



AGENDA ITEM 5d
DATE 10-19-09

City Council Report

Date: October 19, 2009
To: City Council
Through: Bryan Raines, Deputy City Manager
From: Edward Quedens, Business Services Director
Subject: Term Contract for Helicopter Engine Parts for the Police Department, Aviation Unit (Contract #2009163)
"Citywide" Contract

Purpose and Recommendation

Council is requested to approve a Term Contract for Helicopter Engine Parts as recommended. Bid pricing was obtained and evaluated by Police Department and the Purchasing Division.

The Purchasing Division recommends awarding the contract to the lowest, responsible and responsive bidder, AeroMaritime America Inc., a Mesa business, at \$390,000.00 annually, based on estimated requirements.

Background/Discussion

This contract will provide helicopter engine repair and/or overhaul parts and service for the Aviation Unit's MD Helicopters (Model 500E's). Engine parts and services will be used to maintain the helicopters in a safe and airworthy condition as recommended by the manufacturer and mandated by Federal Aviation Administration. Much of the contract amount will cover the costs associated with the unscheduled repairs and for the replacement of items within the turbine engines that are detected while the engines are undergoing detailed inspections during an overhaul. This contract is required to ensure helicopter availability and usage for continuous helicopter operations.

Eight (8) vendors were invited to bid, in addition to the standard advertising in the Arizona Republic, East Valley Tribune, Record Reporter and Bid Net. Eight (8) vendors downloaded the bid from the Purchasing website. Six (6) bids were received.

Staff evaluated the six (6) bids received by comparing the quantities of known parts and the amount of predicted engine overhauls required for the upcoming three (3) and five (5) year periods. Pricing for overhaul, overhaul/rework exchange, labor

rates, rental rates and freight charges of all six (6) vendors were compared. The recommended vendor's pricing was the lowest for the majority of the line items in each pricing category and clearly showed it would have the lowest overall pricing for the parts and services. The quantities in the bid specifications were based on the Aviation Unit's past experience and do not reflect the actual usage of parts and services that may be incurred in the upcoming years.

Staff recommends awarding the contract to AeroMaritime America Inc., the current helicopter maintenance contractor. This contractor has performed satisfactorily according to the City's specifications and has provided excellent service for the past two years.

The initial term of this contract is three years with a two-year renewal possible. Any price increases are capped by the Producer Price Index (PPI).

Alternatives


Council may choose not to award this contract and new proposals will be obtained.

Fiscal Impact

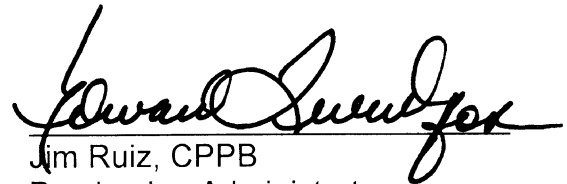
The total amount of \$390,000.00 is available in the Police Department's budget.

Coordinated With

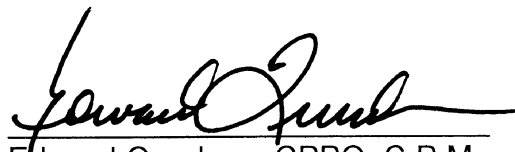
Police Department



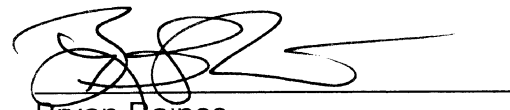
Pamela Chavez,
Management Assistant II



Jim Ruiz, CPPB
Purchasing Administrator



Edward Quedens, CPPO, C.P.M.
Business Services Director



Bryan Raines,
Deputy City Manager

CITY OF MESA
 AWARD RECOMMENDATION
HELICOPTER ENGINE PARTS FOR REPAIR AND OVERHAUL
 (REQUEST FOR PROPOSAL #2009163)
 Contract Valid through November 30, 2012

AeroMaritime America, Inc.
 Mesa, AZ

Description	Estimated Annual Expenditures
<u>Term Contract to Furnish</u> Aviation engine overhauls, repairs, modifications, parts, tooling, rental, technical assistance and/or labor for complete engines, engine modules, engine components and engine accessories for PD's Aviation Unit's three (3) MD Helicopters, Model 500E's	\$390,000.00

Bids Received from:

- AeroMaritime America Inc. – Mesa, AZ
- Dallas Airmotive Inc. – Grapevine, TX
- Just Ask Aviation d.b.a. ASI Services – Phoenix, AZ
- Rolls-Royce Engine Services – Oakland Inc. – Oakland, CA
- Standard Aero – Winnepeg, MB, Canada
- Vector Aerospace Inc. – Richmond, BC, Canada