Installments? No

Amount Financed: \$1,399,214.00
Useful Life: 20 years
Est. Financing Date: 30 days after delivery

Equipment Description:
Manufacturer: Pierce Manufacturing
Vendor: South Coast Fire Equipment
General Description: Pierce 105' Heavy Duty Aerial Ladder Truck, with 750lb Tip Load, Dash 2000 Chassis, 500 HP Detroit Diesel Series 60 Engine, Allison HD4060P Transmission, and Related Equipment In accordance with specification

Bid No./Quantity to be Ordered: Reference Bid #4526-02-Q
Quantity: Two (2) Unit Price: \$699,607

Ref: Equipment No(s): None at this time

Essential Use:
Is this new or replacement equipment? Additional _____ Replacement X
How old is the equipment to be replaced? 18 - 20 years

Why is the Equipment needed? Replacement of aging engine companies with excessive repair costs. Replaced vehicles have exceeded projected life expectancy.

What function does the equipment perform: (essential use) Fire suppression & life rescue operations, emergency medical responses.

What are the estimated cost savings acquiring this equip through lease purchase rather than cash purchase? Savings from reduced operation/maint costs of overage equipment

The next payment(s) is (are) included in the fiscal year's budget. Yes

City Council Reso R-295713

PB Municipal Funding Inc. agrees to provide financing for all of the equipment noted above. Director of Regional Credit & Operations

By: C. Barrick Title: _____

Name: Carole Barrick Date: 12-3-01

PB 02-22