

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

535



FROM: Stanley L. Sniff Jr., Sheriff-Coroner-PA

SUBMITTAL DATE:
01/18/13

SUBJECT: Approval of American Eurocopter, Inc. and Rotorcraft Support Inc. as Single Source Vendors for the Provision of Helicopter Parts, Repairs, Inspection Services and Training of the Sheriff's Aircraft Mechanics

RECOMMENDED MOTION: Move that the Board of Supervisors:

1. Authorize the Purchasing Agent to procure replacement parts, inspection services and mechanic training for the Sheriff's fleet of American Eurocopter AS350B3 helicopters directly from American Eurocopter for the useful lives of the aircraft, at a cost not to exceed \$360,000 annually, without securing competitive bids, in accordance with Ordinance 459.4.
2. Authorize the Purchasing Agent to procure replacement parts, and repair and inspection services for the Sheriff's fleet of helicopters, including a Bell helicopter, from Rotorcraft Support, Inc. for the useful lives of the aircraft, at a cost not to exceed \$250,000 annually, without securing competitive bids, in accordance with Ordinance 459.4.

(Continued on Page 2)

BR 13-056

[Signature] For

Stanley L. Sniff Jr., Sheriff-Coroner-PA
Will Taylor, Director of Administration

FINANCIAL DATA	Current F.Y. Total Cost:	\$610,000	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$610,000	Budget Adjustment:	No
	Annual Net County Cost:	\$480,000	For Fiscal Year:	FY 2012-13

SOURCE OF FUNDS: Department Budget

Positions To Be Deleted Per A-30	<input type="checkbox"/>
Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

BY: *[Signature]*
Elizabeth J. Olson

County Executive Office Signature

- Consent
- Policy
- Consent
- Policy

Dep't Recomm.:
Per Exec. Ofc.:

ATTACHMENTS FILED WITH THE CLERK OF THE BOARD
 Purchasing: *[Signature]* Mark Seiler, Assistant Director
 Departmental Concurrence

BACKGROUND/SOLE SOURCE JUSTIFICATIONS:

The Riverside County Sheriff's Department utilizes four American Eurocopter AS350B3 helicopters and a Bell helicopter to provide airborne law enforcement services to the residents of Riverside County. These helicopters are also used to support SWAT and search and rescue missions, and all hazard response, which includes natural disaster assessment and personnel transport.

The Federal Aviation Administration requires replacement parts for aircraft to be certified by the aircraft manufacturer and designed for use in the specific aircraft type. American Eurocopter parts are purchased directly from American Eurocopter for repairs made in-house by Sheriff's Aviation mechanics. American Eurocopter is the most economical entity from which certified parts can be obtained.

American Eurocopter has one authorized helicopter service center in Southern California, Rotorcraft Support, Inc. in Van Nuys. However, this service center and others located in Northern California are unable to provide a competitive pricing structure on parts alone.

Additionally, the Department requests that American Eurocopter provide six Department aircraft mechanics specialized repair training.

The Sheriff's Department employs in-house aircraft maintenance staff to perform routine maintenance and repairs for our fleet of helicopters. However, some extensive repairs, as well as specialty equipment modifications/installations, require services that extend beyond the training, certification, or tooling provisions of Sheriff's aircraft maintenance staff. These repairs include testing of electric pressure switches, composite airframe modifications or repair, as well as individual part inspections and certifications based upon the manufacturer's specified time periods. Rotorcraft Support Inc. is the only helicopter service center in Southern California authorized by American Eurocopter.

The ability to use Rotorcraft for the specified repairs will eliminate the need to send components to American Eurocopter's factory located in Texas, which will reduce down time for the aircraft and shipping costs. As some repairs require the aircraft to be flown to the service center, significant savings in fuel costs will also be realized.

Rotorcraft performs all repairs in-house rather than sub-contracting through another vendor. All parts have a Federal Aviation Administration specific type certificate and are install ready, which reduces time and cost spent on modifications before installation.

PRICE REASONABLENESS: American Eurocopter's factory-direct pricing structure provides a ten percent discount from their list price on most items, which is consistent with pricing they provide to other municipalities.

Single Source Purchase of Parts and Services for American Eurocopter Aircraft
and Rotorcraft Support Inc.

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Staff estimates that annual status quo expenditures with American Eurocopter should not exceed \$230,000. However, in the current fiscal year and in FY 2017, one of the aircraft will have to undergo a required inspection when it reaches its twelve-yr service life, which will cost \$130,000 per aircraft. These inspections should be conducted only by American Eurocopter. Therefore, the annual cost not to exceed has been set at \$360,000.

Rotorcraft Support Inc. offers a five percent discount on services rendered and original manufacturer parts. Rotorcraft has provided the Sheriff's Department with the same hourly rate for labor (\$100 per hour) since 2009 and has confirmed that this pricing will remain the same for standard labor.

Date: January 17, 2013
From: Will Taylor, Director of Finance Department/Agency: Sheriff/Aviation
To: Board of Supervisors/Purchasing Agent
Via: Purchasing Agent
Subject: Single Source Procurement; Request for American Eurocopter Parts and Services

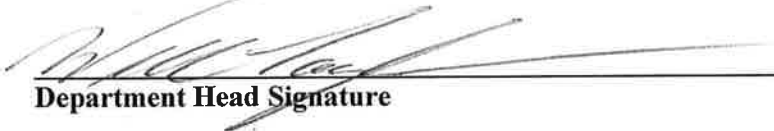
The below information is provided in support of my Department requesting approval for a sole source. Outside of a duly declared emergency, the time to develop a statement of work or specifications is not in itself justification for sole source.

