

MEETING DATE: February 25, 2016

TITLE: Authorization to Purchase a 2016 Jeep Cherokee for the District Fleet from the State of Minnesota Cooperative Purchasing Venture

RESOLUTION NUMBER: 16-XXX

PREPARED BY: Kelly Dooley, on behalf of the Vehicle Committee

E-MAIL: kdooley@minnehahacreek.org

TELEPHONE: 952-641-4515

REVIEWED BY: Administrator Counsel Program Mgr. (Name): Craig Dawson
 Board Committee Engineer Other: Yvette Christianson, Laura Domyancich, Dave Mandt, Eric Fieldseth, and Katherine Sylvia

WORKSHOP ACTION:

<input checked="" type="checkbox"/> Advance to Board mtg. Consent Agenda.	<input type="checkbox"/> Advance to Board meeting for discussion prior to action.
<input type="checkbox"/> Refer to a future workshop (date): _____	<input type="checkbox"/> Refer to taskforce or committee (date): _____
<input type="checkbox"/> Return to staff for additional work.	<input type="checkbox"/> No further action requested.
<input type="checkbox"/> Other (specify):	

PURPOSE or ACTION REQUESTED:

Authorization for the District Administrator to purchase a 2016 Jeep Cherokee for the District Vehicle Fleet under the State of Minnesota Cooperative Purchasing Venture for a total cost including tax not to exceed \$26,000. Staff recommends that the Board of Mangers advance the resolution to the Board Meeting consent agenda on February 25, 2016.

PROJECT/PROGRAM LOCATION:

For the District Fleet.

PROJECT TIMELINE:

The State Cooperative Purchasing Program selected vendor has indicated that a vehicle would be delivered 90 days after the order.

PROJECT/PROGRAM COST:

Fund name and number: Water Quality Program (500-5001-XXXX)

2016 budget: \$0
2015 carryover: \$26,000 out of \$117,000 (est.) from the Research and Monitoring Department carryover is proposed to be used for the vehicle purchase

Requested amount of funding: \$25,489.56

Is a budget amendment requested? No.

Is additional staff requested? No.

PAST BOARD ACTIONS:

December 16, 2004 – Board approved the authorization to purchase Ford Escape

August 20, 2009 – Board approved the authorization to purchase a new Lake Water Quality Monitoring Vehicle (Ford Escape) to take advantage of the Federal 'Cash for Clunkers' Program

February 27, 2014 – Board approved the authorization to purchase a Ford Escape from the State of Minnesota Cooperative Purchase Venture

SUMMARY:

In 2010, the District entered into the State of Minnesota Cooperative Purchasing Venture. One of the primary purposes of the program is to simplify purchasing by government agencies. This is accomplished by the State publicly bidding various items annually to determine an approved vendor, compliance with public bidding laws as well as a fair price due to the volume of purchases by program participants. The District replaced two Ford Blazers with two Ford Escapes, and purchased a Ford F-150 truck through the Cooperative Purchasing Venture. The District Fleet has only increased by one vehicle since 2013, which is now comprised of three Ford Escapes, Ford Ranger and Ford F-150 truck.

In 2015, staff formed a vehicle committee comprised of representatives from all departments that regularly use the District fleet. The vehicle committee's purpose was to discuss and resolve all issues related to the District fleet. Besides deciding to consolidate vehicle funds under a general operations fund, the committee also assessed the use and the condition of the District fleet in 2015. The current protocol for considering upgrading a District vehicle is 10 years or over 100,000 miles. The committee found that there was a need to expand and diversify the District Fleet due to two factors: age and condition of two the vehicles and an increased need for vehicles.

Vehicle Age and Condition Analysis Protocol

The City of Minnetonka's Public Works (MPW) maintains and assists in evaluating the condition of the District fleet. The 2001 Ford Ranger and 2005 Ford Escape are both over ten years old. The Ranger has about 70,000 miles and is a manual transmission. Very few staff know how to drive the Ranger. In addition, the Ranger has several issues preventing it from being operational. The 2005 Escape has over 100,000 miles, but needs about \$3000 worth of maintenance/repairs.

