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City of Las Cruces[®]
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Council Action and Executive Summary

Item # 3 Ordinance/Resolution# 10-054 Council District:

For Meeting of August 17, 2009
 (Adoption Date)

TITLE: A RESOLUTION AUTHORIZING CHANGE ORDER TO INCREASE THE CONTRACT WITH FIRST IN INC. OF PHOENIX, ARIZONA, IN THE AMOUNT OF \$7,798.00 AND TO ESTABLISH A CONTINGENCY FUND OF \$5,322.00 AND TO AMEND THE FISCAL YEAR 09/10 BUDGET.

PURPOSE(S) OF ACTION: Approval of a change order to resolution 08-09-646 totaling \$13,120.00.

Name of Drafter: BC Alfred Lujan		Department: Fire		Phone: 528-3473	
Department	Signature	Phone	Department	Signature	Phone
Fire		528-3473	Budget		2300
	Adolf Zubia		Assistant City Manager		2071
Legal		541-2128	City Manager		2076

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

On June 15, 2009, the Las Cruces City Council approved the purchase of two (2) replacement Pierce pumpers for the Fire Department from First In, INC. of Phoenix, Arizona in the amount of \$861,880 under Resolution #08-09-646.

Due to bankruptcy issues with the previous apparatus manufacturer we were working with we were compelled to switch to a new manufacture. The combination of this change and the large number of components, systems and equipment incorporated into a modern fire apparatus has caused some challenges in getting these units built to our needs. In order to address overall construction issues with fire apparatus it is customary to travel to meet with factory engineers, technicians, and sales personnel at the factory for pre-construction, mid-inspection, and final inspection. The purpose of these meetings is to review the specifications, confirm equipment fit, mounting location, etc... In addition, new methods and technologies are constantly reviewed.

On July 20-23, 2009, Fire Department personnel traveled to Appleton, Wisconsin for the pre-construction meeting with the apparatus builder. As a result of that meeting, unforeseen changes and modifications became apparent for a few components on the two apparatus. We are therefore requesting a change order totaling \$7,798.00.

The majority of the cost increase is due to a change we need to make to the plumbing to the pump discharge outlets at the rear of the apparatus in order to maintain current operating standards which keeps friction loss down to a minimum. Additionally, we are modifying our specification to include

(Continue on additional sheets as required)

the addition of a door on the outside of the apparatus that gives fire personnel access to the medical cabinet from ground level for safety reasons. Finally, to meet Risk Management requirement for automatic rear vision cameras when backing, we are adding a camera system to both units.

In addition, we request a \$5,322.00 contingency in the event of any other unforeseen changes that become necessary during the construction process that may be identified during mid-inspection and final inspection trips to the factory.

There are three funding sources used in this purchase including NMFA loan account number 46807010-851200-33001 of which \$861,880 has been allocated. Fire Fund account number 23807010-851200 was budgeted for \$53,000 for this project of which \$39,880 has been previously allocated for construction, leaving \$13,120 available for these requested changes.

Funding for this change order (\$7,798) and the \$5,322 contingency will come from 23807010-851200 (Fire Fund).

SUPPORT INFORMATION:

Fund Name / Account Number	Amount of Expenditure	Budget Amount
Fire Fund 2300 23807010-851200	\$13,120	\$53,000

1. Resolution/Ordinance.
2. Exhibit "A" – Budget Adjustment page
3. Attachment "A" - Resolution 08-09-646

OPTIONS / ALTERNATIVES:

1. Approve the Resolution to fund a change order of \$7,798 and establish a contingency fund of \$5,322.
2. Do not approve the Resolution.
3. Amend the Resolution and/or instruct staff to seek alternative direction.

(Continue on additional sheets as required)

RESOLUTION NO. 10-054

A RESOLUTION AUTHORIZING CHANGE ORDER TO INCREASE THE CONTRACT WITH FIRST IN INC. OF PHOENIX, ARIZONA, IN THE AMOUNT OF \$7,798.00 AND TO ESTABLISH A CONTINGENCY FUND OF \$5,322.00 AND TO AMEND THE FISCAL YEAR 09/10 BUDGET.

The City Council is informed that:

WHEREAS, on June 15, 2009, via Resolution No. 08-09-646, the City of Las Cruces authorized the purchase of two (2) replacement pumpers for the Fire Department; and

WHEREAS, the Fire Department is requesting a change order to increase the contract with First In, Inc. of Phoenix, Arizona in the amount of \$7,798.00; and

WHEREAS, the Fire Department is requesting the establishment of a contingency fund of \$5,322.00; and

WHEREAS, the Fire Department has the funds available in account number 23807010-851200 to cover the total request of \$13,120.00; and

NOW, THEREFORE, be it resolved by the governing body of the City of Las Cruces:

(I)

THAT, the Purchasing Department is authorized to increase the contract amount with First In, INC. of Phoenix, Arizona, in the amount of \$7,798.00.

(II)

THAT, the Fiscal Year 08/09 Budget is hereby adjusted as reflected in Exhibit "A," Budget Adjustment Page, attached hereto and made a part of this Resolution.

