

ITEM #:	<u>23</u>
DATE:	<u>03-11-25</u>
DEPT:	<u>FLEET</u>

COUNCIL ACTION FORM

SUBJECT: FLEET REPLACEMENT PROGRAM - TRUCK WITH UTILITY BODY

BACKGROUND:

Electric Services' Electric Meter Division uses one 2015 cargo van for its technicians to support the service and installation of new commercial and residential electric meters, maintain and install substation relays, and general maintenance of electric infrastructure owned by the City.

The project involves the replacement of the van with a truck and utility body. Most of the work performed by the division is performed outside the vehicle. Therefore, accessing tools and parts from the exterior of the vehicle is more practical for the technicians than climbing in and out of the existing van.

Usually, dealerships' year-end inventories don't match the needs of the vehicles due for replacement. However, a 2024 truck matching the needs of the Electric Meter Division was offered to Fleet Services as part of the dealer's discounted year-end inventory. **The discounted 2024 truck with utility body will reduce the costs for this purchase by more than \$20,000 compared to the cost to bid and order a chassis and body for new 2025 or 2026 models.** Prices for similar 2024 model-year trucks at various dealerships were higher and were not as close to the Electric Department's needs.

Deyarman of Ames offered and priced the truck with utility body as follows:

Dealership	Year / Make	Model and Trim	Utility Body	Total Price
Deyarman of Ames, IA	2024 / RAM	2500 Tradesman 4WD Crew	EBY Renegade Aluminum	\$58,590.00

The price from Deyarman of Ames, IA for one (1) 2024, RAM 2500 Tradesman crew cab 4WD with aluminum utility body for **\$58,590.00** meets the City's specification and is acceptable. The FY 2025/26 Electric Department Technical Services operating budget contains \$50,000 for the cost to upgrade the existing van to a truck. A portion of that amount (\$9,000) will be advanced into FY 2024/25 during final budget amendments to combine with the accumulated replacement funds and salvage value of the existing van to finance this purchase. The table below outlines the funding for this purchase:

Available funding for this purchase:

Fleet Replacement Funds	\$ 37,766.96
Operating department support	9,000.00
Van #445 salvage value	14,000.00
Available funding for this purchase	\$ 60,766.96

ALTERNATIVES:

1. Approve and award this contract to Deyarman of Ames, IA for one (1) 2024, RAM 2500 Tradesman crew cab 4WD with aluminum utility body for \$58,590.
2. Reject award of this contract.

CITY MANAGER'S RECOMMENDED ACTION:

Electric Services staff and the Fleet Director are confident the purchase of the 2024 RAM 2500 Tradesman truck with aluminum utility body from Deyarman for \$58,590 will provide the City with exceptional service at the best price. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as described above.