



## FIRE DEPARTMENT

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December 8, 2016

Alderman Joe Pieper, Chairman Finance Committee 1011 W. Glenn Drive Waukesha, WI 53188

SUBJECT: PURCHASING PROCEDURE FOR A NEW FIRE ENGINE

AS APPROVED IN THE 2017 CAPITAL IMPROVEMENT BUDGET

## Dear Alderman Pieper:

The City of Waukesha Fire Department's Apparatus Committee has begun work on the design and completion of the specifications for the purchase of a replacement fire engine in 2017. The replacement engine is part of the approved capital improvement budget and the Department has been approved for \$670,000 in funding for this project.

Earlier this year, the Apparatus Committee was notified by Reliant Fire Apparatus of a pending 3% price increase for all Pierce fire apparatus effective February 1, 2017. The Department has researched national purchasing agreements and has found that the Houston Galveston Area Purchasing Authority (HGAC) has negotiated the best purchasing agreement with Pierce Manufacturing. The Department has two options to obtain this price structure from Pierce Manufacturing. The first is to utilize the HGAC consortium program or another similar program, where Pierce is contractually bound to provide the lowest base pricing structure; however, this does require the City to pay any associated Consortium fees tied to the program. The second is to negotiate a direct purchase with Pierce Manufacturing through their dealer, Reliant Fire Apparatus. Reliant Fire Apparatus has received authorization from Pierce Manufacturing to offer comparable pricing to the national consortium, but the City will not have to pay any contractual administrative fees, typically ranging from \$2,000-\$3,500. The Department is seeking approval to negotiate a direct purchase with Pierce Manufacturing through their dealer, Reliant Fire Apparatus, for the purchase of our new fire engine.

The Apparatus Committee has researched other potential manufacturers and feels very strongly that the Pierce product is the best fit for the Department and would qualify for a sole source vendor based on the following:

1) This engine and possibly our next engine purchase, is being specified with the capabilities to "pump and roll". This feature will allow the apparatus to deliver foam on a flammable liquids fire or transportation accident, while still being able to drive and move the engine. Through an ongoing analysis, the Department has identified a need for this type of capability at our airport, other transportation emergencies and use at fixed facilities in our community. The Pierce PUC pump is the only fire apparatus manufactured that does not require a separate drive line or separate motor to operate the PUC foam system and move the vehicle. Because of this advantage, the total cost of the apparatus is reduced significantly below similar competitors. This drive train is also consistent with the ladder purchase in 2016.

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- 2) TAK-4 Independent Front Suspension. This Pierce exclusive suspension dramatically improves ride quality, which means a reduction in firefighter injuries due to harsh ride quality, improved vehicle handling for safety, tighter turning for better maneuverability, and decreased stopping distance for safety. The improved ride quality also means a longer life for the fire apparatus, as the reduction in the effects of pot holes, road repair, etc. is dramatically reduced. All of these mean a cost savings to the City.
- 3) Vehicle Maintenance and Training. Currently, the Department owns six Pierce vehicles that are similarly spec'd and equipped. Due to the ever-rising cost of maintaining vehicles, the City Garage has assumed a larger role in the preventive maintenance and repairs of our vehicles. Due to the outstanding training offered at the factory, city mechanics have been able to attend classes and become certified for many of the Pierce systems on our apparatus. This training greatly reduces the cost of repairs and decreases downtime. If the Department would switch vendors, we would have to retrain our mechanics.
- 4) Proximity to Factory Location. All Pierce fire apparatus is manufactured in the State of Wisconsin. Because their manufacturing facility is located in Appleton, Wisconsin, we have access to replacement parts on a same-day basis when they are in stock. In the past, the Department has been able to send a vehicle to Pierce to pick up a part that allowed a vehicle to be returned to service within a 48-hour time period. In the past when we have had to have parts delivered from out of state, we have seen repair time take up to two weeks.
- 5) Quality of Product and Consistency in Fleet. Since 2005, the City of Waukesha has purchased Pierce fire apparatus. The Department has been very pleased with the durability, reliability and ease of use of these products. The Department has a very strong desire to continue to utilize Pierce fire apparatus based on a proven track record, a very reliable dealer and the consistency of the apparatus allowing drivers to easily transfer from one vehicle to another. If the Department is granted permission to utilize the Houston Galveston Area Council Cooperative Purchasing Agreement to satisfy the requirements of our financial purchasing procedures, the Department will finalize the design and specifications with Reliant Fire Apparatus. A final purchasing contract will be presented to the committee for approval in January of 2017, so the city can avoid the 3% price increase that is effective February 1, 2017.

If the Department is granted permission to utilize the direct negotiation with Pierce, utilizing pricing comparable to the Houston Galveston Area Council Cooperative Purchasing Agreement to satisfy the requirements of our financial purchasing procedures, the Department will finalize the design and specifications with Reliant Fire Apparatus. A final purchasing contract will be presented to the Finance Committee and Common Council for approval in January of 2017, so the City can avoid the 3% price increase that is effective February 1, 2017.

Fire Department representatives will be present at the meeting to answer any questions and provide additional information.

Sincerely,

Joseph Hoffman, Assistant Chief

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