

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

554



**FROM:** Fire

**SUBMITTAL DATE:**  
November 1, 2012

**SUBJECT:** Sole Source Agreement with KME Fire Apparatus

**RECOMMENDED MOTION:** Move that the Board of Supervisors:

1. Approve and authorize the Purchasing Agent to execute a one (1) year Sole Source Agreement for maintenance, service, and repair of vehicles manufactured by Kovatch Mobile Equipment Corporation from KME Fire Apparatus estimated at \$ 150,000 annually without seeking competitive bids, which includes an option to renew the agreement for four (4) additional one-year periods; and,
2. Authorize Purchasing Agent, in accordance with Ordinance No. 459, to exercise the renewal option, based on the availability of fiscal funding; and,
3. Authorize the Purchasing Agent to enter into Amendments staying within 10% of the contract maximum.


**BACKGROUND:** Continued on Page 2

  
John R. Hawkins, County Fire Chief

|                       |                               |            |                         |         |
|-----------------------|-------------------------------|------------|-------------------------|---------|
| <b>FINANCIAL DATA</b> | Current F.Y. Total Cost:      | \$ 150,000 | In Current Year Budget: | Yes     |
|                       | Current F.Y. Net County Cost: | \$ 36,000  | Budget Adjustment:      | No      |
|                       | Annual Net County Cost:       | \$ 36,000  | For Fiscal Year:        | FY12/13 |

|   |                                  |                          |
|---|----------------------------------|--------------------------|
| <b>SOURCE OF FUNDS:</b> General Funds, Structural Fire Taxes, Contract Reimbursements | Positions To Be Deleted Per A-30 | <input type="checkbox"/> |
|   | Requires 4/5 Vote                | <input type="checkbox"/> |

**C.E.O. RECOMMENDATION:**

APPROVE  
BY:   
Michael R. Shetler

**County Executive Office Signature**

- Consent
- Policy
- Consent
- Policy

Dept's Recomm.:  
Per Exec. Ofc.:

**Prev. Agn. Ref.:**

**District:** All

**Agenda Number:**

ATTACHMENTS FILED  
WITH THE CLERK OF THE BOARD

3.25

RE: Sole Source Agreement with KME Fire Apparatus

Date: November 1, 2012

Page 2

**BACKGROUND: (Continued)**

The Fire Department currently has ten (10) fire engines manufactured by the Kovatch Mobile Equipment Corporation. The Department is requesting to sole source the maintenance, service and repair of those vehicles with KME Fire Apparatus (KME). KME is the only authorized vendor to work on vehicles manufactured by Kovatch Mobile Equipment Corporation in our area.

**PRICE REASONABLENESS:**

The rates submitted were found acceptable and similar to the cost of services rendered on other heavy equipment. KME Fire Apparatus has also will be maintaining their rates from the past fiscal year. They will provide for one calendar year the following pricing and discounts for vehicle fire apparatus engine maintenance, service and repairs(s) to Riverside County Fire Department.

Labor Charge: \$95.00 Hourly rate

Parts discount from list: 20%

Hazard Fee: 2%

Sublet Charge: NA

Prompt payment 2% 10days Net30

Date: October 24, 2012

From: John R. Hawkins, Fire Chief Department/Agency: Fire

To: Board of Supervisors/Purchasing Agent

Via: Purchasing Agent

Subject: Sole Source Procurement; Request for KME Apparatus to provide vehicle maintenance, service, and repair.

The below information is provided in support of my Department requesting approval for a sole source. Outside of a duly declared emergency, the time to develop a statement of work or specifications is not in itself justification for sole source.

**1. Supply/Service being requested:**

Vehicle maintenance, service and repair of fire department manufactured Kovatch Mobile Equipment (KME) fire engines.

**2. Supplier being requested:**

KME Fire Apparatus  
5400 East Jurupa  
Ontario, CA 91761  
Phone: (909) 937-3326 Fax: (909) 937-1762  
Contact: Jerry Hennessey, Branch Manager.  
Vendor code #0000000449

**3. Alternative suppliers that can or might be able to provide supply/service:**

There is no other manufacturer factory authorized vendors local area with the certification and knowledge to provide maintenance, service and repairs for KME Fire Engines along with providing warranty repair(s).

**4. Extent of market search conducted:**

The Department has requested from the manufacture a listing of any local authorized repair facility. KME Fire Apparatus is the only local authorized vendor to work on the mechanism and instruments to operate the fire engine(s) manufactured by Kovatch Mobile Equipment Corporation.

