



# Memorandum

**Date:** July 3, 2019  
**To:** Mark D. Israelson, City Manager  
**From:** Gerald Cosgrove, P.E., Director of Public Works  
**Subject:** Utility Vans Purchase Recommendation

It is the recommendation of Fleet Services to purchase three (3) utility vans in the amount of \$100,414.00 from Reliable Chevrolet, and two (2) utility vans in the amount of \$48,450.00 from Caldwell Country Chevrolet, the lowest responsive, responsible bidders from Solicitation 2019-0443-B.

Four (4) units are scheduled replacements from Capital Outlay FY18-19 of units 06393 and 07393 Van, 1 Ton, Utility in Cost Center 352 Facilities Maintenance and units 04390 Van, ¼ Ton, Utility and 07392 Van, 1 Ton, Utility in Cost Center 353 Facilities Services. One (1) unit is an unforeseen, unscheduled, emergency replacement of Unit 06394 Van, 1 Ton, Utility in Cost Center 352 Facilities Maintenance. The current unit has reached the end of its useful life and experienced major mechanical error with estimated repair costs in excess of \$4,000.00. Due to operational demands, it is necessary to purchase at this time.

The purchase of the utility vans is necessary for the following reasons:

1. These units are essential to Facilities Maintenance and Facilities Services daily operations and are required to maintain current service levels.
2. The old units are in need of replacement. The determination for the need of replacement is based on age, usage, maintenance cost, and re-sale value. Based on these criteria, Fleet Services recommends the replacement of the above units.
3. If these units are not replaced, we will incur additional maintenance costs and the salvage value will be greatly depreciated. In addition, the older, aging units will limit the users' ability to perform their duties because of increased breakdowns and additional downtime for repairs.