



July 2, 2020

To: Mayor Jerry L. Demings
and the Board of County Commissioners

From: Carrie Mathes, CFCM, CPPO, C.P.M., Manager, Procurement Division

Contact: John Westmoreland, Acting Division Chief, Fire Rescue Department
407-836-9178

Subject: Award of Invitation for Bids Y20-1023-MV, Fire Apparatus

ACTION REQUESTED:

Approval to award Invitation for Bids Y20-1023-MV, Fire Apparatus, to the sole responsive and responsible bidder, REV RTC, Inc. dba Hall-Mark RTC, in the estimated contract award amount of \$48,970,000 for a five-year term. Further, request Board authorization for the Procurement Division to renew the contracts for two additional one-year terms.

PROCUREMENT:

Fire apparatus, fire trucks, and vehicles are used by the Fire Rescue Department to deliver firefighting services to County residents and firefighting assistance to other entities within and surrounding the County. Funds will be committed and equipment ordered via issuance of individual delivery orders.

The stated contract amount follows the Fire Rescue Department's apparatus replacement plan and reflects a best case scenario. The estimated annual cost could be \$8,000,000 to \$9,000,000, subject to budgetary constraints that will limit the quantities purchased.

FUNDING:

Funding is available in account number 1009-034-0688-6430.

APPROVALS:

The Fire Rescue Department and Business Development Division concur with this recommendation.

REMARKS:

Standardization of fire apparatus on equipment manufactured by E-One, Inc. was approved by the Board on November 1, 2005, and a contract was awarded on November 11, 2005 to REV RTC, Inc. dba Hall-Mark RTC for a three-year term in the estimated contract award amount of \$9,600,000. The contract was renewed for the two 1-year terms available.

REV RTC, Inc. dba Hall-Mark RTC is the exclusive dealer for E-One, Inc. equipment in the state of Florida. Once the contract had run its five-year course, staff, in an effort to confirm the price reasonableness of the contract, issued a solicitation for fire apparatus. The results of that solicitation confirmed that REV RTC, Inc. dba Hall-Mark RTC continued to provide the lowest price and meet the needs of the County for fire apparatus, including all of the primary reasons that standardization on the E-One product was initially approved. The justification for standardization on E-One fire apparatus is documented below.

- a. A single manufacturer that both designs and builds their product using an integrated approach is the most beneficial to Fire Rescue. Because the same manufacturer builds the chassis, cab, body and aerial device, warranty coverage and responsibilities are simplified. It is not unusual for these major components to be the product of different manufacturers when individual units are competitively solicited. This condition impacts both maintenance and operational effectiveness.
- b. An authorized repair facility from the dealer or manufacturer must be within a 100-mile radius of Orange County. This requirement is necessary to ensure that repair services beyond Fire Rescue's capabilities are accessible to facilitate the timely return to service of vehicles requiring dealer/manufacturer level maintenance.
- c. The bodies and cabs of fire apparatus must be manufactured of aluminum extrusions. Bodies constructed with aluminum extrusions provide a high strength-to-weight ratio and the highest corrosion resistance.
- d. Standardization negates the need to train more than 900 employees on different types of fire apparatus, while concurrently improving proficiency and safety. Firefighters throughout the County are trained and familiar with the E-One equipment.
- e. Over the past eight years, Fire Rescue fire apparatus technicians have received thousands of hours of training specifically related to maintaining and repairing fire apparatus manufactured by E-One.

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- f. Standardization of E-One apparatus has resulted in reduced inventories and inventory costs.
- g. E-One's apparatus represents the predominant number of units in Fire Rescue's fleet.

Although more than one manufacturer may be able to satisfy the above requirements, E-One was selected because it fully satisfies all of Fire Rescue's requirements regarding manufacturing, operational capabilities, reliability, and maintainability.

Since 2001, Fire Rescue has purchased custom chassis pumpers. The purchase of commercial chassis pumpers was discontinued at that time because they proved to be less durable than custom chassis pumpers currently selected for purchase. This determination was made after an extended examination of the two different chassis during actual operational usage. The commercial chassis did not adequately withstand the rigors of the severe duty to which they are routinely exposed.

The pricing within this contract is based on a discount or markup from the Manufacturer's Suggested Retail Price (MSRP) published price list. After conducting negotiations with REV RTC, Inc. dba Hall-Mark RTC, the discounts and markups were agreed upon. The bidder's best offer was submitted, and it was determined to be fair and reasonable based in comparison with current contract pricing and the contracts with Pasco County. This pricing structure is considered reasonable based on these negotiations.

The price analysis is reflected below:

	<u>Orange County</u>	<u>Pasco County</u>
Commercial Chassis Pumpers	MSRP plus (+) 3%	MFR'S List Price plus (+) 3%
Custom Chassis Pumpers	MSRP minus (-) 10%	MFR'S List Price minus (-) 9%
Mini Pumpers	MSRP plus (+) 6%	MFR'S List Price plus (+) 6%
Aerials	MSRP minus (-) 10%	MFR'S List Price minus (-) 9%

The above comparison with an existing Pasco County contract supports the fact that the negotiated discounts obtained by Orange County are superior to those obtained by Pasco County for similar equipment. Moreover, the existing contracts from Hillsborough and Sarasota Counties for fire apparatus equipment contain a pricing structure that offers three and eight percent markups, respectively, over dealer net pricing.

In addition to the purchase of new fire apparatus, a refurbishment is performed in order to extend the working life of existing fire apparatus and save budget dollars. Refurbishment activities will be accomplished at MSRP pricing and be specific to each fire apparatus selected for this initiative to maximize savings.

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To ensure an open and competitive bid process, the Invitation for Bids was posted on the Orange County website. A query from staff to the only other known sources that declined to compete on this project resulted in the following findings:

1. Ten-8 Fire indicated that bid specifications required that the contractor be E-One authorized, and they were unable to meet the requirement.
2. Bart Truck, LLC. did not respond to the inquiry.

In summary, a contract with REV RTC, Inc. dba Hall-Mark RTC for E-One fire apparatus is in the County's best interest. Therefore, recommendation is hereby made for the approval of a contract with REV RTC, Inc. dba Hall-Mark RTC.




Interoffice Memorandum

BUSINESS DEVELOPMENT DIVISION

July 15, 2020

TO: Melisa Vergara, Contracting Agent
Procurement Division

FROM: Kesi Warren, Senior Contract Administrator 
Business Development Division

SUBJECT: Business Development Division Bid Evaluation Revised

PROJECT: IFB #Y20-1023-MV, Fire Apparatus

The Business Development Division evaluated the **one bid** submitted for this project. **The bidder** was not an Orange County Certified Minority/Women Business Enterprise (M/WBE) firm. At the time of bid openings there was at least one firm certified at the prime level for the scope of service. The bid preference program in accordance with the County's M/WBE Ordinance, Section 17-324 cannot be applied.

c: Sheena Ferguson, Manager, Business Development Division

