



## Legislation Text

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**File #:** 2014-0506, **Version:** 1

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### Title

Building Maintenance Vehicle (Cargo Van) - Bid Award

### History

The 2014 Fiscal Year Budget includes a Board approved line item in the amount of \$30,000 for the purchase of one (1) 3/4 ton Cargo Van for the Building Maintenance Division.

Legal notice was placed in the SouthtownStar Newspaper on Tuesday, August 5, 2014, for the 3/4 ton Cargo Van. Five (5) bids were received. Bids were opened by the Village Clerk's Office on Tuesday, August 19, 2014. Advantage Chevrolet of Hodgkins, Illinois, was the lowest bidder. However, a variance was noted in their submitted bid. After careful review by legal counsel, it has been determined that the disqualification of Advantage Chevrolet bid was warranted due to an omission. Ray Chevrolet Inc. of Fox Lake, Illinois, was the next lowest and most responsive bidder. They submitted a bid price for the 2015 Chevrolet 3/4 ton Cargo Van in the amount of \$25,791.00, providing delivery within one hundred and twenty days (120) after receipt of purchase order.

Staff evaluated and compared a purchase versus leasing option [see attached Total Cost of Ownership (TCO) Analysis]. The TCO is based on a 5-year lease term. Under typical conditions, the vehicle would remain in the fleet for up to ten (10) years. A lease term of that length is generally not available. Because the lease term is only five years, and the Village would generally keep the vehicle in service for approximately 10 years, the lease option would not be cost efficient; therefore, staff recommends the purchase of the Cargo Van.

On September 2, 2014, this item was reviewed and approved by the Public Works Committee and referred to the Board for approval.

### Financial Impact

There are funds available in Account #010-5006-470200 for the purchase of the 3/4 ton Cargo Van.

### Recommended Action/Motion

I move to approve awarding the bid for one (1) 2015 Chevrolet Express 2500 Cargo Van for the Building Maintenance Division to Ray Chevrolet of Fox Lake, Illinois, in an amount not to exceed \$ 25,791.00.