



HISTORIC
FRANKLIN
TENNESSEE

ITEM #10
WRKS
08/27/13

MEMORANDUM

August 19, 2013

TO: Board of Mayor and Aldermen

FROM: Eric S. Stuckey, City Administrator *Eric*
Russell Truell, Assistant City Administrator / CFO
Joe York, Streets Director
Brian Wilcox, Purchasing Manager

SUBJECT: Consideration of contract award to CMI Equipment Sales, Inc. of Nashville, TN in the total amount of \$83,591 for one (1) AccuBrine ABS2 salt brine production system for the Maintenance Division of the Streets Department (Tennessee statewide contract 229, no. 30015; \$83,591 budgeted to be applied to City's master lease arrangement in 310-89530-43100 for fiscal year 2014; Contract No. 2013-0118)

Purpose

The purpose of this procurement is to purchase salt brine mixing equipment. This equipment would be used to make salt brine for application to the City's streets and roadways in anticipation of snow. The new equipment would represent an addition to the Streets Department's fleet of equipment and would allow the City to make salt brine, a process the City currently does not have the equipment to do.

Background

The City has obtained from CMI Equipment Sales, Inc. of Nashville, TN the attached July 11, 2013 letter quotation for the sale of one (1) AccuBrine ABS2 salt brine production system, to include the supply, delivery, offloading, set-up as per manufacturer's specifications, connection to electric and water service therefor, and testing of and training on said equipment, all per Tennessee statewide contract 229, no. 30015, now in effect. (Note that the technical specifications referenced in the letter quotation are not attached to this memo but are available upon request.) CMI is the listed awardee for that contract. At no additional expense to the City, CMI has enlisted the services of Cargill Deicing Technology to assist with set-up as per manufacturer's specifications, connection to electric and water service, and testing of and training on the new equipment which is to be located at the City's salt storage facility at 1116 Incinerator Road.

A copy of the Procurement Agreement that would, contingent upon Law Department and City Administrator approval, be executed upon Board approval is attached (although the attachments referenced within the Procurement Agreement are not attached to this memo but are available upon request).

Financial Impact

Pursuant to the Tennessee statewide contract referenced above, the equipment is priced at \$83,591. The City's budget for fiscal year 2014 anticipates payment for this purchase by means of the City's master lease arrangement. The purchase would be allocated to budget line item 310-89530-43100, while principal and interest payments on the lease-purchase arrangement over the course of three fiscal years starting with the current one would be allocated to the Streets Department budget within the General Fund. Because the pricing was already established, the quoted pricing exactly matches the budgeted pricing.



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Options

The City could seek pricing by another means, such as preparing our own specifications and putting the equipment out for bid, or such as seeking pricing established by means of another unit of government or a cooperative purchasing arrangement.

Recommendation

Staff recommends that the City accept the quote and approve the contract, contingent upon Law Department and City Administrator approval, from CMI Equipment Sales, Inc. of Nashville, TN in the total amount of \$83,591 for one (1) AccuBrine ABS2 salt brine production system. Purchasing Manager Brian Wilcox is of the opinion that the staff recommendation appears to be made in a fair and impartial manner based upon the information available.

CMI Equipment Sales, Inc.

Construction • Municipal • Industrial

P.O. Box 78098
2405 Dickerson Rd.
Nashville, Tenn. 37207
(615) 227-7800

July 11, 2013

City of Franklin Purchasing Office
Attn: Brian Wilcox, Purchasing Manager
Franklin City Hall, Suite 107
109 3rd Avenue, South
Franklin, TN 37064

Re: Salt Brine Production System

Dear Mr. Wilcox,

We are pleased to offer the following pricing information for review as per your request. Please note that this item is covered under the Tennessee Statewide Contract listed, and as such, does not require bidding procedures in order to purchase.

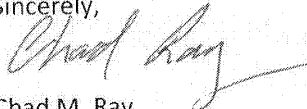
Statewide Deicer Contract 229 / Number 30015

Item ID: 1000140301 - AccuBrine Model ABS2 Automated Two Material
Blender installed at your location as per the attached Technical
Specifications: \$83,591.00

Delivery approximately 45 days after receipt of order.

Should you have any questions, please feel free to give me a call.

Sincerely,



Chad M. Ray
Regional Sales Manager

CITY OF FRANKLIN, TENNESSEE PROCUREMENT AGREEMENT

(City of Franklin Contract No. 2013-0118)

THIS PROCUREMENT AGREEMENT ("AGREEMENT") is by and between the City of Franklin, Tennessee ("CITY"), and CMI Equipment Sales, Inc. of Nashville, Tennessee ("VENDOR"), who mutually agree as follows:

