



# Council Communication

Office of the City Manager

Date

August 10, 2009

Agenda Item No. 75

Roll Call No. 09-

Communication No. 09-547

Submitted by: Judy A. Bradshaw, Chief of Police

## AGENDA HEADING:

Award and Approval of G&S Services Incorporated for District 1 (West) and Crow's Auto Service as the Impound Towing Contractors for District 2 (East) in the City of Des Moines, Iowa in accordance with Bid V09-103.

## SYNOPSIS:

Recommend approval of G&S Services Inc. and Crow's Auto Services for the towing contracts for the City of Des Moines. The current Impound Towing Contracts with Owen Crist Auto Body and the Crow's Auto Service Company expired May 31, 2009. In an effort to maintain continual service to the City, a bidding process (V09-103) was initiated to identify qualified impound towing contractors for the City. Bidders were allowed to bid either District 1 (West) or District 2 (East) or both Districts 1 and 2. Bids were submitted by three qualified companies.

The compliant and most cost effective bid to the City of Des Moines is for G&S Services Incorporated to be awarded the impound towing contract for District 1 (West) and Crow's Auto Service the impound towing contract for District 2 (East). The term of these contracts is for thirty six months with two optional twelve month renewals. The Police Department recommends the City Council to approve this award to the recommended bidders.

## FISCAL IMPACT:

Amount: \$599,209

Funding Source: Recommended Operating Budget June 30, 2010, GE001, POL040400, 527560 page 229.

## ADDITIONAL INFORMATION:

The City of Des Moines currently utilizes two impound towing contractors. The contractors are Owen Crist Auto Body on the west side of the City and Crow's Auto Service on the east side of the City. The contracts negotiated with these companies expired on May 31, 2009.

In order to initiate a new contract the Purchasing Department in conjunction with the Police Department distributed specifications to qualified contractors in the City. Three contractors submitted bids to the City. The three contractors are G&S Services Incorporated, Crow's Auto Service and Owen Crist Auto Body Incorporated.

G&S Services bid both the west and east sides separately and the entire City. Crow's Auto Service bid both the west and east sides separately and the entire City. Owen Crist bid only the west side of the City.

Staff reviewed G&S Services Incorporated bid proposal and confirmed outside and inside storage space, inventory of equipment, number of driver's and required office space. Owen Crist and Crow's Auto Service were not re-visited since they are in compliance as the current contractors.

Since G&S Services submitted a new proposal, the company was visited twice by staff from the Office of Planning and Budget Section and the Property Management Section of the police department to confirm compliance with specifications. G&S Services had adequate outside storage for either District 1 or District 2 but not for both Districts.

Upon completion of the review of qualifications for each bid, expense formulas in the bidding document were utilized to determine the final low cost to the City. The formulas are based upon the average numbers of vehicles auctioned, vehicle storage days and number of estimated hours to clear the streets of parked vehicles in each district.

The formulas used to determine the estimated cost to the City are as follows:

**District 1 (West)**

Estimated vehicles auctioned in a year (1415) times bidder's city bid charge for first towing of a vehicle.

Estimated number of storage days before vehicle is sold (32) times bidder's city bid charge for storing a vehicle outdoors for 24 hours times estimated vehicles auctioned in a year (1415)

Estimated yearly hours to clear the streets of parked vehicles (50) times the bidder's city bid hourly charge to clear the streets of parked vehicles.

The sum total of these above three formulas is the estimated total cost to the City, which is compensated by the State of Iowa depending upon the actual prices received for each vehicle sold at auction.

**District 2 (East)**

Estimated vehicles auctioned in a year (1256) times bidder's city bid charge for first towing of a vehicle.

Estimated number of storage days before vehicle is sold (32) times bidder's city bid charge for storing a vehicle outdoors for 24 hours times Estimated vehicles auctioned in a year (1256)

Estimated yearly hours to clear the streets of parked vehicles (33) times the bidder's city bid hourly charge to clear the streets of parked vehicles.

The sum total of these above three formulas is the estimated total cost to the City, which is compensated by the State of Iowa depending upon the actual prices received for each vehicle sold at auction.

The results from the formula calculations and confirmation of equipment, storage space, office space and personnel of each bidder determined the low compliant bidders are G&S Services Incorporated at 4100 East 16<sup>th</sup> Street, Des Moines, Iowa, President Glen Mikel for District 1 (West) and Crow's Auto Service at 826 SE 21<sup>st</sup> Street, Des Moines, Iowa, President Randy Crow for District 2 (East).

Vendor cost comparisons:

<b>Vendor</b>	<b>District</b>	<b>Annual Cost</b>
G&S Services	1	316,380
Crow Auto Service	2	282,829
	Total	599,209
Crow Auto Service	1	319,210
G&S Services	2	280,317
	Total	599,527
Crow Auto Service	1	\$319,210
Crow Auto Service	2	\$282,829
	Total	\$602,039
Owen Crist	1	323,705
G&S Services	2	280,317
	Total	604,022
Owen Crist	1	323,705
Crow Auto Service	2	282,829
	Total	606,534

The low compliant bidders are G&S Services District 1 and Crow Auto Service in District 2. The City would pay the lowest dollar amount for impounded vehicles retained by the City.

During the evaluation stage of the recommendation process, Crow’s Auto Services Incorporated submitted an appeal contesting the proposal submitted by G&S Services. The appeal was reviewed by the City’s Finance Director and was denied.

**PREVIOUS COUNCIL ACTION(S):**

Date: July 9, 2007

Roll Call Number: 07-1351

Action: Approving bid from Crow Tow for impounded vehicle towing and storage for the Eastside district of the City. (Sixteen bids mailed, eight received.) (Council Communication No. 07-412

). Moved by Coleman to adopt. Motion Carried 6-1. Absent: Vlassis.

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

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

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