


COUNCIL COMMUNICATION

	Number:	21-526	Meeting:	December 6, 2021
	Agenda Item:	49	Roll Call:	21-1840
	Submitted by:	Nickolas Schaul, Finance Director		

AGENDA HEADING:

Approving the purchase of replacement and additional vehicles for use in various City departments.

SYNOPSIS:

Recommend the approval to purchase 20 replacement and three (3) additional vehicles for the fleet by use in various City departments utilizing various State of Iowa Department of Administrative Services (DAS) purchases contracts as described below:

- Twelve (12) vehicles including nine (9) one-quarter-ton compact pickup trucks, three (3) compact SUVs as per State of Iowa contract number MA 21150 from Dewey Ford (3055 SW Delaware, Ankeny, Iowa 50021, Dan Boettcher, General Manager), in the amount of \$322,214.40.
- Eleven (11) vehicles including four (4) half-ton special service vehicle pickup trucks, as per State of Iowa DAS contract number 22080, three (3) one-ton pickup trucks, two (2) three-quarter-ton pickup trucks, and two (2) minivans, as per State of Iowa contract number MA 21146 from Stew Hansen Dodge City (12103 Hickman Road, Des Moines, IA 50323, Dan Boettcher, General Manager), in the amount of \$400,780.

FISCAL IMPACT:

Amount: \$722,994.40

Funding Source: 2021-2022 Operating Budget, Page 81, I201 Equipment Replacement.

ADDITIONAL INFORMATION:

- Vehicles in various City department fleets were identified that meet or exceed established replacement criteria and approved for replacement by the Fleet Oversight Committee (FOC) in a multi-year plan. New vehicle classes were matched to the same vehicle class as the existing units being replaced, and any upgraded classes or additions were approved by the FOC.
- Delayed pricing, ordering and production of new vehicles has increased market pressures resulting in decreased availability and increased contract costs for 2022 model years. Selections are limited for government fleet purchases and some adjustments were made in vehicle classes to obtain availability of replacement and new additions to the fleet.

- Due to market conditions, the typical one-half-ton pickup increased in cost by \$9,000 per unit from the previous model year. To reduce the negative budget impact of the increase, the lower costing one-quarter-ton compact pickup trucks are recommended. Although there is an all-EV half-ton pickup truck available for consumer ordering, there is not current availability for a government fleet commercial specification model. Also, cost, ordering, and production are not known for model 2022 EV pickup trucks.
- As a second 5-year purchase plan is developed for fiscal years (FY) 2024-2028, known costs of market available EVs will be included in life cycle costs of ownership analyses for replacement and additional vehicles in the City fleet.
- Bid responses to previous annual vehicle bid solicitations continued to diminish as in previous years. Based on responses from area commercial fleet managers of vehicle dealerships the reasons for reduced responses include:
 - Individual policy decisions not to compete with awarded State of Iowa Contract holders as the contract holders are afforded manufacturer discounts for State Contracts that are not available to all dealerships.
 - Discontinued manufacturer's discounts for governmental and municipal sales.
 - Multiple dealerships under the same owner will not submit bids for competing product brands.
 - Requirement for bidding dealers to source specialized up fitting of service bodies and vehicle accessories that cannot be performed at their respective dealerships.
- Vehicles meeting specifications necessary to deliver City services are available from various State of Iowa DAS vehicle purchasing contracts. Therefore, the recommendation is to award the purchase of vehicles to the respective State of Iowa contract holders as indicated.

PREVIOUS COUNCIL ACTION(S):

Date: July 19, 2021

Roll Call Number: [21-1139](#)

Action: Purchasing from the following:

- (B) [Stivers](#) Ford (Scott Politte, General Manager) for eleven (11) vehicles including eight (8) Ford Utility Interceptors SUVs, one (1) Ford Utility Interceptor and one (1) ½ ton pickup up truck SSA (\$349,525.50), Dewey Ford (Dan Boettcher, General Manager) for five (5) vehicles including two (2) Compact SUVs and three (3) one-ton pickup truck cab and chassis (\$171,263.14), Karl Chevrolet (Carl Moyer, Owner) for one (1) Full Size SUV (\$26,957) and Stew Hansen Dodge City (Dan Boettcher, General Manager) for one (1) large SUV PPV (\$64,206.96) per various State of Iowa Department of Administrative Services (DAS) Purchasing Contracts for use by the Public Works, Police and Fire Departments, total amount \$611,952.10. ([Council Communication No. 21-307](#)) Moved by Mandelbaum to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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