



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

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Legislative File No: 2020-0092

TO: Mayor and City Council Members
FROM: Sean Canto, Fire Chief/Emergency Services Director
DATE: April 27, 2020
SUBJECT: Type I Ambulances

REQUEST:

City Council is requested to authorize a purchase order in the amount not-to-exceed \$616,521.88 to Mercy Sales Incorporated, Saginaw, Michigan for the purchase of two (2) Type I Ambulances.

REASON FOR PURCHASE:

In 2016, the City of Rochester Hills participated in a cooperative solicitation with the City of Farmington Hills, City of Warren and the Townships of Northville and Commerce. The City of Farmington Hills acted as lead agency for the RFP. The proposal was developed with the intent to create a comprehensive agreement for the purchase of new ambulances, parts, service, training and owned ambulance refurbishment. The initial purchase from the named agencies was eighteen (18) vehicles. After the contract was established the number of ambulances increased to over 40 vehicles, which resulted in the City of Farmington Hills being able to negotiate a more aggressive rebate schedule to the agencies based on the unexpected high interest in this contract, which benefits all who elect to utilize this agreement.

Request for Proposals were posted using the MITN system, with five (5) companies responded, providing six (6) options. The Request for Proposal called for the awarded firm to provide a comprehensive product offering of vehicles, equipment, parts, accessories, and related services for both Type I and Type III ambulances. The agreement will be for three (3) years, with the City of Farmington Hills having the ability to renew for additional terms, not-to-exceed a total contract term of six (6) years. The contract is in the final contract renewal year. Proposers were asked to provide a pricing scheme that would allow each agency to build vehicles that meet their individual needs and would accommodate changes and updates to vehicle standards, component parts, technology, and truck build costs, and changes in trade-in values.

Each response was evaluated by the participating agencies on qualifications including experience, references, ability to supply multiple vehicles in a timely manner, customer service approach including warranty and after warranty work, pricing scheme for vehicles, accessories, parts, and value added items such as training, employee certification, and rebates. Upon review, two (2) vendors were short listed and the committee interviewed and reviewed equipment with both vendors (Mercy Sales representing Marque Ambulance and Rolland Specialty Vehicles representing American Emergency Vehicles). Upon completion of the interview and equipment review, the committee unanimously recommended Mercy Sales representing Marque Ambulance for award. The committee was made up of staff from Fire, Vehicle Maintenance, and Purchasing from all the agencies. Mercy Sales has extensive experience in building both types of vehicles. They have local representation to assist with any issues that arise and they have two (2) service centers in Michigan plus mobile technicians able to provide on-site service. The example truck pricing offered by Mercy Sales was very competitive. Their pricing scheme going forward includes volume discounted, firm fixed pricing which will be updated and confirmed yearly based on State/County government pricing. In addition,

Mercy Sales representing Marque Ambulance has excellent references and offer valuable extras including technician certification training and yearly rebates based on MITN Cooperative Volume, and like vehicle volume. The committee is confident Mercy Sales representing Marque Ambulance understands the full scope of the agreement and will provide quality vehicles and excellent customer service.

In 2016, the City purchased five (5) ambulances from this contract and the ambulances have performed satisfactorily. The City currently has two (2) ambulances that they use as reserves and put in service when a front-line ambulance may need to be taken out of service for repairs. The two (2) new ambulance purchased will be put into service at the stations with the highest call volume station, moving the ones at those stations into service as the new reserve vehicles. In doing this replacement, it will give the City's Fire Department a reliable fleet of ambulances to provide services to its residents.

The need for replacement of the reserve ambulances come from normal preventative maintenance inspections performed by the City's Fleet Division. During a recent inspection, the following information was provided to the Fire Department as concern on the vehicles:

Bravo 20: In February, Fleet performed a routine preventive maintenance inspection on reserve ambulance Bravo 20, a 2009 Chevrolet 4500 with 127,000 chassis miles and 13,100 engine hours. The inspection revealed cracks on both left and right sides of the rear frame cross member that were not present at the last inspection (photo 1). Also, rear suspension forward mounts at the frame are exhibiting corrosion jacking of the mounts resulting in loose fasteners and a reduction in frame/bracket thickness and integrity (photo 2). Other areas of the truck frame are showing signs of corrosion that will become integrity issues in the near future. The exterior of the aluminum ambulance module has also corroded to the point of now causing issues. The left rear compartment lower door latch striker mounting area is corroded through, and the lower latch is not functioning (photo 3). Compartment hinge mounting areas are exhibiting similar but somewhat less excessive corrosion. We are in the process of making repairs so the latch will function, but this will be a short term fix.

We powerwash the underside of ambulances and other apparatus at each preventive maintenance, but road salt and other chemicals applied to the roads to control snow and ice have taken their toll on this unit after 10 years of continuous service.

Bravo 19: Reserve ambulance Bravo 19, a 2011 GMC 4500 with 80,500 chassis miles and 8,300 engine hours is in slightly better condition, but we anticipate similar issues in the near future.

Based on these factors, it is the City's recommendation that purchase of two (2) new ambulances be made and award issued to Mercy Sales.

Please Note: The attached cost proposal provides a total cost of \$310,760.94 per ambulance. Because this costs includes inspection trip for four (4) fire department personal, this fee will only need to be incurred once, so the total request for this purchase authorization includes a cost of \$310,760.94 (includes trip fee) for first ambulance and then a cost of \$305,760.94 (less the trip fee) for the second ambulance for a total cost of \$616,521.88 for both ambulances.

PROCESS:

Vendor Name and Address:

Mercy Sales Incorporated
834 South Washington Avenue
Saginaw, MI 48601

Reason for Selection:

Best Value; Cooperative Purchase

Method of Purchase:

Purchase Order

BUDGET:

Funding for the two (2) Ambulances is included in the FY 2022 Projected Budget in the amount of \$660,000.

If approved by City Council, a 2nd Quarter Budget Amendment will be forthcoming to bring forward the funding from FY 2022 to FY 2020.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Fire Capital	402.981000	Fire Vehicles	\$0	\$616,521.88	(\$616,521.88)

RECOMMENDATION:

It is recommended that City Council authorize a purchase order in the amount not-to-exceed \$616,521.88 to Mercy Sales Incorporated, Saginaw, Michigan for the purchase of two (2) Type I Ambulances.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Chief Financial Officer		
Purchasing Process: Supervisor of Procurement		
Mayor		
Deputy Clerk		

Contract Reviewed by City Attorney Yes N/A