



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

1000 Rochester Hills Dr.
Rochester Hills, MI 48309
248.656.4630
www.rochesterhills.org

Legislative File No: 2017-0527

TO: Mayor and City Council Members
FROM: Sean Canto, Chief of Fire and Emergency Services
DATE: November 13, 2017
SUBJECT: 105' Heavy Duty Aerial Ladder

REQUEST:

City Council is requested to authorize the purchase of one (1) 105' Heavy Duty Aerial Ladder in the amount of \$966,459.33 with a project contingency in the amount of \$15,000.00 for a purchase amount not-to-exceed \$981,459.33 to Halt Fire, Wixom, Michigan.

REASON FOR PURCHASE:

In 2015, the City, acting as the Lead Agency on behalf of themselves and the Charter Township of Washington, issued a Request for Proposals for the purchase of Fire Apparatus. This proposal was developed with the intent of procuring fire apparatus meeting the entities specifications, and to create a contract that would offer a comprehensive list of fire apparatus, fire apparatus equipment, and related services for a possible contract term of five years. The intent of the RFP was to create a comprehensive cooperative contract for entities of the MITN purchasing cooperative group to utilize, and aggregate volumes of the agencies to generate best value offers from Fire Apparatus vendors.

The proposal process consisted of two stages; proposal review and interviews/equipment demonstrations. Proposal responses were evaluated by the City of Rochester Hills Fire and Fleet personnel, as well as representatives from participating communities. From the proposal review process the evaluation committee subsequently requested interviews and equipment demonstrations from the two proposers. Based on the proposal review and interviews/demonstrations Halt Fire Incorporated was selected and unanimously supported by the entities as providing best value, a quality product, exceptional services, ongoing training program, auditable process for calculating pre-payment discounts and offering most comprehensive contract options to meet all of the entities needs. The selection was supported by several positive references received from other communities utilizing Halt Fire Incorporated, as well as the City's own past positive experiences with Halt Fire Incorporated services, inclusive of parts delivery and service. City Council at its December 7, 2015 Regular Meeting approved the award of the contract to Halt Fire as the distributor with Pierce Manufacturing as the manufacturer of the apparatus. Since approval of this contract, the contract has proved to be a benefit for several other government agencies who have made purchases off this contract.

As part of this contract, the City was able to secure pricing that includes discounted apparatus, apparatus equipment, and parts pricing for multiple years, with a variety of body, chassis, and equipment offerings for the apparatus to ensure this cooperative contract would be beneficial, and provide a solution to meet agencies needs across the MITN cooperative. This has also allowed the Fire Department to budget more accurately for apparatus replacement and maintenance over the length of this RFP.

The City's request is to purchase a 105' Heavy Duty Aerial Ladder. A 5% project contingency is being requested due to the custom build process of the apparatus, as unknown issues could come to light and additional equipment/services may be needed in order for the apparatus to be built completely and as specified. This custom built process allows the City to build and purchase an apparatus which fits our needs.

Recently, the Department of Public Services / Fleet Division found significant corrosion on the current vehicle frame and torque box. This is of concern since the weight of the apparatus and aerial ladder is distributed in those areas. This apparatus is one (1) of three (3) still in service that were purchased from American LaFrance. In 2014, American LaFrance went of business for the second time as well as previously filing bankruptcy in 2008. Unfortunately, this has left the ability to get parts and maintenance support unavailable since not only has the company closed their production facilities, but also their warehouse and service facilities.

This apparatus was slated to be replaced in 2019, however taking advantage of the current Pierce Mfg. contract positions the City not only to see a significant cost savings, but also prevents additional cost with the 2018 and 2019 price increases that have averaged 3 to 5 percent per year. Additionally, the build time for this apparatus is 10 to 11 months which means a late 2018 delivery.

Any apparatus retired will be disposed of through public surplus auction.

PROCESS:

Vendor Name and Address:

Halt Fire Incorporated
 50168 W. Pontiac Trail
 Unit 5
 Wixom, MI 48393

Reason for Selection:

Best Value/Cooperative Contract

Method of Purchase:

Purchase Order

BUDGET:

Funding is included in the Projected FY 2019 Budget for this Aerial Ladder Truck at \$1,200,000.

If approved by City Council, a 1st Quarter 2018 Budget Amendment will be forthcoming to move the FY 2019 funding forward into the FY 2018 Budget.

Fund Name	Department Account No	Account No. Description	2018 Budget Amount	2018 Cost	2018 Remaining Budget
Fire Capital	402.981000	Vehicles	\$0	\$981,459.33	(\$981,459.33)

RECOMMENDATION:

It is recommended that City Council authorize the purchase of one (1) 105' Heavy Duty Aerial Ladder in the amount of \$966,459.33, with a project contingency in the amount of \$15,000.00, for a purchase amount not-to-exceed \$981,459.33 to Halt Fire, Wixom, Michigan.

APPROVALS:	SIGNATURE	DATE
Department Review	<i>J. W. W.</i>	11/8/17
Department Director	<i>J. W. W.</i>	11/8/17
Budget Content: Chief Financial Officer		
Purchasing Process: Supervisor of Procurement		
Mayor		
Deputy Clerk		

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