TO: Mayor Shaun Sipma  
Members of the City Council
FROM: Jason Sorenson, Asst. Director of Public Works
DATE: January 24, 2022
SUBJECT: BID FOR PICKUPS (PROJECT NUMBER 4635)

I. RECOMMENDED ACTION

1. Recommend council award the bid to Westlie Motor Company as follows:
   - Street Department  (2) ¾-ton 4x4 extended cab $91,000.00
   - Sewer Department  ½-ton 4x4 supercab $47,030.00
   - Sewer Department  ½-ton 4x4 extended cab $44,685.00
   - Water Department  (3) ¾-ton 4x4 extended cab with service body $198,765.00
   - Storm Sewer       1-ton 4x4 regular cab with service body $61,735.00

2. Recommend council approve the budget amendments for each department to cover the shortfall.

II. DEPARTMENT CONTACT PERSONS

   Dan Jonasson, Director of Public Works  857-4140
   Jason Sorenson, Assistant Director of Public Works  857-4140

III. DESCRIPTION

   A. Background
      On January 4, 2022, the Public Works Department opened bids for pickups for multiple departments. One bid was received, and it is as follows:

<table>
<thead>
<tr>
<th>Westlie Motor Company</th>
<th>Make/Model</th>
<th>Bid Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>(2) ¾-ton 4x4 extended cab</td>
<td>Ford F250</td>
<td>$91,000.00</td>
</tr>
<tr>
<td>½-ton 4x4 supercab</td>
<td>Ford F150</td>
<td>$47,030.00</td>
</tr>
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<td>(3) ¾-ton 4x4 extended cab with service body</td>
<td>Ford F250</td>
<td>$198,765.00</td>
</tr>
<tr>
<td>1-ton 4x4 regular cab with service body</td>
<td>Ford F350</td>
<td>$61,735.00</td>
</tr>
</tbody>
</table>

   The vehicles bid meet or exceed the specifications for the project.

   B. Proposed Project
      The proposed vehicle bids came in much higher than anticipated. This is mainly due to major automakers not offering orders for government fleet vehicles. The government fleet discount was typically in the $6,000-$8,000 range per vehicle.

   C. Consultant Selection
      N/A
IV. IMPACT:

A. Strategic Impact:
The vehicles that were bid are part of regular vehicle replacement. Most of the vehicles will be replacing 15+ year old pickups. Others will add vehicles for new personnel.

B. Service/Delivery Impact:
Having new vehicles in the fleet reduces maintenance costs associated with older high mileage vehicles. This keeps crews out working without having to deal with breakdowns.

C. Fiscal Impact:

<table>
<thead>
<tr>
<th>Project Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department</td>
</tr>
<tr>
<td>Street Department</td>
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<tr>
<td>Sewer Department</td>
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**Project Funding**
The Water and Storm Sewer Departments have had capital purchases that came in under the amount budgeted. It is recommended the budget shortfalls come from excess capital purchase funds or from cash reserves in each respective department.

V. ALTERNATIVES

Alt 1. The Council could elect to reject bids for now and rebid toward the end of the year. There is now indication bid climate will be any better by waiting.

Alt 2. The City Council could elect to not purchase some of the vehicles such that the overall purchase price is within budget. This will mean older pickups will remain in the fleet for another year with the higher maintenance responsibilities.

VI. TIME CONSTRAINTS
F250s and F350s are considered a super duty pickup. Demand for these types of vehicles has been high in recent years. Orders are filled on a first come first serve basis. Waiting could result in missing a deadline to order a 2022 model year and having to wait until 2023s are available.

VII. LIST OF ATTACHMENTS
1. Budget amendments