

President Jon-Erik G. Storm

Vice President Vicki L. Milledge

Directors Charles L. Cesena

Marshall E. Ochylski Louis G. Tornatzky

General Manager Renee Osborne

District Accountant Robert Stilts, CPA

Unit Chief Scott M. Jalbert

Battalion Chief Josh Taylor

Mailing Address: P.O. Box 6064 Los Osos, CA 93412

#### Offices:

2122 9<sup>th</sup> Street, Suite 102 Los Osos, CA 93402

Phone: 805/528-9370 FAX: 805/528-9377

www.losososcsd.org

March 2, 2017

TO: LOCSD Board of Directors

**FROM:** Josh Taylor, North Coast Battalion Chief

SUBJECT: Agenda Item 12C(b) – March 2, 2017 Board Meeting Approval of 100% Prepayment for Pierce Medic-Rescue Replacement Vehicle

## **DESCRIPTION**

The Board is currently reviewing a bid to Firematic Supply Company, a Pierce Manufacturing Company for a Pierce Rescue Truck Ford F550, which includes a \$4,200 discount with a 100% prepayment at contract signing. A comparison of all dealer bids is summarized in Agenda Item 12C(a). Station 15 – South Bay Staff would like the Board to approve the 100% prepayment, not to exceed \$171,500.

## STAFF RECOMMENDATION

Staff recommends that the Board approve the following action:

Motion: I move that the Board approve of the 100% prepayment for the Pierce Medic-Rescue Replacement Vehicle, not to exceed \$171,500.

### **DISCUSSION**

Station 15 – South Bay has purchased two vehicles (current E-215 and previous E-215) from Pierce Manufacturing that met specifications upon delivery and have had less maintenance issues year-after-year then other fire manufacturer vehicles.

Established in 1913, Pierce Manufacturing is the premier manufacturer for custom fire and rescue apparatus, with world-class standards for quality and a long-standing reputation for building trucks that are designed to perform under the toughest conditions and meet promised specifications; A wholly owned subsidiary of Oshkosh Corporation, a Fortune 500 Company, they are leading the industry in fire apparatus design.

The contract from Firematic Supply Company, a Pierce Manufacturing Company, outlines three inspections prior to acceptance that will ensure the Los Osos Community Services District receives a quality product. This includes a pre-paint inspection, wherein Staff will examine the size, location and quality of work before paint application, a post-paint inspection and final inspection.

Station 15 – South Bay Staff is comfortable with the prepayment discount, and is confident that the Pierce Rescue Truck Ford F550 is the vehicle that would best serve the community of Los Osos.

## **FINANCIAL IMPACT**

Pierce Manufacturing is the only fire apparatus manufacturer with a local Service Repair Center. With costs ranging from \$6,000-10,000 to transport a vehicle from Los Osos to the next closest manufacturer Repair Center (Bakersfield, Fresno or Los Angeles) Pierce has a Service Repair Center located in Paso Robles. This is a huge cost benefit to the LOCSD. This combined with the \$4,200 discount provided to the District upon 100% cash prepayment at contract signing provides the greatest fiscal gain to the District.

Sincerely,

Scott Jalbert, Unit Chief *CAL FIRE*/SLO County Fire Department

Jonth

By Josh Taylor, North Coast Battalion Chief *CAL FIRE*/SLO County Fire Department

Attachment

Firematic Supply Company 100% Prepayment Option, dated 02/13/2017 (1 pg.)



# CAL-FIRE / LOS OSOS 100% Pre-Payment Option February 13, 2017

If a 100% pre-payment were made at contract signing, the following discount would be applied to the final invoice:

	Each		Extension	
One (1)				
Ford Rescue				
	\$ 164,092.28	\$	164,092.28	
100% Prepayment Discount	\$ (4,200.00)	\$	(4,200.0	
APPARATUS COST	\$ 159,892.28	\$	159,892.2	
Sales Tax @ 7.250%	\$ 11,592.19	\$	11,592.1	
Performance Bond Not Required	0.00	\$	200	
California Tire Fee	\$ 10.50	\$	10.5	
TOTAL PREPAY PURCHASE PRICE	\$ 171,494.97	\$	171,494.9	
Less 100% pre-payment at Contract Signing	\$ 171,494.97	\$	171,494.9	
BALANCE DUE AT DELIVERY	\$0.00	8	\$0.0	

## 100% PRE-PAYMENT DISCOUNT SHOWN ABOVE IS AVAILABLE IF YOUR DEPARTMENT MAKES A 100% CASH PRE-PAYMENT AT CONTRACT SIGNING.

- \* Discount for the 100% pre-payment option includes discounts for the chassis, interest, aerial (if applicable), and flooring charges.
- \* Any item added after this option is elected will come at additional cost and will be added to the final invoice.