

COUNCIL DECISION REQUEST

SUBJECT: Street Department Purchase of Two Trucks

MEETING DATE: 09-21-06

CSP ITEM: Yes No KRA#

ITEM NO.:

TENTATIVE SCHEDULE:

SUBMITTED BY: LaRon G. Garrett,  Public Works

AMOUNT BUDGETED: \$ 50,000.00

SUBMITTAL TO AGENDA
APPROVED BY TOWN MANAGER

EXPENDITURE REQUIRED: \$ \$47,875.69

CONT. FUNDING REQUIRED: \$ 0


EXHIBITS (If Applicable, To Be Attached): State Bid Price Quote

RECOMMENDED MOTION

I move to approve the purchase of 1-3/4 Ton, 4-Wheel Drive Pickup Truck and 1-1 Ton, 4 Wheel Drive Pickup Truck from Courtesy Chevrolet using the Arizona State Purchasing Contract for a cost of \$48,452.44.

ALTERNATE MOTION

I move to approve the purchase of 1-3/4 Ton, 4-Wheel Drive Pickup Truck and 1-1 Ton, 4 Wheel Drive Pickup Truck from Courtesy Chevrolet using the Arizona State Purchasing Contract for a cost of \$48,452.44 and the approval of using \$12,200 from the Council Contingency Fund to have these two vehicles converted to operate on propane.

SUMMARY OF THE BASIS FOR THE RECOMMENDATION FOR RECOMMENDED MOTION:

Periodically the Street Department replaces equipment and vehicles. These replacements are due to age, mileage and increasing maintenance costs. We currently have 2 vehicles that are ready for retirement - a 1994 pickup truck with 109,545 miles and a 1989 pickup truck with 125,861 miles. The cost to maintain these vehicles has increased to the point that it is more economical to replace the vehicle. The 1989 vehicle currently needs about \$2,000 worth of repairs. Funds for this replacement was originally approved in the 05-06 fiscal budget but were carried forward to the current fiscal year. The vehicles are used to haul equipment and supplies, transport personnel to project sites and as snow plows. The cost to purchase these two vehicles using the Arizona State Purchasing Contract is \$24,693.29 for the ¾ ton truck and \$23,759.15 for the 1-ton Truck. Both vehicles will have a standard cab. The 1-ton truck costs less because we are buying it without a bed and will install a bed that we are currently using on the new truck.

SEP 21 2006 I-3

COUNCIL DECISION REQUEST

In order to be environmentally friendly we have also investigated the cost to have these two vehicles converted to run on propane. The additional cost for this conversion is \$6,100. Dealerships will no longer convert gasoline vehicles to run on propane but Arizona Propane in Mesa will. Using the after market conversion can cause issues with the warranty on the engine. However, this is usually minimal. There are four major drawbacks to converting these vehicles to propane. First, no one in the Payson area can maintain the engines in these vehicles if they are converted to propane. All engine maintenance will have to be done in Mesa or Phoenix. Second, there is a power loss of about 10% to 20% when the engine is converted to propane. One of the main uses of these trucks will be to plow snow and the power loss will be a factor in this area. Third, propane is only sold during daylight hours. If we are working at night due to weather or other circumstances, fuel cannot be obtained for these vehicles. Fourth, the original funding for these vehicles was based on regular fuel. The additional cost of \$12,200 to convert these vehicles to propane will need to be approved from the contingency fund.

Staff recommends approval of this purchase as two regular fuel vehicles. If the Council's desire is to have them equipped to operate on propane, the alternate motion could be used.

SUMMARY OF THE BASIS FOR RECOMMENDED MOTION:

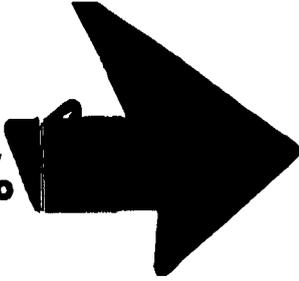
PROS: The new truck will reduce maintenance costs and down time

CONS: N/A

PUBLIC INPUT (if any): None

BOARD/COMMITTEE/COMMISSION ACTIONS/RECOMMENDATIONS (if any) (give dates and attach minutes): N/A

