



Meeting Date: 6/3/08

ACTION	TYPE OF ITEM
<input type="checkbox"/> Approved Recommendation	<input checked="" type="checkbox"/> Info/Consent
<input type="checkbox"/> Ord. No(s). _____	<input type="checkbox"/> Report
<input type="checkbox"/> Res. No(s). _____	<input type="checkbox"/> Public Hearing (Info/consent)
<input type="checkbox"/> Other _____	<input type="checkbox"/> Other _____

Prepared By: Heather Mooney

HM

Agenda Item No.

I-11

Reviewed By: City Manager

JTB

City Attorney

JM

Finance

JL

Other (Specify)

DATE: May 23, 2008

TO: City Council

FROM: Joe Milligan, Fire Chief
Fire Department

SUBJECT: Purchase of Fire Apparatus

RECOMMENDATION

That City Council:

1. Approve and authorize the Mayor to execute a purchase order with Pierce in the amount of \$952,687.81 for the purchase of two fire apparatus.
2. Approve and authorize the City Manager to execute the purchase of one to two additional fire apparatus within forty-five (45) days of purchase order issuance at a cost not to exceed \$922,821.29.

DISCUSSION

As part of the FY 2007-2008 budget, City Council approved a general fund appropriation to finance the replacement of fire apparatus. The Fire Department proposes an immediate purchase of two apparatus at a cost of \$952,687.81. Further the Fire Department requests the option to purchase one or two additional apparatus by placing a second order within 45 days. The total cost of four apparatus is approximately \$1,875,509.10. If approved, the apparatus will be ordered and should be completed by December 2008.

Approval of the purchases would allow the Fire Department to take advantage of discounted prices for multiple fire apparatus purchases saving approximately \$61,360 over the cost of purchasing each apparatus separately; and by placing the first order prior to June 6, 2008 and the second order within 45 days would secure pricing 2.9% lower than ordering after those dates for a combined savings of \$115,750.

Subject/Permit
May 27, 2008
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FINANCIAL IMPACT

Staff is evaluating lease purchase opportunities and other opportunities as methods of financing these purchases. No additional appropriation is required at this time.

Attachment #1 - Purchase Order

Attachment #2 - City of Oxnard Terms & Conditions

Attachment #3 - Pierce Proposal

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PURCHASE ORDERS
TERMS AND CONDITIONS

The City Purchasing Officer and the Vendor agree as follows:

1. Vendor shall furnish to City the labor, materials, equipment, supplies and/or services described in the Purchase Order on the reverse side hereof.
2. City shall pay to Vendor the price, or prices, specified in the Purchase Order upon delivery of the labor, materials, equipment, supplies and/or services, and acceptance thereof by the City Purchasing Officer, or upon the completion of the services to be performed and acceptance thereof.
3. If the Purchase Order is continuing in nature, City shall pay to Vendor the amount due Vendor for labor, materials, equipment or supplies furnished, or services completed and accepted.
4. Vendor shall deliver the labor, materials, equipment or supplies, or cause the services to be performed, within the time and in the manner specified in the Purchase Order. Vendor shall be excused in performance for delays resulting from causes beyond the control of Vendor.
5. If services are performed or labor furnished to City under the Purchase Order, Vendor agrees to indemnify, hold harmless and defend City, its City Council, and each member thereof, and every officer, employee, representative or agent of City, from any and all liability claims, demands, actions, damages (whether in contract or tort, including personal injury, death at any time, or property damage), costs and financial loss, including all costs and expenses and fees of litigation or arbitration, that arise directly or indirectly from any acts or omissions related to this Agreement performed by Vendor or its agents, employees, subcontractors, consultants and other persons acting on Vendor's behalf. This agreement to indemnify, hold harmless and defend shall apply whether such acts or omissions are the product of active negligence, passive negligence, willfulness or acts for which Vendor or its agents, employees, subcontractors, consultants and other persons acting on Vendor's behalf would be held strictly liable. Vendor's obligation to defend shall arise when a claim, demand or action is made or filed, whether or not such claim, demand or action results in a determination of liability or damages as to which Vendor is obligated to indemnify and hold harmless.
6. Insurance
 - a) Vendor shall obtain and maintain during the performance of any services under this Agreement the following insurance coverage issued by a company satisfactory to the Risk Manager, unless the Risk Manager waives, in writing, the requirement that Vendor obtain and maintain such insurance coverage.
 - i. Commercial general liability insurance, including a contractual liability endorsement, in an amount not less than \$1,000,000 combined single limit for bodily injury and property damage for each claimant for general liability with coverage equivalent to Insurance Services Office Commercial General Liability coverage (Occurrence Form CG0001ED, November 1988);
 - ii. Business automobile liability insurance in an amount not less than \$1,000,000 combined single limit for bodily injury and property damage for each claimant for automobile liability with coverage equivalent to Auto Liability Insurance Services Office coverage (Occurrence Form CA000TED, June 1992) covering Code No. 1, "any auto";
 - iii. Workers' compensation insurance in compliance with the laws of the State of California, including employer's liability insurance in an amount not less than \$1,000,000 per claimant.
7. Vendor, in the performance of any services or the furnishing of any labor under this Purchase Order, shall be considered an independent contractor, and Vendor and Vendor's agents and employees shall not be considered officers or employees of the City.
8. Vendor, without the written consent of the City Purchasing Officer, shall not:
 - a) Assign the Purchase Order, or any interest therein, or any money due thereunder; or
 - b) Make any changes, alterations or variations in the terms of the Purchase Order.
9. The cost of inspection on deliveries, or offers to make deliveries that do not meet specifications, will be paid by Vendor or deducted by City from amounts due Vendor.
10. Vendor shall indemnify and hold harmless City, its officers and employees, from liability, claims, loss or expense of any kind or nature on account of any copyrighted or uncopyrighted composition, patented or unpatented process or invention, article or appliance furnished or used under this Purchase Order.
11. Vendor shall comply with all applicable federal, state and local ordinance, laws and regulations and shall obtain and pay for all required licenses and permits, including a City of Oxnard business license.
12. Return or exchange of materials, equipment or supplies will not be permitted without written approval by the City Purchasing Officer.
13. All materials, supplies and equipment furnished under the Purchase Order shall, where applicable, be in full compliance with the Safety Orders and Regulations of the Division of Industrial Safety of the State of California and the Williams-Steiger Federal Occupational Health and Safety Act of 1970.
14. City may terminate this Purchase Order at any time by giving written notice of termination to Vendor. If termination is for cause, termination shall become effective on the date of the notice or at a later date, specified in the notice. If termination is without cause, termination shall become effective five days after the date of the notice or at a later date specified in the notice.
15. Vendor shall comply with all applicable equal employment opportunity requirements of the California Department of Fair Employment and Housing in performing or contracting for any services under this Purchase Order.
16. For public projects, Vendor shall pay prevailing wages in accordance with Labor Code Sections 1720 et seq.

