



# Council Communication

Office of the City Manager

Date

August 7, 2006

Agenda Item No. 34

Roll Call No. 06-

Communication No. 06-512

Submitted by: Bill McCarthy, Chief of Police

## AGENDA HEADING:

Police Department Hybrid Vehicle Award

## SYNOPSIS:

Awarding of the bid for eight hybrid vehicles to be used by the Police Department to Honda Motorwerks, 500 4<sup>th</sup> Street South, LaCrosse, Wisconsin 54601, Chris Schneider, owner.

## FISCAL IMPACT:

Amount: \$221,064 (Eight 2006 Honda Accord Hybrid vehicles @ \$27,633 each)

Funding Source: Various funding being:

- 2006-2007 Operating Budget, Page 204 Master Lease Program, Debt Service Fund - \$179,936
- 2006-2007 Operating Budget, Page 309 State Seized Fund Account, SP324, POL982200 - \$41,128

## ADDITIONAL INFORMATION:

The Des Moines Police Department created the Homeland Security Bureau with the intention of providing specialized law enforcement service to regional and local communities in the metropolitan area. These services include preventive and reactionary measures to neutralize terrorist activity and contend with disasters created by weapons of mass destruction. In March 2006, the City Council approved a proposal for expansion of the Bureau that included the purchase of eight vehicles to be assigned to the Homeland Security Bureau. The Police Department had requested Special Utility Vehicles to meet the demands of the Bureau's mission. The Chief of Police decided to utilize eight existing Special Utility Vehicles in the police department. In turn, the funding would be used to purchase eight new hybrid vehicles to be assigned to those employees who were relieved of their Special Utility Vehicles. These eight vehicles will be additions to the Police Department's fleet and assigned to various bureaus.

The acquisition and use of these vehicles in the police fleet is a new concept for law enforcement operations. It is the police department's intent to initiate a pilot program to determine the hybrid's environmental impact and acceptability for police service. A periodic review of these vehicles will be conducted approximately every six months utilizing fuel data and assigned driver evaluations.

Specifications were submitted and a bid was mailed to five hybrid dealers. Only one dealership responded and the sole bidder was Honda Motorwerks of LaCrosse, Wisconsin who bid the Honda Accord Hybrid. Local dealerships were supplied bidding documents but failed to respond. Toyota of Des Moines determined not to provide a proposal in lieu of Toyota Corporation management policy, which does not classify their compliant hybrid vehicle as a fleet vehicle. The Toyota fleet manager was also not confident in the delivery schedule

from Japan. Holmes Honda failed to provide a proposal as a result of miscommunication between the Honda fleet manager and upper management.

A cost comparison has been made between the Honda Accord Hybrid and a standard Ford Taurus. The purchase price of the hybrid is \$27,633 as compared to the Taurus at \$12,530. With respect to fuel efficiency, the hybrids are rated at 25% increased miles per gallon (MPG) than conventional gasoline engine sedans, with the EPA city/highway mileage at 20/27 for the Taurus and 25/34 for the hybrid. Considering a 5-year replacement cycle, a projected resale value of \$1,934 for the Taurus and \$9,154 for the hybrid, and 14,000 driving miles per year, the estimated cost of ownership is \$19,407 (\$.28 per mile) for the Taurus, and \$25,535 (\$.36 per mile) for the hybrid.

**PREVIOUS COUNCIL ACTION(S): NONE**

Date: July 24, 2006

Roll Call Number: 06-1497

Action: On Supplement No. B-6 to the Governmental Lease-Purchase Master Agreement with Banc of America Leasing & Capital, LLC, not to exceed \$208,000, for the lease-purchase of eight hybrid vehicles for the Police Department. (Council Communication No. 06-453) Moved by Vlassis to adopt. Motion Carried 7-0.

Date: March 6, 2006

Roll Call Number: 06-454

Action: On proposed Annual Budget for fiscal year ending June 30, 2007, and approving the Capital Improvements Program for fiscal years 2006-2007 to 2011-2012. (Council Communication No. 06-111) Moved by Coleman to adopt. Motion Carried 7-0.

**BOARD/COMMISSION ACTION(S): NONE**

Date:

Roll Call Action:

Action:

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**