Chandler · Arizona Where Values Make The Difference	**PURCHASING ITEM FOR COUNCIL AGENDA Memo No. MUA15-056**	**1. Agenda Item Number**: 31 **2. Council Meeting Date**: January 22, 2015

TO:	**MAYOR & COUNCIL**	**3. Date Prepared**: January 7, 2015	
THROUGH:	**CITY MANAGER**	**4. Requesting Department**: Municipal Utilities	

5. SUBJECT: Purchase of Vehicles from State of Arizona Contract

6. RECOMMENDATION: Staff recommends City Council approve the utilization of the State of Arizona contract, for the purchase of one vehicle from Midway Chevrolet, in the amount of $26,382.55, and ten vehicles from Sanderson Ford, in the amount of $298,662.91, for a total amount of $325,045.46.

7. HISTORICAL BACKGROUND/DISCUSSION: To reduce delivery time, the requested vehicles have been recommended for purchase or replacement by the Fleet Advisory Committee, through the State of Arizona contract. The Committee reviews mileage, years of service, reliability, maintenance history, and forecasted ability to meet service requirements.

The Airport Water Reclamation Facility (AWRF) is requesting three new vehicles for positions appropriated in the FY 2014-15 Adopted Budget. Due to industrial growth, these positions were added as part of the seven million gallons per day expansion to the AWRF.

In addition to these new vehicles, a heavy duty utility truck purchased in 1994 was an active reserve vehicle and repurposed. As an active reserve vehicle, it was removed from the Vehicle Replacement Program. Fleet Services Staff determined this vehicle was unsafe to drive, and parts could no longer be obtained to repair it. It has been placed on the auction line, and needs to be replaced.

On July 1, 2015, City Staff will commence operations of the Ocotillo Water Reclamation Facility. In order to prepare for operations at this facility, seven new vehicles need to be purchased.

8. EVALUATION PROCESS: This purchase of eleven vehicles includes one half ton pickup truck, one cargo van, and nine heavy duty utility trucks. Before recommending the use of the State contract, Staff evaluated order lead times and the need for up-fitting services for the vehicles.

The use of the State contract is recommended for this purchase to reduce order lead time, and for the ability to work with the vendors under the State contract for up-fitting requirements of the heavy duty trucks. Staff requested State Contract prices from Ford, General Motors, and Dodge dealers. Staff is recommending purchase from the lowest price dealer in each category.

9. FINANCIAL IMPLICATIONS:

Costs: $325,045.45
Savings: N/A
Long Term Costs: N/A

Fund Source:

Acct. No.:	Fund Name:	Program Name:	CIP Funded:	Amount:
615.3960.0000.6310	Wastewater Operating	Motor Vehicles	No	$118,014.07
615.3970.0000.6310	Wastewater Operating	Motor Vehicles	No	$207,031.39
			Total:	$325,045.46

10. PROPOSED MOTION: Move City Council approve the utilization of the State of Arizona contract, for the purchase of one vehicle from Midway Chevrolet, in the amount of $26,382.55, and ten vehicles from Sanderson Ford, in the amount of $298,662.91, for a total amount of $325,045.46.

APPROVALS	
11. Requesting Department Lexie Rosenfield, Utilities Administrator	**12. Department Head** Dave Siegel, Municipal Utilities Director
13. Procurement Officer Mike Mandt, CPPB	**14. City Manager** Rich Dlugas

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