



Legislation Text

File #: 23-0656R, **Version:** 1

RESOLUTION RESCINDING RESOLUTION 22-0174 AND AUTHORIZING THE PURCHASE OF FIFTEEN (15) 2023 DODGE DURANGO PURSUIT VEHICLES FROM LA PORTE DODGE IN THE AMOUNT OF \$641,625.

CITY PROPOSAL:

RESOLVED, that the proper city officials are hereby authorized to cancel two purchase orders for the purchase of Ford pursuit vehicles and contract with La Porte Dodge for the purchase of fifteen (15) Dodge Durango pursuit vehicles in the amount of \$641,625, payable as follows:

- \$271,979.28 250-015-2022-5580, CE250-V2203 (capital equipment, public administration, fiscal year - 2022, capital equipment; capital equipment fund 250, police department vehicles and equipment)
- \$369,645.72 250-015-2023-5580, CE250-V2303 (capital equipment, public administration, fiscal year - 2023, capital equipment; capital equipment fund 250, police department vehicles and equipment)

STATEMENT OF PURPOSE: This resolution authorizes the cancellation of two purchase orders for a total of 15 vehicles from Tenvoorde Ford and the purchase of 15 Dodge Durango pursuit vehicles at a delivered cost of \$42,775 per unit from La Porte Dodge.

In 2022, the City placed two orders for Ford pursuit vehicles. One purchase was for six 2022 vehicles at a unit price of \$37,586.38 authorized by resolution 22-0174, which order was subsequently cancelled by Ford and replaced with model year 2023 vehicles at the increased 2023 unit price of \$45,329.88. The second was an emergency purchase for nine 2023 vehicles at the 2023 unit price for which council received notification from the Purchasing Agent on September 8, 2022. The total cost for all 15 vehicles from Ford increased from \$633,487.20 to \$679,948.20 due to their cancellation.

In checking the status of these orders which should have already been delivered, the dealer found that Ford received the orders but they still have not even reached the stage in the manufacturing process where Ford is acknowledging they will be built. No parts have been ordered and production has not started. The dealer has recommended that the City cancel these orders and purchase available vehicles elsewhere.

As indicated in the emergency purchase notification, the current vehicles are all well past their useful life, and have increased maintenance costs and vehicle downtime, directly resulting in reduced public safety services.

Fleet Services and the Police staff located 15 Dodge Durango pursuit vehicles that are in-stock and available for shipment to Duluth at a delivered cost of \$641,625. This is an increase of \$8,137.80 from the original orders, but is \$38,323.20 less than what is currently on order with Ford.