MPW mechanics would not provide a recommendation for keeping or replacing the Escape and Ranger. Both vehicles may last another 5 years or may have multiple mechanical issues over the next year and need to be traded-in. Both the Ranger and the Escape are worth an estimated \$1700-2000 each. The remaining vehicles are less than six years old and are in great condition.

Need/Use of Vehicles

Four programs at the District routinely drive vehicles in the District fleet. Inspections, monitoring, hauling equipment and project maintenance are the main tasks conducted with the District fleet. A majority of the fleet often goes on trails and/or dirt roads in the western parts of the watershed; therefore, four-wheel-drive (4WD) is essential.

The District fleet is currently comprised of five vehicles, with only four being operational. The greatest need is for 4WD vehicles. F-150 truck is too big for the need of conducting inspections, but perfect for project maintenance and/or monitoring. Small SUVs or economy vehicles are better suited for inspections.

Vehicle Committee's 2016-2017 Vehicle Plan

The Water Quality Program has unanticipated carry forward funds that could be available to purchase a vehicle. The vehicle committee revisited the opportunity to configure the District's fleet. The committee believes the unanticipated carry forward funds would be a prudent one-time use for vehicle purchase.

The vehicle committee decided to recommend the purchase of a new vehicle, repair the 2005 Escape, and assess fixing the 2001 Ranger. For the 2005 Escape, the vehicle committee believed it was worth fixing if the vehicle had reduced wear/tear. The committee pulled the 2005 Escape from boat towing duties and now it will be primarily used for inspections or attending meetings. This rearrangement of the fleet reduces the immediate need to purchase an economy car; however, increases the need for another 4WD vehicle for boat towing/monitoring. For the Ranger, if fixed, then the O/M program would drive the Ranger, as they have staff who drive manual transmission vehicles. If not fixed, the Ranger would be traded-in for a new vehicle in 2017.

The vehicle committee determined that a 4WD, small sport utility vehicle would best to meet the needs of the District after carefully discussing the following requirements: types of historical usage by staff, year round driving in all types of weather, the conditions of the sites accessed by staff, and the equipment hauled by staff.

The State Cooperative Purchasing Venture identified Nelson Auto Center as the vendor for 2016. After looking over the list of available 4WD vehicles, staff test drove several from the list. Staff decided on the 2016 Jeep Cherokee 4WD Sport. The features, capacity and ability to handle the terrain makes the Jeep Cherokee an appropriate District fleet vehicle. The Jeep Cherokee is slightly smaller and less expensive than a Ford Escape. The base price for the Jeep Cherokee through the Cooperative Purchasing Venture was \$440 less than the base price for the Ford Escape.

The total cost of the 2016 Jeep Cherokee 4WD Sport through Nelson Auto Center is \$25,489.56 (including tax). The manufactured suggested retail for the 2016 Jeep Cherokee 4WD Sport is about \$26,945 plus tax and \$27,050 plus tax for the 2016 Ford Escape 4WD.

The 2016 Jeep Cherokee will have a black exterior, so the appearance of the vehicle will fit in with the rest of the fleet. Also, staff will have the District logo, name and other pertinent information decal on the exterior of the vehicle after purchase (about \$260.00).

RECOMMENDATION:

Staff recommends that the Board of Managers advance the resolution to authorize the purchase of the 2016 Jeep Cherokee to the Board Meeting consent agenda on February 25, 2016.