(III)

THAT, the Accounting Department is authorized to establish a contingency fund for this project in the amount of \$5,322.00.

DONE AND APPROVED this 17th day of August 2009.

APPROVED:

Mayor

(SEAL)

ATTEST:

City Clerk

Moved by: _____

Seconded by: _____

VOTE:

Mayor Miyagishima _____

Councillor Silva _____

Councillor Connor _____

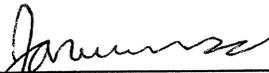
Councillor Archuleta _____

Councillor Small _____

Councillor Jones _____

Councillor Thomas _____

APPROVED AS TO FORM:



City Attorney

CITY OF LAS CRUCES
ADOPTED BUDGET FY 2009/2010

FUND	DIVISION		FUND TYPE	
Fire Fund 2300	Fire		Special Revenue	
	FY 2008/09 Prel Actual*	FY 2009/10 Adopted	Adjustment	FY 2009/10 Adjusted
RESOURCES				
Beginning Balance	\$ 252,444	53,000	270,516	323,516
REVENUES				
552011 NM Public Regulation Commission	\$ 407,228	407,228		407,228
570010 Interest on Investment	10,401	5,000		5,000
590051 Net Incr (Decr) Fair Value Investment	4,305	0		0
592001 Other Revenue - Fire Fund	6,605	0		
Total Revenues	\$ 428,539	412,228	0	412,228
Total Resources	\$ 680,983	465,228	270,516	735,744
EXPENDITURES				
Operating Expenses	\$ 316,806	396,828		396,828
Capital Equipment	40,661	68,400	13,120	81,520
Total Expenditures	\$ 357,467	465,228	13,120	478,348
OTHER FINANCING SOURCES (USES)				
Transfer to Fund 1000 - General Fund	\$ 0	0		0
Total Other Financing Sources (Uses)	\$ 0	0	0	0
ENDING BALANCE	\$ 323,516	0	257,396	257,396

*Preliminary Actual as of 8/5/09.

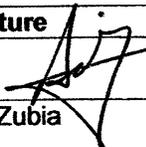
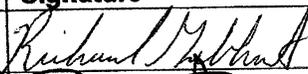
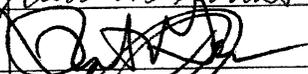
Council Action and Executive SummaryItem # 22
Attachment "A"Ordinance/Resolution# 08-09-646 Council District: For Meeting of: June 15, 2009

(Adoption Date)

TITLE:

A RESOLUTION AUTHORIZING PURCHASE OF TWO (2) REPLACEMENT PIERCE PUMPERS FOR THE FIRE DEPARTMENT FROM FIRST IN, INC. OF PHOENIX, ARIZONA, IN THE AMOUNT OF \$861,880.00 AND AMEND THE FISCAL YEAR 08/09 BUDGET.

PURPOSE(S) OF ACTION: due to cancellation of the pricing agreement previously approved by the City Council via Resolution No. 07-08-059 the Fire Department is seeking approval to purchase the much needed fire pumpers from an alternative vendor.

Name of Drafter: Mary Helen Sarabia		Department: Fire		Phone: 528-3473	
Department	Signature	Phone	Department	Signature	Phone
Originating Department		528-3473	Budget		2300
	Adolf Zubia		Assistant City Manager		2271
Legal		2121	City Manager		2096

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

On October 15, 2007, via Ordinance No. 2405, Council Bill No. 08-013, the City authorized the execution and delivery of a loan agreement with the New Mexico Finance Authority (NMFA) for the purpose of purchasing two fire pumpers. A Purchase Order was subsequently issued to American LaFrance LLC of New Mexico using a pre-existing pricing agreement. After the apparatus were ordered, ALF experienced financial bankruptcy which may have caused an extension of the completion date and delivery of the two pumpers. Subsequently, ALF increased the price to the City by approximately \$40,000 per unit. The City did not accept the price increase and as such notice was issued to ALF that the pricing agreement previously awarded by the City via Resolution No. 05-06-296 was rescinded and cancelled.

The Fire Department has two (2) Class A Engines that meet the City of Las Cruces vehicle replacement criteria. They are a 1989 Pierce Arrow Tanker/Pumper (CLC Inventory #17871) and a 1987 Pierce Arrow Pumper (CLC Inventory #17771). These apparatus were approved for replacement by City Council in the Fiscal Year 07/08 Budget.

Fund Name / Account Number	Amount of Expenditure	Budget Amount
46807010-851200-33001	\$822,000.00	\$822,000.00
23807010-851200	\$39,880.00	\$ 39,880.00

(Continue on additional sheets as required)

SUPPORT INFORMATION:

1. Resolution.
2. Exhibit "A" – Purchasing Manager's Request to Contract
3. Exhibit "B" – Budget Adjustment Page
4. Attachment "A" - Apparatus Purchase Request Memo

OPTIONS / ALTERNATIVES:

1. Approve the Resolution to purchase two (2) replacement fire pumpers for the Fire Department.
2. Do not approve the Resolution.
3. Amend the Resolution and/or instruct staff to seek alternative direction.

(Continue on additional sheets as required)