

MEMORANDUM

TO: Parks Advisory Commission

FROM: Jeff Straw, Deputy Parks & Recreation Services Manager

DATE: January 28, 2014

SUBJECT: Resolution to Recommend Approving the Purchase of Two Fifteen Passenger Vans from Red Holman GMC (Oakland County \$50,212.00)

The attached resolution recommends approving the purchase of two 2014 GMC Savana 15 Passenger vans at \$25,106.00 each for a total of \$50,212.00 from Red Holman, Michigan.

The City of Ann Arbor Canoe Liveries has experienced significant growth in the number of boat rentals and is now the State of Michigan's largest canoe livery operation with over 500 boats and 56,000 people renting boats in 2013. From 2012 to 2013 there was an increase of 22% in boat rental revenue. Our current fleet of seven 15-passenger vans was unable to keep up with the shuttle transportation demands of our river trips in 2013. Our river trip boat rental customers have either had to wait in long queues to have a shuttle ride back to Argo or they have been turned away due to all shuttles being full for the day. To accommodate this growth we are requesting to purchase two new 15-passenger vans to have a fleet total of eight 15-passenger vans. Of the two new vans, one will be to replace an existing van that is due for replacement while the second van will be an addition to the current fleet. We are not proposing to increase our fleet of boats and the addition of the eighth van is to improve our day to day operations to better accommodate for the current demand. The two vans will be purchased out of the FY 2014 approved Parks & Recreation Services General Fund budget.

This purchase follows the guidelines of the City's Green Fleet Policy to reduce the amount of fuel used and to pay a premium for "greener" vehicles if necessary.

The Fleet and Facilities Unit reviewed the bids of the Cooperative Purchasing Programs of the State of Michigan, Oakland County, and Macomb County. Red Holman GMC was the lowest responsive bidder to State of Michigan and Oakland County.

Adequate funds for these purchases are available in the FY2014 approved Parks & Recreation Services General Fund budget as a result of operational expenditure savings year to date.

RESOLUTION TO RECOMMEND APPROVING THE PURCHASE OF
TWO 15 PASSENGER VANS
FROM RED HOLMAN GMC
(STATE OF MICHIGAN BID, \$50,212.00)

Whereas, The Canoe Livery experienced a 22% growth in rental from fiscal year 2012 to 2013 which requires additional vans to shuttle customers to decrease prolonged wait times for customers;

Whereas, The Canoe Livery is not proposing to increase its fleet of boats and the additional vans are to improve day to day operations to better accommodate for the current demand;

Whereas, Red Holman GMC, Westland MI, is the lowest responsive bidder to the State of Michigan's and Oakland County's Cooperative Bid program; and

RESOLVED, That the Parks Advisory Commission recommend approval for the issuance of a purchase order to Red Holman GMC for the purchase of two 2014 GMC Savana 15 passenger vans at \$25,106.00 each for a total amount of \$50,212.00; and

RESOLVED, That funds for this purchase come from the FY 2014 approved Parks & Recreation Services General Fund budget with funds to be available without regard to fiscal year.

BID TABULATION
TWO 15 PASSENGER VANS
THROUGH THE STATEWIDE
COOPERATIVE PURCHASING PROGRAM

BIDDER		TOTAL BID PRICE
Red Holman GMC, State of Michigan	\$25,106.00 ea.	\$50,212.00
Red Holman GMC, Oakland County	\$25,106.00 ea.	\$50,212.00
Macomb County		No Bid