

Council Communication

Office of the City Manager

Date May 18, 2009

Agenda Item No. 53C
Roll Call No. 09Communication No. 09-315

Submitted by: Merrill R. Stanley, Deputy City

Manager

AGENDA HEADING:

Approve purchase of six vehicles for the City's fleet.

SYNOPSIS:

Recommend Council approval to purchase six (6) vehicles for the City fleet in accordance with specifications of Bid No. V09-104 to the two low responsive bidders. Bids to be awarded to: Gabus Automotive Group dba Charles Gabus Ford, 4545 Merle Hay Road, Des Moines IA, 50310, Gene Gabus, President, in the amount of \$95,703.00.

G. L. Ankeny L.L.C. dba Dewey Ford (3055 SE Delaware Avenue, Ankeny, IA, 50021, John Garff, President) in the amount of \$115,377.00.

FISCAL IMPACT:

Amount: \$ 211,080.00

<u>Funding Source</u>: \$39,685.46 CMO010407, Equipment Replacement Fund, FY09 Operating Budget, page 89; \$96,279.55 PWK071000, Sanitary Sewer Maintenance, FY10 Operating Budget, page 258; \$75,114.99 PWK071600, Storm Sewer Maintenance, FY10 Operating Budget, page 268.

ADDITIONAL INFORMATION:

Bids were solicited for a total of eight (8) vehicles. Four (4) are additions to the fleet and will be used in the Sewers Enhanced Maintenance Program. The other four (4) are replacement vehicles for units meeting or exceeding established replacement criteria in the Police and Aviation departments and are smaller class vehicles with higher fuel efficiency than those being replaced. These four (4) small 4WD Ford Escapes SUVs will replace four (4) medium size 4WD Ford Explorer SUVs, resulting in a 31% increase in fuel efficiency. Bids for small hybrid SUVs were not solicited as the lifetime cost per mile from previous bids, including residual values, exceeded the projected costs of the same size conventional units based on 100,000 miles. Small SUV hybrids cost 39% more than conventional units on the February vehicle bids. Two of the replacement vehicles are assigned for use at the airport and funded by aviation. Bid documents included these two (2) vehicles for the Aviation Department, the award of which will be considered separately by their board.

Sixteen bids were mailed and responses were received from five (5) dealerships. The bids received are a result of Fleet Services initiated specification development with input from the user departments. This approach is consistent with Centralized Fleet Management to increase the utilization of replacement vehicles while reducing the environmental impact of the fleet's operation. The resulting bid award

recommendations were based on bidders meeting minimum specifications after a 1% allowance for local preference to determine low bid. The low bidder for item number 2, Stew Hanson Dodge City Jeep was not compliant in engine size; therefore it is recommended to award to the next lowest, Dewey Ford. The low bidder for item 4, Charles Gabus Ford was not compliant in meeting specifications for an aluminum truck box cover; therefore it is recommended to award to the next lowest compliant bidder, Dewey Ford.

As is the case with previous vehicle bid awards, the purchase of diesel powered work trucks are recommended to reduce fuel costs through increased efficiency over gasoline engines and to utilize Biodiesel in warm weather months.

A listing and description of low compliant bids that are recommended for award follows. Replaced vehicles will be auctioned at the State of Iowa vehicle auctions.

Bid Item #	Qty	Vehicle Description	Dept.	Bidder	Award Amount
1	2	Small 4WD SUV	PD	Gabus Ford	*\$39,685.46
2	1	Work Truck/Accessories	PWK	Dewey Ford	\$75,722.00
3	1	Work Truck/snow plow	PWK	Gabus Ford	*\$35,459.99
4	1	Work Truck/snow plow	PWK	Dewey Ford	\$39,655.00
5	1	Compact Pickup Truck	PWK	Gabus Ford	\$20,557.55

*1% local preference applies

As noted above, the City's local preference policy resulted in the purchase of three vehicles from City dealerships. The additional cost incurred totals \$289.45.

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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