1. CITY has solicited from VENDOR a quotation for the sale to CITY of a quantity of exactly one (1) AccuBrine ABS2 salt brine production system ("EQUIPMENT"), such sale to include the supply, delivery, offloading, set-up as per manufacturer's specifications, connection to electric and water service therefor, and testing of and training on EQUIPMENT ("SOLICITATION"), said quotation to be based upon Tennessee statewide contract 229, no. 30015, which contract is now in effect and scheduled to expire on September 30, 2013 and for which contract VENDOR is the awardee.
2. In response to CITY's SOLICITATION, VENDOR submitted such a quotation dated July 11, 2013 ("SUBMITTAL"), in the total firm, fixed amount of \$83,501, a copy of which quotation is attached hereto as Attachment No. 1 and hereby incorporated by reference as if fully set forth herein.
3. EQUIPMENT is to be delivered to and offloaded and set up at the City's salt storage facility located at 1116 Incinerator Road ("JOB SITE"). Specific placement of EQUIPMENT at JOB SITE shall be determined by CITY at time of delivery.
4. VENDOR shall provide any labor and equipment necessary to deliver EQUIPMENT to and offload EQUIPMENT at JOB SITE in a manner (a) consistent with best practices for shipping and receiving, (b) that does not involve undue risk to the safety of anyone at the delivery site or the condition of the deliverable, (c) that does not involve City personnel and equipment, and (d) without the need for a loading dock.
5. VENDOR shall, upon delivery, supply CITY with EQUIPMENT manufacturer's warranty for EQUIPMENT, along with EQUIPMENT manufacturer's operator, maintenance and service manuals, in digital format, for EQUIPMENT.
6. CITY's Standard Procurement Terms and Conditions ("STANDARD TERMS"), a copy of which is attached hereto as Attachment No. 2 and hereby incorporated by reference as if fully set forth herein, shall apply to CITY's Purchase Order to be issued following execution of this AGREEMENT.
7. The following general terms and conditions ("GENERAL TERMS") shall also apply to this purchase:
 - a. All-inclusive price. The quoted price shall include the cost of all tools, equipment, supplies, materials, labor, insurance coverages and delivery and/or freight charges, and any required trade and/or contractor license fees, business license fees and construction and/or building permit(s), necessary to supply and deliver the quoted products and to render the quoted service(s).
 - b. Delivery terms. As a matter of practice, the City of Franklin expects the vendor to ship any and all deliverables FOB destination, freight prepaid and added. The City's preferred delivery terms, as described in the preceding sentence, are offered to the vendor as a condition of award. If the City's preferred delivery terms are unacceptable to the vendor, then the vendor shall indicate its preferred delivery terms prior to award. Delivery terms are non-negotiable after award is made.
 - c. Payment terms. As a matter of practice, the City of Franklin pays for goods and/or services only after receipt and acceptance by the City of such goods and/or services, and only after receipt of an accurate, proper, complete and

CITY OF FRANKLIN, TENNESSEE PROCUREMENT AGREEMENT

(City of Franklin Contract No. 2013-0118)

itemized invoice for such goods and/or services, net 30 calendar days from date of delivery and/or completion/installation/rendering or date of invoice, whichever is later. The City's preferred payment terms, as described in the preceding sentence, are offered to the vendor as a condition of award. If the City's preferred payment terms are unacceptable to the vendor, then the vendor shall indicate its preferred payment terms prior to award. Payment terms are non-negotiable after award is made.

- d. Standard Procurement Terms and Conditions. Vendor certifies that it has read and accepts all terms, conditions and requirements of this solicitation, including the terms and conditions identified and listed in the City of Franklin Standard Procurement Terms and Conditions attached hereto and hereby incorporated by reference.
- e. Confidential and/or proprietary information; trade secrets. All contents of all submittals are subject to public disclosure and shall not contain any confidential and/or proprietary information and/or trade secrets. Further, vendor indemnifies and holds the City of Franklin harmless against any loss or damage, including reasonable attorney fees, it may incur as a result of the City's reliance upon the vendor's representation that materials supplied by the vendor do not contain trade secrets or proprietary information which is not subject to public disclosure.
8. EQUIPMENT Manufacturer's Site Preparation/Installation Checklist for EQUIPMENT ("CHECKLIST"), a copy of which is attached hereto as Attachment No. 3 and hereby incorporated by reference as if fully set forth herein, shall also apply to this purchase.
9. At no additional expense to CITY, Cargill Deicing Technology ("CARGILL") will be assisting VENDOR with set-up as per manufacturer's specifications, connection to electric and water service therefor, and testing of and training on EQUIPMENT.
10. At CITY's request, VENDOR and CARGILL have now also submitted Certificates of Insurance ("CERTIFICATES OF INSURANCE") that collectively meet or exceed CITY's Insurance Requirements ("INSURANCE REQUIREMENTS"), copies of all of which are collectively attached hereto as Attachment No. 4 and hereby incorporated by reference as if fully set forth herein.
11. CITY awarded on August 27, 2013 and now desires to purchase from VENDOR the products and services pursuant to SOLICITATION and SUBMITTAL.
12. In the event of a conflict either between CITY's STANDARD TERMS and VENDOR's SUBMITTAL or between CITY's GENERAL TERMS and VENDOR's SUBMITTAL, CITY's STANDARD TERMS or GENERAL TERMS shall supersede conflicting terms and conditions found in VENDOR's SUBMITTAL.

EXECUTED THIS _____ DAY OF _____ 20__.

For VENDOR:

Terry E. Welcher Pres.
(signature of VENDOR's authorized representative)

TITLE: President

For CITY:

(signature of CITY's authorized representative)

TITLE: Mayor

Approved as to Form:

Kristen L. Corn, Staff Attorney