

**CITY OF CLOVERDALE  
CITY COUNCIL  
RESOLUTION NO. 027-2018**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLOVERDALE AWARDING A CONTRACT FOR PURCHASE OF ONE NEW CHEVROLET SILVERADO 2500HD AND ONE CHEVORLET COLORADO EXTENDED CAB UTILITY MAINTENANCE SERVICE VEHICLES TO THE MCCONNELL CHEVOLET OF HEALDSBURG AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE TO ACQUIRE VEHICLE LOANS FROM EXCHANGE BANK TO PURCHASE TWO UTILITY MAINTENANCE SERVICE VEHICLES AND ASSOCIATED NECESSARY EQUIPMENT, IN AN AMOUNT NOT TO EXCEED SIXTY-FIVE THOUSAND DOLLARS (\$65,000)**

**WHEREAS**, the Cloverdale Public Works Department currently has twenty-three (23) vehicles in service; and

**WHEREAS**, of the twenty-three (23) vehicles, five (5) are in critical need of replacement due to excessive mileage and expensive repairs due to age of the vehicles, with several vehicles having accumulated more than 100,000 miles; and

**WHEREAS**, the purchase of two new vehicles will replace two (2) aging vehicles and upgrade the City's fleet of utility vehicles, and alleviate budgetary impacts due to high vehicle maintenance needs; and

**WHEREAS**, the Public Works Department sought competitive bids from three qualified local vendors; and

**WHEREAS**, the McConnell Chevrolet of Healdsburg was the lowest responsible bidder and had the lowest quote at THIRTY-SIX THOUSAND SIX HUNDRED SEVENTY-ONE DOLLARS AND 26/100 (\$36,671.26), and TWENTY-SEVEN THOUSAND SIX HUNDRED NINETY-EIGHT DOLLARS AND 80/100 (\$27,698.80); and

**WHEREAS**, the Finance Department evaluated loan options and determine the most prudent procurement option is with the Exchange Bank; and


**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF CLOVERDALE FINDS AND RESOLVES AS FOLLOWS:**

1. The foregoing recitals are true and correct.
2. The Contract for the purchase of one new Chevrolet Silverado 2500HD and one Chevrolet Colorado Extended Cab Utility Maintenance Service Vehicles, shall be awarded to the McConnell Chevrolet of Healdsburg.
3. The City Manager, or his designee, is authorized to purchase and, to obtain a loan from Exchange Bank for one new Chevrolet Silverado 2500HD Utility Maintenance Service Vehicle, one new Chevrolet Colorado Extended Cab, and associated necessary equipment, in an amount not to exceed ninety thousand dollars (\$65,000) plus interest.


It is hereby certified that the foregoing Resolution No. 027-2018 was duly introduced and duly adopted by the City Council of the City of Cloverdale at its regular meeting held on the 8<sup>th</sup> day of May 2018, by the following roll call vote: (Ayes- 4; Noes-0; Absent-1; Abstain- 0)

AYES: Councilmember Bagby, Vice Mayor Russell, Councilmember Brigham, and Mayor Palla  
NOES: None  
ABSENT: Councilmember Wolter  
ABSTAIN: None

APPROVED:

  
\_\_\_\_\_  
Joseph J. Palla, Mayor

ATTESTED:

  
\_\_\_\_\_  
Linda Moore, Deputy City Clerk

Date: 02/14/2018Salesperson: john preston Bill VreelandManager: john preston**FOR INTERNAL USE ONLY**

CUSTOMER	<b>DARREN SCOTT HERNANDEZ</b>	Home Phone: <b>(707) 695-6074</b>
	<b>36050 HWY 128</b>	
Address :	<b>CLOVERDALE, CA 00009-5425</b>	Work Phone: <b>(707) 695-6074</b>
	<b>SONOMA CO</b>	
E-Mail :	<b>dhernandez@ci.cloverdale.ca.us</b>	Cell Phone: <b>(707) 695-6074</b>

## VEHICLE

Stock # :	<b>4214775</b>	New / Used :	<b>New</b>	VIN :	<b>1GC1KWEY4JF114775</b>	Mileage:	<b>3</b>
Vehicle :	<b>2018 Chevrolet Silverado 2500HD</b>			Color :	<b>GAN</b>		
Type :	<b>LTZ 4x4 Crew Cab 6.6 ft. box 153.7 in. W</b>				<b>CK25743</b>		

## TRADE IN

Payoff :	VIN :	Mileage:
Vehicle :	Color :	
Type :		

Market Value Selling Price	<u>32,987.44</u>
Total Purchase	<u>32,987.44</u>
Trade Allowance	
Trade Difference	
Weight Fee	<u>257.00</u>
Tax	<u>2,852.07</u>
Non Tax Fees	<u>494.75</u>
Trade Payoff	
Cash Deposit	
Balance	<u>36,671.26</u>

Customer Approval: \_\_\_\_\_ Management Approval: \_\_\_\_\_

By signing this authorization form, you certify that the above personal information is correct and accurate, and authorize the release of credit and employment information. By signing above, I provide to the dealership and its affiliates consent to communicate with me about my vehicle or any future vehicles using electronic, verbal and written communications including but not limited to eMail, text messaging, SMS, phone calls and direct mail. Terms and Conditions subject to credit approval. For Information Only. This is not an offer or contract for sale.