ADDITIONAL REQUIREMENTS FOR GRANT-FUNDED PROJECTS

17. The following requirements apply to any Purchase Order funded in whole or in part by federal grant funds.
 - a) Upon expiration of the time specified on the reverse side, this Purchase Order shall terminate unless City and Vendor have mutually agreed in writing to an extension of time.
 - b) If legal action is brought by either party because the other has failed to comply with terms or conditions of this Purchase Order, the prevailing party shall be awarded its attorney's fees and costs in addition to its damages and/or equitable relief.
 - c) Vendor shall comply with all applicable requirements of Executive Order 11246 as amended by Executive Order 11375 and the regulations adopted pursuant thereto (41 CFR Chapter 60), which provide that no person shall be discriminated against on the basis of race, color, religion, sex or national origin.
 - d) Vendor shall insure that the grantee (City), the Federal Grantor Agency, the Comptroller General of the United States, or any duly authorized representative, shall be access to any books, records, documents and papers, specifically relating to this Purchase Order, for the purpose of making audit, examination, excerpts and transcriptions for not less than three years after completion of the project and/or until the completion of the final project audit as required by the Federal Grants Agency.

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ATTACHMENT NO. 2
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May 10, 2008

Joe Milligan, Fire Chief
Oxnard Fire Department
251 South "C" Street
Oxnard, California 93030



Proposal for Furnishing Fire Apparatus

The undersigned is prepared to manufacture for you, upon an order being placed by you, for final acceptance by Pierce Manufacturing, Inc. at its corporate office in Appleton, Wisconsin, the apparatus and equipment herein name for the following price.

	Quantity	Unit Price	Subtotal	Sales Tax	Total
Pierce Arrow XT Engine	1	\$ 451,486.61	\$ 451,486.61	\$ 32,732.78	\$ 484,219.39
Pierce Arrow XT Engine	2	\$ 444,143.50	\$ 888,287.00	\$ 64,400.81	\$ 952,687.81
Pierce Arrow XT Engine	3	\$ 440,143.98	\$ 1,320,431.90	\$ 95,731.31	\$ 1,416,163.21
Pierce Arrow XT Engine	4	\$ 437,181.63	\$ 1,748,726.50	\$ 126,782.67	\$ 1,875,509.10

If the department chooses to order less than four units, the purchase price for an order of purchase is computed at the rate given for the initial quantity. If the department elects to increase the number of units within forty-five (45) days of the issuance of a purchase order, the final invoice will reflect the unit price of the actual number purchased. For example, if two are ordered and a third is added, the final invoice will reflect the unit pricing for three trucks.

Said apparatus and equipment are to be built and shipped in accordance with the specifications provided on December 19, 2007, delays due to strikes, war or international conflict, failures to obtain chassis, materials, or other causes beyond our control not preventing, within approximately **6 to 7 months** after receipt of this order and the acceptance thereof at our office at Appleton, Wisconsin, and to be delivered to the Oxnard Fire Department, California.

The aforementioned specifications shall form a part of the final contract, and are subject to changes desired by the purchaser, provided the company or the order to purchase interlines such alterations prior to the acceptance, and provided such alternations do not materially affect the cost of the construction of the apparatus.

The proposal for the fire apparatus conforms with all Federal Department of Transportation (DOT) rules and regulations in effect at the time of initial purchase, and with all National Fire Protection Association (NFPA) Guidelines for Automotive Fire Apparatus as published at the time of initial purchase, except where modified by customer requirements. Any increased costs incurred by the first party because of future changes in or additions to said DOT or NFPA standards will be passed along to the customers as an addition to the price set forth above.

Unless accepted by **June 6, 2008**, the right is reserved to withdraw this proposition and I thank you very much for considering Pierce Manufacturing, Inc.

PIERCE MANUFACTURING, INC.

By: 
Sales Representative
Cary Eckard

ATTACHMENT NO. 3

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