


## COUNCIL COMMUNICATION

 CITY OF DES MOINES OFFICE OF THE CITY MANAGER	Number: <b>22-324</b>	Meeting: <b>July 18, 2022</b>
	Agenda Item: <b>46</b>	Roll Call: <b>22-1164</b>
	Submitted by: <b>Nickolas Schaul, Finance Director</b>	

### AGENDA HEADING:

Authorizing the City Manager to approve the purchase of up to 40 vehicles for use in various City departments.

### SYNOPSIS:

Recommend authorizing the City Manager to approve the purchase of up to 40 vehicles for use in various City departments for fiscal year (FY) 2022-2023 utilizing various State of Iowa Department of Administrative Services and other approved procurement contracts from identified contract holders at such time vehicle model year 2023 pricing and ordering is available.

### FISCAL IMPACT:

Amount: Not to exceed \$1,700,000.

Funding Source: 2022-2023 Operating Budget, page 88, I201 Equipment Replacement.

### ADDITIONAL INFORMATION:

- Typically, individual vehicle purchase recommendations are made for award to specific individual contract holders after current model year pricing and ordering is available. Due to the current state of vehicle manufacturing resulting in continued production delays, current model year contract pricing is not available. The total estimated fiscal impact is calculated by assessing an inflationary factor and loss of government incentives for each class of replacement vehicles.
- It is not known when order banks for the new 2023 model year will be available for government fleet purchasing. The order times will be severely condensed and may not coincide with future schedule City Council meetings to recommend awards in a timely manner prior to the close of order banks for contract holders. Based on industry information, it is anticipated most manufacturers will not offer government fleet incentives or prioritize government fleet orders. Some manufacturers have indicated that government fleet order banks may open during August or September. Therefore, it is staff recommendation to authorize the City Manager to approve purchases of vehicles at the time pricing and ordering becomes available.

- The annual replacements and approved additions to the City's fleet of vehicles has been identified and approved for purchase by the Fleet Oversight Committee for vehicle model year 2023. The various classes of 40 vehicles intended for purchase include: One-ton cab and chassis; three-quarter ton, half-ton, and one-quarter ton compact pickup trucks; one-ton passenger and cargo vans; compact SUVs; and mid-sized sedans.
- None of the identified and recommended vehicle class replacements are suited for evaluation as an all-electric vehicle (EV). The production models of the half ton EV pickups on the market is limited to dealer allocation of special consumer orders with enhanced options and not acceptable for commercial fleet operations. The compact SUVs and mid-sized sedans will be placed in the Police Department that require unmarked vehicles to fit into undercover operations and appear like typical civilian vehicles. However, two (2) EV sedans are recommended for the same application under a separate hearing item for lease purchase.

**PREVIOUS COUNCIL ACTION(S):**

Date: December 6, 2021

Roll Call Number: [21-1840](#)

Action: Purchases from the following:

- (B) [Dewey Ford](#) (Dan Boettcher, General Manager) for twelve (12) vehicles including nine (9) one-quarter-ton compact pickup trucks, and three (3) compact SUVs, \$322,214.40 and from Stew Hansen Dodge City (Dan Boettcher, General Manager) for eleven (11) vehicles including four (4) half-ton special service vehicle pickup trucks, three (3) oneton pickup trucks, two (2) three-quarter-ton pickup trucks, and two (2) minivans, \$400,780 as per State of Iowa contract for use in various City departments, total \$722,994.40. ([Council Communication No. 21-526](#)) Moved by Gatto to adopt. Motion Carried 7-0.

**BOARD/COMMISSION ACTION(S): NONE****ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

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