



Legislation Details (With Text)

File #: 18-1659 **Version:** 1 **Name:** 10/15/18 - Purchase EV from Berger Chevrolet
Type: Resolution **Status:** Passed
File created: 10/15/2018 **In control:** City Council
On agenda: 10/15/2018 **Final action:** 10/15/2018
Enactment date: 10/15/2018 **Enactment #:** R-18-417

Title: Resolution to Approve the Purchase of Electric Vehicles from Berger Chevrolet (MiDeal - \$98,337.00)

Sponsors:

Indexes:

Code sections:

Attachments: 1. Berger - Chev Bolt Quote.pdf, 2. MiDeal Contract 071B7700177.pdf

| Date | Ver. | Action By | Action | Result |
|------------|------|--------------|----------|--------|
| 10/15/2018 | 1 | City Council | Approved | Pass |

Resolution to Approve the Purchase of Electric Vehicles from Berger Chevrolet (MiDeal - \$98,337.00)
The attached resolution authorizes the purchase of three 2019 Chevrolet Bolt sedans at \$32,779.00 each for a total of \$98,337.00 from Berger Chevrolet, Grand Rapids, Michigan.

Earlier this year, the City's Green Fleets Policy was updated to promote the purchase of electric vehicles. While electric vehicle options to replace larger sedans, vans or trucks are limited, there are a number of commercially available electric options to replace small sedans.

The Chevrolet Bolt is an all-electric plug in vehicle with approximately 238 miles of range on a single charge. Based on expected usage, the vehicle will be able to handle the normal driving activities of a work shift and can fully recharge overnight using a Level 2 (240v) charger. Berger Chevrolet was the lowest responsive bidder to the State of Michigan MiDeal cooperative purchasing program (MiDeal contract #071B7700177) for the Chevrolet Bolt.

Of the twenty-four light vehicles scheduled for evaluation this year, three Ford Focus sedans have met the requirements for replacement. The Chevrolet Bolts will replace these three Ford Focus sedans. The vehicles being replaced are utilized by the Water Treatment Plant, Community Standards and the City Hall motor pool.

Budget/Fiscal Impact

Electric vehicles are significantly more expensive than their internal combustion engine equivalents. The Fleet Fund has collected \$51,828.00 for the replacement of these small sedans. The Sustainability and Innovations Office will fund the additional \$46,509.00 towards the initial purchase price to transition these three sedans to electric vehicles.

The owning department of each electric vehicle will be responsible for the increased Fleet replacement cost each year. This Fleet replacement cost covers the future cost of replacing the vehicles purchased under this resolution. The annual increase in the replacement cost will be \$2,604.00 per vehicle. Fuel savings and reduced maintenance expenses will recoup some of this

additional expense based on the usage of the vehicle.

Each vehicle will also require a Level 2 charger at an estimated cost of \$5,000.00 per vehicle. The purchase and installation of this charging infrastructure is not part of this resolution and will be funded separately through the Sustainability and Innovations Office.

This purchase follows the guidelines of the City's Green Fleets Policy to reduce the amount of fuel used and to promote the purchase of plug in electric vehicles.

Adequate funds for this purchase have been budgeted in the Fleet Services budget and the Sustainability and Innovations Office budget for FY 2019.

Berger Chevrolet complies with the requirements of the City's conflict of interest and non-discrimination ordinances.

Prepared by: Matthew J. Kulhanek, Fleet & Facilities Manager

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Howard S. Lazarus, City Administrator

Whereas, The Fleet and Facilities Unit needs to purchase replacement vehicles for the City's fleet;

Whereas, The City's Green Fleets Policy promotes the procurement of plug in electric vehicles;

Whereas, Berger Chevrolet, Grand Rapids, MI, is the lowest responsive bidder to the State of Michigan MiDeal cooperative purchasing program; and

Whereas, Berger Chevrolet complies with the requirements of the City's conflict of interest and non-discrimination ordinances;

RESOLVED, That City Council approve the issuance of a purchase order to Berger Chevrolet for the purchase of three 2019 Chevrolet Bolt sedans at \$32,779.00 each for a total of \$98,337.00;

RESOLVED, That funds for the purchase of these vehicles in the amount of \$51,828.00 comes from the FY 2019 Fleet Services budget and in the amount of \$46,509.00 comes from the FY 2019 Sustainability and Innovations Office budget with funds to be available without regard to fiscal year;

RESOLVED, That the vehicles being replaced (nos. 0512, 1103 and 3166) be sold at the next City vehicle auction held after the vehicles are removed from service; and

RESOLVED, That the City Administrator be authorized to take the necessary actions to implement this resolution.