



Agenda Item:

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## COUNCIL COMMUNICATION City Manager's Office

### GENERAL INFORMATION

Agenda Date: 03/28/05  
05-139

Communication No.:

Agenda Item Type: Resolution

Roll Call No.:

Submitted by: Larry Hulse, Community Development Director

### SUBJECT—

Junk Vehicle Towing Contract

### SYNOPSIS—

The contract between the City of Des Moines and Des Moines Automotive Parts Company (4100 Vandalia Road, Des Moines, Iowa, Alan Givant, President) to tow, store and dispose of junk vehicles expired on February 28, 2005. Acceptance of this bid will continue the service with this contractor. Three bids were received: 1) Des Moines Automotive Parts Company, 2) Trails End Auto and Truck Salvage, Inc. and 3) American Towing Inc. Des Moines Automotive Parts Company is the only contractor that meets the qualifications to bid the contract. American Towing Company is not a licensed salvage yard and Trails End Auto and Truck Salvage, Inc. is not located inside the corporate City limits of Des Moines.

### FISCAL IMPACT—

This contract is an improvement over the existing contract with Des Moines Automotive in that the City is no longer responsible for property lost or stolen while in the care and custody of the contractor. That amounts to a savings of approximately \$10,000 per year. The contract calls for the City to be paid by the contractor for each vehicle that becomes the property of said contractor. Des Moines Automotive is offering \$20 per vehicle, American Towing \$25 and Trails End \$75. We can anticipate that 2200 vehicles will become the property of the contractor per year.

**RECOMMENDATION—**

Approval

**BACKGROUND—**

Staff is satisfied with the service provided by Des Moines Automotive. The issue staff had with the expired contract was that the City took financial responsibility for property lost or stolen while in the contractor's care and custody. That issue has been remedied in this contract. American Towing is not a salvage yard licensed by the City of Des Moines. Their bid indicated that they will become licensed once they receive the contract. The bid specifications require that the bidder be licensed. Staff would suggest that if American Towing has future interest in bidding this contract they obtain a license prior to the next bidding period. Council has determined that only salvage yards inside the corporate city limits of Des Moines are eligible to bid on this contract; therefore the bid from Trails End may not be considered.