



Legislation Text

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Fiscal Note

The proposed resolution authorizes an amendment to the purchasing agreement for fire apparatus with Pierce Manufacturing, Inc. to reflect Reliant Fire Apparatus as the authorized dealer through which purchases will be conducted. The agreement covers the period of January 23, 2015 through December 31, 2020. The 2018 adopted Fleet Service capital budget includes \$1,151,300 for Fire Apparatus / Rescue Vehicles (Munis project #12009). Funding for the replacement of fire apparatus in 2019 and 2020 will be included in the Fleet Service annual capital budget, subject to Council approval. No additional appropriation is required for the amendment to the agreement.

Title

SUBSTITUTE-Authorizing an amendment to the purchasing agreement with Pierce Manufacturing, Inc. to reflect Reliant Fire Apparatus as the authorized dealer through which purchases will be conducted.

Body

The City of Madison entered in a five-year purchasing agreement with Pierce Manufacturing, Inc. in 2015 for the purchase of fire apparatus including fire engines, aerial ladders, heavy duty rescues and aerial platform ladders. Reliant Fire Apparatus Inc. is the exclusive dealer for the sale and service of custom and commercial fire apparatus manufactured by Pierce Manufacturing Inc. for our area. Although the City was able to purchase apparatus directly from Pierce in the past, a new U.S. Generally Accepted Accounting Principle effective in October 2017 directs that purchases of products going forward must be conducted directly with Reliant.

An amendment to the original purchasing agreement is necessary to reflect that Reliant Fire Apparatus Inc. is the sole source dealer and all invoices, purchase orders and contracts shall be sent to them. All other terms of the original purchasing agreement shall remain in effect.

WHEREAS, the City of Madison has found Pierce fire apparatus to be reliable,

WHEREAS, Reliant Fire Apparatus Inc. is the exclusive Pierce dealer for customers in Dane County,

WHEREAS, Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers, has altered the ability for purchases to be made directly with Pierce Manufacturing Inc.

WHEREAS, MGO 4.26(4) requires Common Council approval for the sole sourcing of purchases in excess of \$25,000,

NOW, THEREFORE, BE IT RESOLVED, that the Council approves an amendment to the agreement with Pierce Manufacturing, Inc. to reflect Reliant Fire Apparatus, Inc. as the vendor,

BE IT FURTHER RESOLVED, that the Council approves the Mayor, City Clerk, Fire Chief and Fleet Services Manager to sign the amendment,

BE IT STILL FURTHER RESOLVED, the Fire Chief and Fleet Services Manager must mutually agree on any future extensions of this agreement,

BE FINALLY RESOLVED, that the Fire Chief and Fleet Services Manager are authorized to sign any extensions of this agreement.