1. **Supply/Service being requested:** Replacement parts, component overhauls, and repair, maintenance and installation services for Bell and American Eurocopter helicopters.
2. **Supplier being requested:** Rotorcraft Support Incorporated, Vendor #1444
3. **Alternative suppliers that can or might be able to provide supply/service:** Big Valley Aviation, Stockton, Ca. – Power Aviation Services, Auburn, Ca.- Redding Air Service, Redding, Ca. – Roger’s Helicopters, Fresno, Ca.
4. **Extent of market search conducted:** Internet Search of California & Nevada Helicopter Service Centers.
5. **Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide:** Rotorcraft Support Incorporated is located in Van Nuys, CA, and is American Eurocopter’s only authorized service center in the greater Los Angeles area. The second closest authorized repair station is located in Fresno, California. Repairs often require the aircraft to be flown to the location for the service, so using the nearest repair station not only reduces staff costs, but also down time of the aircraft. Rotorcraft Support played a significant role in the engineering of the avionics and audio component layout of the sheriff’s helicopters. They also possess the engineering designs necessary for troubleshooting malfunctioning equipment.
6. **Reasons why my department requires these unique features and what benefit will accrue to the county:** The ability to use Rotorcraft Support Incorporated for repair will eliminate the need to send components to the manufacturer located in Texas, which will reduce down time for the aircraft and shipping costs. Rotorcraft Support Incorporated preforms all repairs in-house rather than sub-contracting through another vendor. All parts have a Federal Aviation Administration specific type certificate and are install ready, which reduces time and cost spent on modifications before installation.
7. **Price Reasonableness including purchase price and any ongoing maintenance or ancillary costs from the supplier:** Rotorcraft Support Incorporated offers a five percent discount on services rendered and original manufacturer parts. Rotorcraft has provided the Sheriff’s Department with the same hourly rate for labor (\$100 per hour) since 2009 and has confirmed that this pricing will remain the same for standard labor.

- 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). No
- 9. **Period of Performance:** Aviation request \$250,000 annually for parts, inspection services for the useful lives of the helicopters.




Chief Deputy Signature 2-7-13
Date



Department Head Signature 2-7-13
Date

Purchasing Department Comments:

Approve Approve with Condition/s Disapprove
Not to exceed: \$ 250,000^{00/100} One time Annual Amount through 6-30-2017




Purchasing Agent 7-6-13
Date 13-312
Approval Number
(Reference on Purchasing Documents)

Date: January 10, 2013
From: Will Taylor, Director of Finance Department/Agency: Sheriff/Aviation
To: Board of Supervisors/Purchasing Agent
Via: Purchasing Agent
Subject: Sole Source Procurement; Request for American Eurocopter Parts and Services

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.

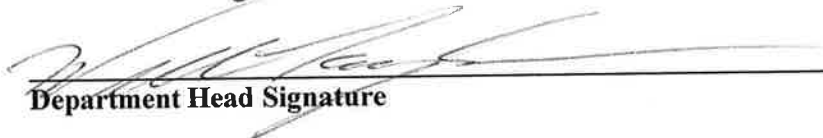
1. **Supply/Service being requested:** American Eurocopter helicopter replacement parts, inspection services and training of aircraft mechanics.
2. **Supplier being requested:** American Eurocopter, Vendor #3084
3. **Alternative suppliers that can or might be able to provide supply/service:** Rotorcraft Support Industries, Van Nuys, Ca. –Big Valley Aviation, Stockton, Ca. – Power Aviation Services, Auburn, Ca.- Redding Air Service, Redding, Ca. – Roger’s Helicopters, Fresno, Ca.
4. **Extent of market search conducted:** Internet Search of California & Nevada Helicopter Service Centers.
5. **Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide:** Since 2001, Sheriff’s Aviation has been using American Eurocopter AS350B-3 for their primary operation. The Aviation Unit currently owns four American Eurocopter AS350B-3 helicopters. Per the Federal Aviation Administration, replacement parts for aircraft must be certified by the aircraft manufacturer. American Eurocopter is the OEM (Original Equipment Manufacturer) for the aviation supplies and currently has one authorized helicopter service center in the greater Los Angeles area: Rotorcraft Support Industries. Rotorcraft is an Authorized repair station and vendor for the American Eurocopter products. The department uses each of these vendors for specific purposes; however, the service center is unable to provide a competitive pricing structure on parts alone.
6. **Reasons why my department requires these unique features and what benefit will accrue to the county:** Purchasing replacement parts directly from American Eurocopter, the manufacturer, reduces down time for the aircraft since parts are stocked and readily available. They have a Federal Aviation Administration specific type certificate and are install ready which reduces time and cost spent on modifications before installation.
7. **Price Reasonableness including purchase price and any ongoing maintenance or ancillary costs from the supplier:** American Eurocopter’s factory-direct pricing structure provides a ten percent discount from their list price on most items, which is consistent with pricing they provide to other municipalities. Rotorcraft Support Industries is only able to provide a five percent discount as well as table repairs and labor from certified aviation mechanics. Purchasing from American Eurocopter directly will save ten percent on original manufacturer parts.
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).** No

9. **Period of Performance:** Sheriff's Aviation would request \$360,000 for 2013 and 2017 to fund the twelve-year inspection of N9992SD and N9993SD respectively, additional parts, inspection services and training of six mechanics. Aviation would request \$230,000 in the other years for parts, inspection services, and training of six mechanics for the useful lives of the helicopters.



Chief Deputy Signature 2-7-13

Date




Department Head Signature 2-7-13

Date

Purchasing Department Comments:

Approve Approve with Condition/s Disapprove
Not to exceed: \$ 360,000 One time Annual Amount through 6-30-2017



Purchasing Agent 2-6-13

Date 13-311

Approval Number
(Reference on Purchasing Documents)