Date: 02/14/2018Salesperson: john preston Bill VreelandManager: john preston

## FOR INTERNAL USE ONLY

CUSTOMER	<b>DARREN SCOTT HERNANDEZ</b>	Home Phone: <b>(707) 695-6074</b>
	<b>36050 HWY 128</b>	
Address :	<b>CLOVERDALE, CA 00009-5425</b>	Work Phone: <b>(707) 695-6074</b>
	<b>SONOMA CO</b>	
E-Mail :	<b>CARRIE.MARLENE@YAHOO.COM</b>	Cell Phone: <b>(707) 695-6074</b>

## VEHICLE

Stock # :	<b>4243831</b>	New / Used :	<b>New</b>	VIN :	<b>1GCHSBEN9J1143831</b>	Mileage:	<b>6</b>
Vehicle :	<b>2018 Chevrolet Colorado</b>			Color :	<b>GAZ</b>		
Type :	<b>WT 4x2 Extended Cab 6 ft. box 128.3 in.</b>				<b>12M53</b>		

## TRADE IN

Payoff :	VIN :	Mileage:
Vehicle :	Color :	
Type :		

Market Value	Selling Price	<b>24,959.40</b>
Total Purchase		<b>24,959.40</b>
Trade Allowance		
Trade Difference		
Weight Fee		<b>157.00</b>
Tax		<b>2,159.65</b>
Non Tax Fees		<b>342.75</b>
Trade Payoff		
Cash Deposit		
Balance		<b>27,698.80</b>

Customer Approval: \_\_\_\_\_ Management Approval: \_\_\_\_\_

By signing this authorization form, you certify that the above personal information is correct and accurate, and authorize the release of credit and employment information. By signing above, I provide to the dealership and its affiliates consent to communicate with me about my vehicle or any future vehicles using electronic, verbal and written communications including but not limited to eMail, text messaging, SMS, phone calls and direct mail. Terms and Conditions subject to credit approval. For Information Only. This is not an offer or contract for sale.



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## ***Amortization Schedule***

**\$ 36,671.26 Loan with Annual Payments**

**3.59% Interest Rate** Compounded Annually

**5 Years**

<u>Year</u>	<u>Payment</u>	<u>Principal Paid</u>	<u>Interest Paid</u>	<u>Remaining Balance</u>
2018	\$ 8,142.71	\$ 6,826.21	\$ 1,316.50	\$ 29,845.05
2019	\$ 8,142.71	\$ 7,071.27	\$ 1,071.44	\$ 22,773.78
2020	\$ 8,142.71	\$ 7,325.13	\$ 817.58	\$ 15,448.65
2021	\$ 8,142.71	\$ 7,588.10	\$ 554.61	\$ 7,860.55
2022	\$ 8,142.74	\$ 7,860.55	\$ 282.19	\$ .0
<b><u>Totals</u></b>	<b>\$ 40,713.58</b>	<b>\$ 36,671.26</b>	<b>\$ 4,042.32</b>	

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## ***Amortization Schedule***

**\$ 27,698.80 Loan with Annual Payments**

**3.59% Interest Rate** Compounded Annually

**5 Years**

<u>Year</u>	<u>Payment</u>	<u>Principal Paid</u>	<u>Interest Paid</u>	<u>Remaining Balance</u>
2018	\$ 6,150.41	\$ 5,156.02	\$ 994.39	\$ 22,542.78
2019	\$ 6,150.41	\$ 5,341.12	\$ 809.29	\$ 17,201.66
2020	\$ 6,150.41	\$ 5,532.87	\$ 617.54	\$ 11,668.79
2021	\$ 6,150.41	\$ 5,731.50	\$ 418.91	\$ 5,937.29
2022	\$ 6,150.44	\$ 5,937.29	\$ 213.15	\$ .0
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<b><u>Totals</u></b>	<b>\$ 30,752.08</b>	<b>\$ 27,698.80</b>	<b>\$ 3,053.28</b>	

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**City Council**  
**Agenda Item Summary**

Agenda Item: 6  
Meeting Date: 05/08/2018

<b>Agenda Section</b>	<b>Staff Contact</b>
Consent	Mark Rincon, City Engineer/Public Works Director

**Agenda Item Title**

Requesting that Council award the purchase of a 2018 Chevrolet Silverado 2500HD utility maintenance service vehicle and a 2018 Chevrolet Colorado extended cab pickup truck and associated necessary equipment to McConnell Chevrolet of Healdsburg and authorize the City Manager, or his designee to obtain vehicle loans from Exchange Bank.

