



**TO:** Board of Contracts and Awards  
**FROM:** Paul Hanna, Assistant Division Manager, Fleet Services  
Kurtis D. Kingsolver, P.E., Public Works Director/City Engineer *JK*  
**COPY:** City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator, and  
Richelle Krienke, Finance/Purchasing  
**SUBJECT:** Purchase New Ford Vehicles, Washington State Contract No. 05916 – October 24, 2017  
**DATE:** October 2, 2017

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**SUMMARY:**

The Public Works Department requests approval to increase Contract No. 4600012874 with Columbia Ford Hyundai, Inc., Longview, WA, by \$2,300,000, plus applicable sales tax, budgeted from the Fleet Equipment Rental Fund 5400-CAPTL, for the purchase of various new vehicles planned for replacement in 2018, for a cumulative amount of \$3,960,699.

**STRATEGIC POLICY PRIORITY:**

- Strengthen and support a safe city with healthy residents.
- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

The contract supports public safety and will replace vehicles that are beyond their useful life and no longer feasible to maintain as well as provide new vehicles for programs approved in the 2017/2018 biennium budget.

**BACKGROUND:**

**ISSUE:** This purchase will replace vehicles that are no longer cost effective to maintain and keep in service and provide new vehicles for programs approved in the 2017/2018 biennium budget.

**ALTERNATIVES:** The alternative course of action would be to delay the proposed purchases. Delaying will increase the current maintenance costs for General Government Fleet customers as well as increase the risk that aging vehicles will become unreliable.

**COMPETITIVE SOLICITATION:** Washington State Contract No. 05916 was competitively solicited and includes the vehicles to be purchased. The current contract term is valid through January 5, 2021, with a final end date of January 5, 2025. Through an interlocal cooperative purchasing agreement the City of Tacoma will purchase the vehicles at the prices, terms, and conditions of the State contract. The ability to participate in cooperative purchasing through the State contract provides the City increased savings by pooling resources to leverage the market through volume discounts.

**CONTRACT HISTORY:** This contract was originally awarded to Columbia Ford Hyundai, Inc. as a result of Resolution No. 39686 adopted on March 28, 2017, in the amount of \$1,660,669 plus applicable sales tax. The increase will bring the contract to a cumulative amount of \$3,960,699 plus applicable sales tax.

**SUSTAINABILITY:** The State of Washington models sustainable business practices that contribute to the long-term protection and enhancement of our environment, our economy and the health of current



and future generations. In addition to the State of Washington’s sustainability practices, this purchase will replace vehicles that have exceeded their life cycle with higher efficiency Ford vehicles.

SBE/LEAP COMPLIANCE: Not applicable.

**RECOMMENDATION:**

The Public Works Department requests approval to increase Contract No. 4600012874 with Columbia Ford Hyundai, Inc., Longview, WA, by \$2,300,000, plus applicable sales tax, budgeted from the Fleet Equipment Rental Fund 5400-CAPTL, for the purchase of various new vehicles planned for replacement in 2018, for a cumulative amount of \$3,960,699.

**FISCAL IMPACT:**

**EXPENDITURES:**

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Fleet Equipment Rental Capital Fund 5400-CAPTL	467000	5641500	\$2,300,000
<b>TOTAL</b>			<b>\$2,300,000</b>

\* General Fund: Include Department

**REVENUES:**

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Fleet Equipment Rental Capital Fund 5400-CAPTL	467000	4345240	\$2,300,000
<b>TOTAL</b>			<b>\$2,300,000</b>

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$2,300,000**

**ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes**

**IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED. N/A**

FINANCE PURCHASING

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