RESOLUTION

RESOLUTION NUMBER: 16-XXX

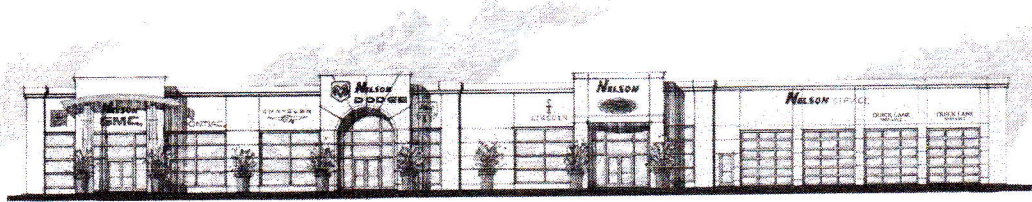
TITLE: Authorization to Purchase a 2016 Jeep Cherokee for the District Fleet from the State of Minnesota Cooperative Purchasing Venture

- WHEREAS, the District is a member in the State of Minnesota Cooperative Purchasing Venture; and
- WHEREAS, the District has replaced two Ford Blazers with two Ford Escapes and purchased a Ford F-150 truck through the Cooperative Purchasing Venture; and
- WHEREAS, staff formed a vehicle committee comprised of representatives from all departments that regularly use the District fleet. The vehicle committee's purpose was to discuss and resolve all issues related to the District fleet; and
- WHEREAS, the vehicle committee has identified a need to expand the District Fleet due to two factors: age and condition of two the current vehicles and an increased need for more vehicles; and
- WHEREAS, the vehicle committee has decided that about \$26,000 of the 2015 carried forward funds will go towards the purchase of a new vehicle; and
- WHEREAS, the vehicle committee determined that a four-wheel-drive, small sport-utility vehicle would best to meet the needs of the District; and
- WHEREAS, Nelson Auto Center was awarded the 2016 vendor for the State of Minnesota Cooperative Purchasing Venture; and
- WHEREAS, Nelson Auto Center has provided a quote for a 2016 Jeep Cherokee 4WD Sport with the total cost including tax to be \$25,489.56; and

NOW, THEREFORE, BE IT RESOLVED that the Minnehaha Creek Watershed District Board of Managers authorize the District Administrator to purchase a 2016 Jeep Cherokee for the District Fleet from Nelson Auto Center for the total cost including taxes not to exceed \$26,000.

Resolution Number 16-XXX was moved by Manager _____, seconded by Manager _____.
Motion to adopt the resolution ___ ayes, ___ nays, ___ abstentions. Date: _____.

Secretary Date: _____



Fleet Department

2228 College Way • PO Box 338 • Fergus Falls, MN 56538-0338
218-998-8864 • 800-477-3013 Ext. 8864 • Fax 218-998-8813 • www.nelsonfergusfalls.com

VEHICLE QUOTE NUMBER MCWD KLJL74

Sold To: Minnehaha Creek Watershed District
Attn: Kelly Dooley
Address: 15320 Minnetonka Blvd
Minnetonka, MN 55345

Date: 01/27/2016
Phone: 952-641-4515
FAX:
Salesperson: Sue Kugler

Key Code: Ignition/Door:

Stock No.	Year	Make	Model	New/Used	Vehicle ID Number	
MCWD KLJL74	2016	Jeep Cherokee	AWD SUV Color: Brilliant Black / Black Cloth	New	0	
Price of Vehicle					Per MN UV47	\$22,335.98
Options & Extras						\$3,153.58
Trailer tow group (AHT)				\$723.00		
115V Auxiliary power outlet (JKV)				\$177.00		
Front passenger forward fold seat (CDW)				\$91.00		
-requires Power 8-way driver seat (JPR)				\$268.00		
WeatherTech all-weather AVM mats				\$75.00		
WeatherTech cargo area liner				\$185.00		
MN motor vehicle excise tax @ 6.5%				\$1,498.83		
License, Registration & Doc Fees				\$115.75		
Transit Improvement Vehicle Excise Tax				\$20.00		
Subtotal					\$25,489.56	
Trade - In						
Total Cash Price					\$25,489.56	

Your Purchase Order #

Project # MN Contract 72045

Thanks for your business!

Ship To / Lessee / End User: Minnehaha Creek Watershed District
Kelly Dooley

Phone: 952-641-4515
FAX:

15320 Minnetonka Blvd
Minnetonka, MN 55345

Signed _____ and initialed _____

Printed Name _____ and Date _____

MCWD UV47 KLJL74.123