**5. Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide:**

KME is utilized as a sole source for Ladder maintenance, mechanisms and instrument to operate the fire apparatus. Using any other alternative vendor for repair could void KME warranted equipment.

**6. Reasons why my department requires these unique features and what benefit will accrue to the county:**

The Fire Department must be able to respond to the emergency needs of the public, and it is essential equipment is properly repaired and maintained. This is a factory authorized vendor who can provide maintenance, service, and repair(s) to Kovatch fire apparatus engines. The Department benefits from knowledgeable and certified mechanics that are familiar with all components of the apparatus.

**7. Price Reasonableness including purchase price and any ongoing maintenance or ancillary costs from the supplier:** The rates submitted were found acceptable and similar to the cost of services rendered on other heavy equipment. KME Fire Apparatus will also be maintaining their rates from the previous fiscal year. They will provide for one calendar year the following pricing and discounts

for vehicle fire apparatus engine maintenance, service and repairs(s) to Riverside County Fire Department.

Labor Charge: \$95.00 Hourly rate

Parts discount from list: 20%

Hazard Fee: 2%

Sublet Charge: NA

Prompt payment 2% 10days Net30


**8. Does moving forward on this product or service further obligate the county to future similar contractual arrangements or any ongoing costs affiliated with this sole source? (Maintenance, support, or upgrades, if so, please explain).**

Yes, currently there are approximately ten (10) units within the fire department fleet of engines that are utilized to provide fire services.

**9. Period of Performance:**

November 2012 through November 2013. With an option to renew for four (4) additional one year periods.

*(Provide a defined period of performance. Please note multi-year terms require Board approval, unless renewable in one year increments and the Purchasing Agent approves the terms.)*

  
\_\_\_\_\_  
**Department Head Signature** 10/28/12  
\_\_\_\_\_  
**Date**

Purchasing Department Comments:

Approve

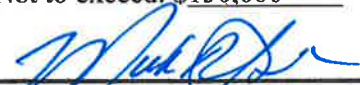
Approve with Condition/s

Disapprove

Not to exceed: \$150,000

One time

Annual Amount through 11-30-17

  
\_\_\_\_\_  
**Purchasing Agent** 11-7-12  
\_\_\_\_\_  
**Date** 13-219  
\_\_\_\_\_  
**Approval Number**  
(Reference on Purchasing Documents)

APPENDIX A

Please provide pricing for maintenance, service and repair(s) costs:

Labor Charges: 95<sup>00</sup> Hourly Rate  
Parts Charges: 20% Discount %  
Hazard Fees: 2% if applicable  
CA Fees: \_\_\_\_\_ if applicable  
Disposal Fees: \_\_\_\_\_ if applicable  
Sublet Charges: 0 if applicable.  
(Please Note: if sublet, vendor will be responsible for any losses or damages.)

Please provide warranty information on repairs(s) parts and labor

Company Name: KME Fire Apparatus Date: 10-22-12

Representative: Jerry Hennessey Signature: Jerry Hennessey  
(Print Name)

Delivery Date (ARO): 15 Delivery Lead Time (Calendar Days) 20

Prompt Payment Discount: 2%  
Must be completed and signed by the company's Authorized Agent

Payment Terms - For calculating due dates for payment terms, the County will use either the date that the invoice is received by the County or the date the goods/services are received, whichever is later. Terms: Net 30  
Riverside County Terms & Conditions are in full effect. This purchase order number must be referenced on your invoice.

To view County's Terms and Conditions, please refer to  
<http://www.purchasing.co.riverside.ca.us>

- \*116-200 General Term
- \*116-210 General Conditions-Materials and/or Services
- \*116-230 General Conditions-Equipment



**Patti Guerrero**  
Departmental Buyer II  
Fire-Purchasing  
Riverside County Fire/CAL-Fire RRU  
Email: [patti.guerrero@fire.ca.gov](mailto:patti.guerrero@fire.ca.gov)  
Tel: 951-940-6932  
Fax: 951-940-6770

In response to your question,

**KME Fire Apparatus in Ontario CA is the only authorized repair facility and factory branch for repair of the Kovatch and KME Fire Apparatus product in southern California.**

I hope this helps and if you have any questions please feel free to call me.

**Jerry Hennessey**  
Branch Manager  
KME Fire Apparatus  
5400 Jurupa  
Ontario CA 91761  
909-937-3326



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**KME-Kovatch Organization**  
KME Fire Apparatus 5400 Jurupa Street CA 91761  
(909) 937 3326 Office (909) 937 1762 FAX