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|  <p style="text-align: center;">Council Communication Office of the City Manager</p> | Date: | November 17, 2014 |
| | Agenda Item No. | 50 |
| | Roll Call No. | <u>14-1811</u> |
| | Communication No. | <u>14-560</u> |
| | Submitted by: | Douglas M. Harvey, Chief of Police |

AGENDA HEADING:

Award of Impound Towing and Storage Contract to Crow’s Auto Services Incorporated located at 826 SE 21st Street, Des Moines, IA 50317, Randy Crow, President.

SYNOPSIS:

The present Impound Towing and Storage Contract with G&S Services will expire on December 31, 2014. A bidding process was initiated August 29, 2014 for bid (15-034) to identify qualified towing contractors within the City of Des Moines. Specifications were reviewed and approved by the City Council at the August 25, 2014 Council meeting. Nine (9) bid invitations were issued; however, only two (2) responses were received. One from Crow’s Auto Service (DBA Crow Tow) and G&S Services, Incorporated. This contract is for towing of impounded vehicles throughout the city for 36 months and renewable for two (2) additional 12 month periods.

On October 30, 2014, the Procurement Administrator issued a Notice of Intent to Award to the two responding vendors. The notice stated that Crow’s Auto Service (DBA Crow Tow) was the lowest compliant bidder in response to bid (15-034.) On October 31, 2014, the O’Bryan Law Firm, on behalf of G&S Services, Inc., submitted a Notice of Appeal for the intended award of Bid 15-034 to the Finance Director. The G&S Services, Inc. appeal included a number of issues to be addressed. Although G&S Services, Inc. acknowledged Crow Tow as the lower cost bid, they felt that this should not be the only determining factor to awarding the towing contract. The appeal was reviewed carefully by the Finance Director and each issue of the appeal was addressed. The decision stated that Crow Tow is the lowest compliant bidder and the appeal was denied.

FISCAL IMPACT:

Amount: \$50,000

The value of the contract between the City of Des Moines and Crow’s Auto Services Incorporated is estimated to be up to \$325,000, but with the consideration of the revenue the City receives from the auction proceeds of some vehicles along with the State of Iowa, the net expense attributable to the Police Department budget will be up to \$50,000 per year. These expenses are expected and budgeted in the current Fiscal Year (FY) 2015 adopted budget.

Funding Source: PD222374 527560 Recommended Budget Department Detail 2014-15, page 193

ADDITIONAL INFORMATION:

The pending expiration of the Impound Towing Contract in December 2014 generated a bidding process. The invitation to bid (15-034) was distributed to nine (9) towing companies which resulted in two companies, G&S Services and Crow's Auto Services Incorporated, each submitting their bid. Both companies met the established requirements in the specifications which Council had approved previously at the August 25, 2014 meeting. A detailed analysis of prices provided by each company were tallied which demonstrated Crow's Auto Service Incorporated as the lowest compliant bidder.

The Procurement Administrator sent Notices of Intent to Award to both bidders on October 30, 2014. The O'Bryan Law Firm, on behalf of G&S Service, Inc., filed an appeal dated October 31, 2014 with the Finance Director. The appeal listed a number of issues that G&S Services felt should be taken into consideration before the bid was awarded. G&S Service, Inc. acknowledged that Crow Tow had submitted a lower cost bid but they felt that this should not be the determining factor for the award of the contract. Other concerns included Crow Tow's subcontracting services, eligibility of drivers, economical failure of Crow Tow, and the less secure parking lot at Crow Tow's establishment. All concerns were addressed by the Finance Director in his review of the appeal. To address the speculation concerning the economical failure of Crow Tow, the bid document section 2.7 states that failure to comply with the contract specifications may result in suspension or termination of the contract which would be a remedy for non-compliance if it occurs. The decision rendered at the conclusion of the appeal stated that Crow Tow is the lowest compliant bidder, the appeal was denied.

The weighted comparison between G&S and Crow's Auto Services, Incorporated is attached to the roll call.

PREVIOUS COUNCIL ACTION(S):

Date: August 25, 2014

Roll Call Number: [14-1307](#)

Action: [Bid](#) specifications from the Police Department and permission to solicit bids for an agreement to furnish impounded vehicle towing and storage service for the entire City for an initial term of thirty-six months with two one-year renewal options, estimated annual cost \$50,000. ([Council Communication No. 14-417](#)) Moved by Hensley to adopt. Motion Carried 7-0.

Date: November 9, 2009

Roll Call Number: [09-2066](#)

Action: Consideration of appeal by Crow's Auto Service, Inc. on Finance Director's decision to award impound towing and storage contract bid to G & S Service, Inc. and award of bid to the following:

- (A) [ALTERNATE](#) 1 – Accepting Finance Director's decision on appeal of bid award recommendation for impound towing and storage contract to G & S Service, Inc. and approving award of contract to G & S Service, Inc. ([Council Communication No. 09-795](#)) Moved by Mahaffey to adopt; refer to the City Manager to monitor performance measures and complaints, and to provide a report prior to renewal of the contract. Any serious issues will come to Council immediately. Motion Carried 5-1-1. Nays: Vlassis. Absent: Kiernan.

Date: August 24, 2009

Roll Call Number: [09-1603](#)

Action: [Rejection](#) of impounded vehicle towing and storage bids and directing Procurement Administrator to reissue invitation to bid with revised bid specifications. ([Council Communication No. 09-613](#)) Moved by Vlassis to adopt and expedite the process if possible. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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