



Cover Memorandum/Staff Report

File #: 19-293

Agenda Date: 4/2/2019

Item #: 6.L.2.

TO: Mayor and Commissioners
FROM: Susan Goebel-Canning, PE, Public Works Director
L. Keith Tomey III, Acting Fire Chief
THROUGH: Neal de Jesus, Interim City Manager
DATE: April 2, 2019

APPROVAL OF RESOLUTION NO. 61-19 TO AWARD A SOLE SOURCE AGREEMENT WITH TEN-8 FIRE EQUIPMENT, INC. FOR PIERCE OEM EQUIPMENT AND RELATED SERVICES - \$50,000

Recommended Action:

Motion to approve Resolution No. 61-19 to award a sole source agreement with Ten-8 Fire Equipment, Inc. for Pierce OEM equipment and related services in an estimated cost of \$50,000 and authorize the City Manager to approve renewal options, in the same amounts, contingent upon appropriation of funds.

Background:

The City of Delray Beach (City) Fire-Rescue Department operates several fire apparatuses (also known as fire trucks) that are manufactured by Pierce Manufacturing. It is imperative to life, health, and safety that these vehicles remain fully operational and in service. Ten-8 Fire Equipment, Inc. (Ten-8) is the only Pierce Manufacturing authorized dealership in Florida and Georgia for original equipment manufacturer (OEM) equipment and related services. In December 2018, the City renewed Ten-8's designation as a sole source for Pierce Manufacturing OEM equipment and related services.

The agreement term will commence upon approval by City Commission and expire December 20, 2019. The agreement may be renewed for up to four additional years, subject to Pierce Manufacturing remaining a sole source authorized dealer for Pierce Manufacturing OEM equipment and related services.

Staff forecasts that approximately \$40,000 will be spent annually on preventive maintenance, minor repair parts, and related services. An additional \$10,000 is anticipated for major and unexpected sublet repairs annually. Parts delivery and services will be performed by Ten-8 per negotiated quotes on an as-needed basis. Should the City exercise all renewal options provided in the agreement, the cumulative agreement value is provided below.

Estimated Agreement Value		
Initial Term	March 28, 2019 - December	\$50,000
Renewal Term 1:	December 21, 2019 - Decem	\$50,000
Renewal Term 2:	December 21, 2020 - Decem	\$50,000

Renewal Term 3:	December 21, 2021 - Decem	\$50,000
Renewal Term 4:	December 21, 2022 - Decem	\$50,000
\$250,000		

Approximate historical expenditures on Pierce Manufacturing OEM equipment and related services, minus vehicle purchases, by fiscal year is shown below.

Fiscal year 2016 - \$37,185.63

Fiscal year 2017 - \$97,422.63

Fiscal year 2018 - \$36,286.45

This motion is in accordance with City Code of Ordinances Section 36.02, Commission Approval Required and Purchasing Policies; Limited or No Competition Acquisitions.

Attachments:

1. Agreement
2. Resolution
3. Legal Review Checklist
4. Approved Sole source Memo

City Attorney Review:

Approved as to form and legal sufficiency.

Finance Department Review:

Funding Source:

Funding is available from 501-43-000-549.52-51 - Operating Supplies C.G. - Outside Service and 501-43-000-549.52-52 - Operating Supplies External Parts.