



# City of Broken Arrow

## Request for Action

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**File #:** 19-1326, **Version:** 1

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**Broken Arrow City Council**  
**Meeting of: 11-5-2019**

**Title:**

Approval of and authorization to purchase one (1) Pierce fire apparatus from Conrad Fire Equipment, Inc. pursuant to the Houston-Galveston Area Council (HGACBuy) contract, using the “prepay” option, for the Fire Department

**Background:**

The 2014 Bond package includes funding to replace fire station 3 as well as purchase a new fire apparatus and ambulance for the station. In anticipation of the construction of new fire station 3, the Fire Department is seeking to purchase the replacement fire apparatus.

The fire department recently purchased two (2) Pierce aerial fire apparatuses. The current proposed apparatus is the same chassis and drivetrain as the recently purchased aeriels, which will provide continuity for fleet personnel and firefighters.

H-GAC's Cooperative Purchasing Program, known as HGACBuy, was established pursuant to Texas Interlocal Cooperation Act. The Act allows local governments and certain non-profits to contract or agree under the terms of the Act to make purchases or provide purchasing services and other administrative functions appropriately established by another government entity.

At the July 17, 2018 City Council Meeting, the Council approved an Interlocal Contract (ILC) between the City of Broken Arrow and HGACBuy, and gives the City access to HGACBuy contracts. By entering into this agreement the City was be able to verify that H-GAC’s competitive bidding processes are in accordance with Oklahoma State Competitive Bid Act and City purchasing requirements.

Pierce manufacturing routinely secures a loan to build each apparatus. The interest from that loan is passed along in the final purchase price of the vehicle if payment is made upon delivery. Pierce offers a “pre-payment discount” if payment is made upon ordering the vehicle, since the loan interest can be avoided. The prepayment discount for this Pierce apparatus is \$17,984.19. The funds for this purchase are currently available should Council choose to accept the “pre-payment discount”. If the City chooses to prepay, Conrad Fire Equipment, Inc. will provide a Performance Bond to the City in the amount of the full purchase price that will protect the financial investment that is being prepaid.

**Cost:** \$585,304.84

**Funding Source:** 2014 General Obligation Bond

**Requested By:** Jeremy Moore, Fire Chief

**Approved By:** City Manager’s Office

**Attachments:** HGAC Itemized Pricing  
Conrad Quote

**Recommendation:**

Approve and authorize the purchase of one (1) Pierce fire apparatus from Conrad Fire Equipment, Inc. pursuant to the Houston-Galveston Area Council (HGACBuy) contract, using the “prepay” option, for the Fire Department.