**Summary**

Currently, the Cloverdale Public Works Department has twenty-three (23) vehicles (i.e. licensed rolling stock) in service, eleven (11) general service vehicles, and twelve (12) specialized vehicles. Of those, five (5) general service vehicles are in critical need of replacement due to excessive mileage and expensive repairs. The vehicles covered on this agenda item will replace two of these vehicles (Units 12 & 14). The attached Resolution (Attachment 1) authorizes the City Manager or his designee to obtain a vehicle loan to purchase a 2018 Chevrolet Silverado 2500HD utility maintenance service vehicle, a 2018 Chevrolet Colorado extended cab pickup truck and the associated necessary equipment.

In 2017, the Public Works Sub-Committee discussed the need to replace Public Works (Engineering, Streets, Parks, Water, & Wastewater) vehicles. A Ford F-350 with associated equipment was recommended for purchase, and City Council authorized purchase and finance of this vehicle through Resolutions 075-2017. In the interim, a replacement outlook (plan) was developed and includes budget estimates and projected acquisitions dates. This outlook is included as Attachment 2.

The loans for these vehicles were included in the mid-year budget amendment and approved by Council on February 13<sup>th</sup> this year. The first vehicle is a Chevrolet Silverado HD utility vehicle, the primary use for this vehicle is to facilitate maintenance, repairs, and inspections for the Water Department. The purchase price is \$36,671.26 (see Attachment 3) and loan payments are included in the Water Department budget (Water Fund 600). The second vehicle is a Chevrolet Colorado extended cab compact pickup truck, the primary use is to facilitate maintenance, repairs, and inspections for the wastewater collection and treatment systems. The purchase price is \$27,698.80 (see Attachment 4) and loan payments are included in the Wastewater Department budget (Sewer Fund 630).

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**Options**

- (1) Adopt the attached Resolution awarding the contract for the purchase of one new Chevrolet Silverado 2500HD utility maintenance vehicle, one Chevrolet Colorado ExCab pickup truck, and associated necessary equipment to the McConnell Chevrolet of Healdsburg and authorize the City Manager, or his designee, to obtain a loan from Exchange Bank for both vehicles; or
- (2) Authorize City Manager to pay cash for one or more of the vehicles; or
- (3) Reject the attached Resolution and decline to authorize the City Manager, or his designee, to purchase one new one new GMC Sierra 2500HD utility maintenance vehicle, one Chevrolet Silverado ExCab pickup truck, and associated necessary equipment.

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**Budget/Financial Impact**

Total cost of the requested vehicles not to exceed \$65,000. The current fiscal year budget has allocated approximately 3 months of principal and interest payments for both trucks. Exchange Bank has approved the vehicles for 5-year loans with an annual interest rate @ 3.59% interest. Annual Payments are as follows:

Vehicle	5 Year Loan @ 3.59% Interest		
	Principal	Interest	Total Paid
Silverado 2500HD	36,671	4,042	40,713
Colorado Ex Cab	27,698	3,053	30,751

Attachments 5 and 6 have loan amortization schedules for each vehicle.

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**Subcommittee Recommendation**

The acquisition of a new Public Works utility vehicle was presented to the Public Works Subcommittee on March 28, 2017. In that discussion, a programmatic approach to vehicle replacements was addressed. Subcommittee concurred with that approach.

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**Recommended Council Action**

The Cloverdale Public Works Department and the City Manager recommend that the Cloverdale City Council adopt the attached Resolution, which would award the contract for the purchase of a utility maintenance service vehicle to the McConnell Chevrolet of Healdsburg and authorize the City Manager, or his designee, to purchase one new one new Chevrolet Silverado 2500HD utility maintenance vehicle, one Chevrolet Colorado ExCab compact pickup truck, and associated necessary equipment, in an amount not to exceed sixty-five thousand dollars (\$65,000), plus interest, and authorize the City Manager to acquire vehicle loans with the Exchange Bank.

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**Attachments:**

1. Resolution No. 027-2018
  2. Public Works Vehicle Replacement Outlook
  3. Quote #1 from McConnell of Healdsburg (new Chevrolet Colorado) utility maintenance service vehicle
  4. Quote #2 from McConnell of Healdsburg (new Chevrolet Silverado) compact pickup truck service vehicle
  5. Chevrolet Silverado Amortization Schedule
  6. Chevrolet Colorado Amortization Schedule
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