SEE WHAT
COURTESY
CAN DO



Courtesy Chevrolet
4999 N 12th Street
Phoenix, AZ 85014
PHONE (602) 604-3043
FAX (602) 264-9230
jpfeffer@houseofcourtesy.com

480
990
2245

<u>NUMBER OF PAGES</u>	<u>5</u>	<u>(INCLUDING COVER PAGE)</u>
<u>COMPANY NAME</u>	<u>TOWN OF PAYSON</u>	
<u>CONTACT</u>	<u>ALBERT HUNT</u>	
<u>FROM</u>	<u>JOE PFEFFER</u>	
<u>DATE</u>	<u>September 6, 2006</u>	



THE HOUSE OF COURTESY... SINCE 1955

Phone (602) 604-3040 1233 E. Camelback, Phoenix, AZ 85014 Fax (602) 264-9230

**STATE CONTRACT
VEHICLE QUOTE**

<u>CONTRACT VEHICLE</u>	2007	CHEV	2500HD
<u>LINE #</u>	REG CAB, LONG BED, 4X4		
	16		
<u>CONTRACT PRICE</u>	PER ATTACHED SPECS		\$ 22,838.38

UNIT IN STOCK

<u>TOTAL</u>	\$ 22,838.38
<u>TIRE TAX</u>	\$ 5.00
<u>TAX</u>	\$ 1,849.91
<u>EXTENDED WARRANTY</u>	\$ -
<u>GRAND TOTAL</u>	\$ 24,693.29

2007 SILVERADO 2500HD 4WD REG W/T
50U SUMMIT WHITE /V8G
69C DARK CHARCOAL
ORDER NO. K8CGSN/FNR STOCK NO.
VIN 1GCHK24U77E122728 **72419**

GENERAL MOTORS CORPORATION
& SUBSIDIARIES
RENAISSANCE CENTER
DETROIT MI 48243-1114
VEHICLE INVOICE 1AD92318657

MODEL & FACTORY OPTIONS	MSRP	INV AMT	FLEET
CK25903 SILVERADO 2500HD 4WD REG	24955.00	22833.83	INVOICE 08/09/06
C6W GVW RATING - 9,200 LBS	N/C	N/C	SHIPPED 08/09/06
GT5 REAR AXLE, 4.10 RATIO	N/C	N/C	EXP I/T 08/20/06
G80 LOCKING REAR DIFFERENTIAL	325.00	269.75	INT COM 08/21/06
K34 CRUISE CONTROL	240.00	199.20	PRC EFF 06/19/06
LQ4 VORTEC 6.0L V8	0.00	0.00	KEYS 3544K 5544K
MT1 HD 4-SPD AUTOMATIC TRANSMISSIO	1095.00	908.85	WFP-S QTR OPT-1
NEZ OFF ROAD - SKID PLATES	95.00	78.85	FAN: 000916154
Q1W LT245/75R16/E OOR BW TIRES	55.00	45.65	BANK: GMAC - 061
R8C *****	N/C	N/C	CHG-TO 39-088
*** 2007 CLASSIC SILVERADO ***			
TFD RETAIL AMENITY DELETE	0.00	67.48	SHIP WT: 5345
V01 FLEET ORDERING AND ASSISTANCE	0.00	0.00	HP: 51.2
YF5 50-STATE EMISSIONS	N/C	N/C	GVWR: 9200
Z82 HD TRAILERING EQUIPMENT	255.00	211.63	GAWR.FT: 4500
1WT BASE EQUIPMENT GROUP	N/C	N/C	GAWR.RR: 8004
			MRM: 27920.00
			WTR: 3/4
			COST PO NUMBER:
			1455
			DAN: 7GARY
			MEMO 1351.00

437.00
477.00

TOTAL MODEL & OPTIONS **8124** 27020.00 24480.30 ACT 237 24569.70
DESTINATION CHARGE 900.00 900.00 R/B 261 810.60

TOTAL 27920.00 25380.30 PAY 310 25380.30

INVOICE DOES NOT REFLECT DEALER'S ULTIMATE COST BECAUSE OF MANUFACTURER
REBATES, ALLOWANCES, INCENTIVES, HOLDBACK, FINANCE CREDIT AND RETURN TO
DEALER OR ADVERTISING MONIES, ALL OF WHICH MAY APPLY TO VEHICLE.

