



Legislation Text

File #: GID-1718-20, **Version:** 1

AUTHORIZATION FOR THE PURCHASE OF (1) ONE PUMPER TRUCK IN THE AMOUNT OF \$567,227.18 FROM PIERCE MANUFACTURING THROUGH CONRAD FIRE EQUIPMENT UTILIZING THE HOUSTON GALVESTON AREA CONTRACT (HGAC) FOR THE FIRE DEPARTMENT.

BACKGROUND: The fiscal year 2017-2018 (FYE 18) budget includes funds to purchase a replacement fire apparatus from Public Safety Sales Tax proceeds. Accordingly, this item seeks authorization to proceed with this purchase using the Houston Galveston Area Contract as a basis for the purchase.

DISCUSSION: Under the Norman City Code, purchases above \$25,000 require City Council approval §8-203. All City purchases must be accomplished using a competitive bidding process (§8-204(a)) except in certain circumstances outlined in §8-204(b). One of those exceptions to the competitive bidding process is specified in §8-240(b)(4) which allows purchases "at a price not exceeding a price set therefor, by the state purchasing agency or any other state agency authorized to set prices for things purchased by the state." The City has purchased major fleet vehicles from the Houston Galveston Area Contract (HGAC) in the past under this competitive bidding exception under the Norman Code. The HGAC pricing is set through a similar competitive bidding process. Purchasing from these types of contracts provides the City with the benefit of a competitive bid process without the time and expense of acquiring separate bids. In this case, the HGAC has a much wider selection of competitively bid items available, including fire apparatus. The City has purchased several apparatus through Conrad Fire Equipment in the past with success.

In this case we have an opportunity to purchase an apparatus to replace Unit 0018 budgeted for FYE 18 from Pierce Manufacturing through Conrad Fire Equipment utilizing the HGAC. This is a pumper truck, with specialized features for the airport property served by Station 7. Cost of this apparatus is \$590,836. Conrad offers an 80% prepayment discount. The HGAC contract submitted by Pierce Manufacturing Company for \$567,227.18 includes an 80% prepayment discount of \$23,608.82. The contract requires an initial payment of \$472,669.23 with the remaining \$94,557.95 to be paid after the apparatus has been received and accepted by the City. Normally, delivery is anticipated within seven to nine months from the date of order. This apparatus will be placed at Station 7, which is in Ward 8.

Funds for this purchase are available in the FYE 18 Budget in Public Safety Sales Tax, Fire Suppression, Fire Trucks (015-6543-422.50-05).

RECOMMENDATION: Staff recommends that City Council authorize the purchase of the fire apparatus from Pierce Manufacturing through Conrad Fire Equipment utilizing the HGAC in the amount of \$567,227.18.