



MUSCATINE MUNICIPAL HOUSING AGENCY

City Hall, 215 Sycamore Street
Muscatine, IA 52761-3840
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MEMORANDUM

TO: Mayor and City Council Members

THROUGH: Gregg Mandsager, City Administrator

FROM: Jodi Royal-Goodwin, Housing Administrator

DATE: October 25, 2018

RE: Request to Issue Purchase Order for Replacement Pick-Up Truck

INTRODUCTION:

The Housing Department is requesting authorization to proceed with the purchase of a Ford F-250 from Krieger Autogroup for \$33,641. This truck will be used by maintenance staff in daily operations and for snow clearance at the 3 properties.

BACKGROUND:

The Housing Department currently owns 3 pick-up trucks, including a 2002 Ford F-150 (808), a 2002 Ford F-250 Super Duty (813), and a 2006 Ford F-350 Super Duty (814). The Department uses two trucks daily to haul materials and equipment.

Unfortunately 814 is currently inoperable with an estimated repair costs exceeding \$15,000, while the estimated value of the vehicle is about \$5,000. Truck 814 was used to plow the 3 properties. Truck 813 requires repairs almost weekly at this point and will not be safe to drive in inclement weather. Truck 813 was the designated plow vehicle prior to the acquisition of 814, but due to its condition has been a back-up vehicle since the staff reduction almost 2 years ago and is incapable of serving as the plow truck or hauling equipment with the trailer. The Department inherited truck 808 from building and grounds almost 3 years ago to replace a 1989 Chevy van.

The option to purchase a used vehicle was evaluated and concluded to be less cost effective for 2 reasons. First, the price of a new truck purchased through the state bid has been found to be less than typical of appropriate used trucks. Second, trucks capable of plowing are often well used with limited life left.

After discussing the condition of all 3 vehicles and estimated repair costs, it was determined the best option would be to replace truck 814 through the open state bid. Though no make was identified in the solicitation, all bids received were for Ford trucks because dealers are unable to order Chevy, GMC or Dodge vehicles at this time. Seven bids were received, and all but one were lower than the estimated replacement cost of \$36,000. The bid list is attached and includes the bid amount as well as the estimated delivery dates. Although the bid from

Krieger Autogroup for \$33,641 is not the lowest bid, it is the lowest bid for a truck that will be available before winter, and potentially snow, arrives.

RECOMMENDATION/RATIONALE:

Staff recommends approving a purchase order to Krieger Autogroup in the amount of \$33,641. This is not a budgeted purpose but is necessitated by repairs needed to current trucks. Public housing operating funds will be used to make this purchase.

ATTACHMENTS:

Bid List



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Housing Authority Truck Bid List		
Bidding Company	Bid	Delivery
Mincer Ford	\$31,657	8-10 weeks
MacGrath Fleet & Commercial	\$31,730	December 31, 2018 – January 14, 2019
Deery Brothers Auto Discount Center	\$32,809.92	3-4 months
Courtesy Ford	\$32,118	2 nd week of January 2019
Krieger Auto Group – Bid #1	\$33,641	In Stock
Krieger Auto Group – Bid #2	\$32,832	Subject to being secured from another dealer
Deery Brothers of Iowa City	\$40,937	2 weeks

“I remember Muscatine for its sunsets. I have never seen any
on either side of the ocean that equaled them”- Mark Twain