THIS MOTOR VEHICLE IS SUBJECT TO A SECURITY INTEREST HELD BY GMAC.

COURTESY CHEVROLET

REMIT TO GMAC NO. 061
VIN 1GCHK24U77E122728
\$ 25380.30 INV 1AD92318657
DOE 08/21/06 DEALER 39-088

POSTED

72419

STATE CONTRACT
VEHICLE QUOTE

CONTRACT VEHICLE

2007 CHEV 1 TON
CAB/CHASSIS, 84" CA, 11,400 GVWR
18

LINE #

CONTRACT PRICE

PER ATTACHED SPECS
4x4

\$ 21,953.00

BODY

12' FLATBED

\$ ~~3,896.00~~

NO SPARE TIRE

TOTAL

\$ ~~25,849.00~~ 21,953

TIRE TAX

\$ 6.00

TAX

\$ ~~2,093.28~~ 1800.15

EXTENDED WARRANTY

\$ -

GRAND TOTAL

\$ ~~27,942.28~~ 23,759.15

NOTICE! Price Subject to Final Invoice From Manufacturer.

2007 SILVERADO 3500 4WD CHASSIS W/T	CHEVROLET MOTOR DIVISION
50U SUMMIT WHITE /VBC	GENERAL MOTORS CORPORATION
E9C DARK CHARCOAL	100 RENAISSANCE CENTER
ORDER NO. KBVTD4/T5C STOCK NO.	DETROIT MI 48243-1114
VIN 1GBJK34UB7E104962	VEHICLE INVOICE 1AD9D420539

MODEL & FACTORY OPTIONS	MSRP	INV AMT	RETAIL - STOCK
CK36403 SILVERADO 3500 4WD CHASSI	26175.00	22772.25	INVOICE 06/26/06
C7L GVW RATING - 12,000 LBS	N/C	N/C	SHIPPED 06/26/06
D65 EXT WIDE LOAD LARGE MIRRORS	115.00	92.00	EXP I/T 06/30/06
F69 50-STATE EMISSIONS	N/C	N/C	INT COM 06/30/06
G75 REAR AXLE, 4.10 RATIO	N/C	N/C	PRC EFF 06/26/06
G80 LOCKING REAR DIFFERENTIAL	326.00	260.00	KEYS S347A S347A
F34 CRUISE CONTROL	240.00	192.00	MFP-T
LQ4 VORTEC 5.0L V6	0.00	0.00	FAN: 000858926
MT1 HD 4-SPD AUTOMATIC TRANSMISSIO	1095.00	876.00	BANK: GMAC - 045
R8C *****	N/C	N/C	CHG-TO 59-646
*** 2007 CLASSIC SILVERADO ***			SHIP-TO 59-657
*****			KNAPHEIDE MFG. CO
VYC SHIP THRU FREIGHT (KNAPHEIDE)	0.00	160.00	QUINCY IL
VYU SNOW PLOW PREP PKG INCLUDES	310.00	248.00	
* ROOF LAMP PROVISIONS			SHIP WT: 5707
* 145 AMP ALTERNATOR			HP: 51.2
* SKID PLATES			GVWR: 12000
* HIGH CAPACITY AIR CLEANER			GAWR.FT: 4800
REF LT215/85R16/E OOR BW TIRES	66.00	52.80	GAWR.RR: 8600
INT BASE EQUIPMENT GROUP	N/C	N/C	MRM: 29226.00
			NTR: 1
			DAN: K403G
			MEMO 1416.30

TOTAL MODEL & OPTIONS	28326.00	24653.05	ACT 237 25553.05
DESTINATION CHARGE	900.00	900.00	

TOTAL 29226.00 25553.05 PAY 310 25553.05
 INVOICE AMOUNT EXCLUDES HOLDBACK, GM MARKETING ADJUSTMENT AND OTHER
 DEALER FINANCE PROGRAMS.
 THIS IS A RESTRICTIVE DIRECT SALE AND IS SUBJECT TO THE TERMS OF THE
 CHEVROLET QUALITY APPROVED CONVERTERS PROGRAM.

KNAPHEIDE MANUFACTURING CO.

REMIT TO GMAC NO. 045
 VIN 1GBJK34UB7E104962
 \$ 25553.05 INV 1AD9D420539
 DUE 06/30/06 DEALER 59-646