

Agenda Report

October 16, 2017

TO: Honorable Mayor and City Council

FROM: Pasadena Police Department

**SUBJECT: AUTHORIZATION OF ISSUANCE OF A PURCHASE ORDER
CONTRACT WITH HELICOPTER ENGINE REPAIR AND OVERHAUL
SERVICES, INCORPORATED (H.E.R.O.S) IN THE AMOUNT OF
\$226,331**

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is not subject to the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Sections 15060 (c)(2), 15060 (c)(3), and 15378, as the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment;
2. Authorize the City Manager to enter into a Purchase Order Contract with Helicopter Engine Repair and Overhaul Services, Incorporated (H.E.R.O.S) in an amount not to exceed \$226,331. Competitive bidding is not required pursuant to City Charter section 1002(H), Contracts with other governmental entities or their contractors for labor, material, supplies or services; and
3. Grant the proposed Purchase Order Contract an exemption from the Competitive Selection process pursuant to Pasadena Municipal Code Section 4.08.049(B), Contracts for which the City's best interests are served.

BACKGROUND:

The City of Pasadena Police Department currently owns and operates three Bell OH-58 helicopters equipped with turbine engines. During Fiscal Year 2018, the turbine engine for Helicopter N239PS and the compressor and the gearbox for N224KB, which both have Rolls-Royce model 250 engines, will require overhaul to ensure safety of flight and compliance with Federal Aviation Administration (FAA) regulations.

Helicopter Engine Repair and Overhaul Services, Incorporated (H.E.R.O.S) is a vendor/contractor for helicopter turbine engine repair and overhaul for other government

entities such as cities of Glendale, Riverside, Fresno and Clark County in Nevada. H.E.R.O.S serves customers from a variety of aviation industries including local and state law enforcement agencies, air ambulance and organ transport, agriculture, tourism, flight training, timber and wildlife management, firefighting, construction, electrical contracting and more. They have the expertise and experience required by the City of Pasadena.

H.E.R.O.S provides operators from all aviation sectors customized, quality engine repair & overhaul services for the Model 250-C18, C20 & C30 series turbo-shaft engines & accessories. Since 1988, both single- as well as multi-ship operators have grown to depend upon their outstanding reputation, quality workmanship, competitive pricing and attention to customer service. They provide experienced Field Support Technicians 24/7 as part of their customer service package. In addition, H.E.R.O.S is one of the few facilities that have an on-site test cell, which allows them to conduct Non-Destructive Testing (NDT) that is FAA certified.

H.E.R.O.S agreed to use its existing contract with the City of Riverside and extended the same price and terms for a purchase order for the City of Pasadena. On May 31, 2016, the City of Riverside received four bids responsive for the annual maintenance, repair, and overhaul of parts for three Rolls-Royce Model 250-C20B engines. The City of Riverside awarded the contract to the lowest responsive bid from H.E.R.O.S.

H.E.R.O.S manufactures FAA approved parts for turbine engines at a cost far below that which is charged by original equipment manufacturers. These savings are passed on to the City with no compromise in flight safety. Each year, the City incurs significant costs associated with the shipping and insuring of turbine engines and parts to vendors for overhaul, some of which are located outside of the United States. These costs are associated with the actual shipping itself and with operational costs which result from delays created due to time in transit. H.E.R.O.S is a vendor within driving distance of the police heliport. This allows section personnel to reduce shipping costs while at the same time minimizing delays and costs associated with same. It is the city's best interest to use the terms of the H.E.R.O.S contract with City of Riverside, since this contract will result in significant savings for the City of Pasadena.

COUNCIL POLICY CONSIDERATION:

The Police Department's Air Operations Section supports the City Council strategic planning goal of ensuring public safety.

ENVIRONMENTAL ANALYSIS:

The action proposed herein is not subject to the California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines Sections 15060 (c)(2), 15060 (c)(3), and 15378. CEQA Guidelines Section 15060 (c) (2) states that an activity is not subject to CEQA if "The activity will not result in a direct or reasonably foreseeable indirect

physical change in the environment". For the same reason, the proposed activity is not a CEQA "Project" as defined in State CEQA Guidelines Section 15378 and is, therefore, also not subject to CEQA pursuant to CEQA Guidelines Section 15060 (c)(3).

FISCAL IMPACT:


The cost of this action is \$226,331, which includes a fifteen percent safeguard for unanticipated cost increases. Funding for this action will be addressed by utilization of existing budgeted appropriations of \$181,065 (80%) in Air Operations account 10132006-850400 and \$45,266 (20%) from FAST account 10832008-850400. It is anticipated that all funds will be spent during the current fiscal year with no indirect or support cost requirements.

Respectfully submitted,



PHILLIP L. SANCHEZ
Chief of Police
Police Department

Prepared by:



Chris Sharma
Sergeant

Approved by:



STEVE MERMELL
City Manager