

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date:	April 20, 2015
	Agenda Item No.	27D
	Roll Call No.	<u>15-0668</u>
	Communication No.	<u>15-211</u>
	Submitted by:	Carl Metzger, Deputy City Manger

AGENDA HEADING:

Approving the purchase of replacement vehicles for various City departments.

SYNOPSIS:

Recommend approval of the purchase of 47 vehicles for the City’s fleet in accordance with specifications of Bid No. V15-086 to the low responsive bidders or from State of Iowa, vehicle purchasing contracts as follows:

- Stew Hanson Dodge City, 12103 Hickman Road, Des Moines, IA 50323 (Dan Boetcher, General Manager) in the amount of \$163, 199.00 for low responsive bids and State Contract purchase;
- Charles Gabus Ford, 4545 Merle Hay Road, Des Moines, Iowa 50310 (Gene Gabus, President) in the amount of \$225,322.00 for low responsive bid and State Contract purchases;
- Bob Brown Chevrolet, 3600 111th Street Urbandale, Iowa 50322 (Ron Brown, Owner) in the amount of \$52,498.71 for low responsive bid; and
- Stivers Ford, 1450 E. Hickman Road, Waukee, Iowa 50263 (Scott Politte, General Manager) in the amount of \$841,642.00 for low responsive bids.

FISCAL IMPACT:

Amount: \$1,282,661.71

Funding Source: \$957,475.00 Equipment Replacement Fund IS201 CM024021 page \$325,186.71 from 55% PW247411/ Sanitary Sewer Maintenance, Fiscal Year (FY) 2014/15 operating budget, page 221. 45% PW247413 Storm Sewer Maintenance, FY2014/15 page 230.

ADDITIONAL INFORMATION:

Bids were solicited to replace vehicles in the City fleet that meet or exceed established replacement criteria and approved for replacement by the Fleet Oversight Committee. Low responsive bids were compared to State of Iowa contracts and the least cost award is being recommended. Non-responding dealers were contacted to determine why they did not bid. Reasons include:

- Individual policy decisions not to compete with awarded State of Iowa Contract holders as the holders are afforded manufacturer discounts for State Contracts that are not available to all dealerships;
- Discontinued manufactures discounts for governmental and municipal sales;
- One (1) non-responding dealer does not possess an Iowa Motor Vehicle license for new vehicles sales; and

- Bid documents were not routed to the proper staff within the dealership.

Fleet staff will continue to evaluate potential improvements in the bidding process to generate the maximum number of bidders responding to solicitations.

Recommendation to award Items 1b, 2, 3, 4, and 5 are to the low compliant bidder as identified in the bid tabulation. The recommendation for item 1b is for Police Patrol SUVs in lieu of sedans. In the applicable vehicle classes for items 6, 7, 8, and 8a of mid-size sedans, hybrid sedans, compact pickup trucks, and standard pickup trucks, bids are evaluated by analyzing the city fuel economy ratings (estimated MPG) and bid prices to calculate the cost of owning and fueling the vehicle for an anticipated 100,000 mile use. The least cost option as determined by the purchase cost and fuel cost for 100,000 miles is then recommended. The recommendation of award for item 6 is for conventional sedans in lieu of hybrid sedans for Police Department Vice Narcotics Division use. Items 6 and 7 are recommended to be purchased from the State of Iowa contracts as a lower cost alternative to competitive bids. Award of items 9,10,11,12, and 13 are recommended to the low compliant bidders. Item 14 is recommended to be purchased from the State of Iowa contract at a savings compared to the single competitive bid response. Award of item 15 is recommended to the low bidder.

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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