



## **REPORT TO TOWN BOARD**

**FROM: Andrew J. Quarnstrom, Township Supervisor**

**DATE: September 5, 2017**

**SUBJECT: Vehicle Purchase Plan**

**A. Introduction:** The purpose of this Township Report is to receive direction from the Town Board as to a vehicle purchase plan for the City of Champaign Township.

**B. Recommended Action:** The Township Administration recommends the process of vehicle replacement in Alternative 1 set forth in this report.

### **C. Summary:**

- At the May 2017 Township meeting, Township Administration provided a resolution and report for the purposes of purchasing a new Township vehicle to add to and ultimately replace the current 2003 Ford Taurus the Township currently uses for Township business.

-Town Board members shared their concerns as to the cost of purchasing a new vehicle and the decision was made to reevaluate and provide further options for the Town Board to review.

-The Township Supervisor has met with Legal and City of Champaign Public Works and based on these meetings a plan for the Town Board to review has been provided.

### **D. Background:**

**1. Township Fleet:** The Township currently owns one vehicle, a 2003 Ford Taurus. It was bought new by the Township in 2003. This vehicle is used as available by both the Assessor's office as well as the Supervisor's office. The Assessor's office uses the vehicle primarily during the assessment process throughout the Township. The Supervisor's office uses the vehicle as available for meetings, conferences, and Township business throughout the state.

The needs of the Township have increased due to the expansion of programs as well as new programs the Township provides. In addition, the growth of the Township and additional assessment responsibilities have increased vehicle usage. Often, the current vehicle is in use and employees or elected officials use their private vehicles for Township business. The addition of another vehicle will provide relief for employees and elected officials who currently use their own vehicle and receive reimbursement. An ideal addition to the fleet would be a pickup truck to assist in daily operations (landscape projects etc.) as well as special programs (senior fan, Thanksgiving Baskets, etc.).

**2. History:** In May of 2017, the Township Supervisor submitted a Resolution to purchase a new vehicle through the Illinois Joint Purchasing Program of which the Township is a member of. Members of the Town Board had concerns with the price (\$29,000) of a new vehicle purchase and if it was the best possible option to address fleet management at the Township. Subsequently, the Township Supervisor, along with Township Counsel and the City of Champaign Public Works Director, met to discuss further options to update the Township's fleet.

**3. Proposal:** The City of Champaign periodically designates vehicles as surplus. Through this proposal, the Township would purchase a surplus vehicle from the City of Champaign. In addition, the City of Champaign occasionally purchases used vehicles in bulk. Although this isn't likely to occur this fiscal year, it is likely to occur in FY18/19 at which point the Township could participate in the bulk purchase.

City of Champaign Surplus vehicles have historically been sold online through a bidding process. Should the Supervisor receive direction from the Town Board to purchase a surplus vehicle, the price would be determined by the average price of other like vehicles being sold online at the time. In this case of the Township purchase, the cost will not exceed \$5000.00 without further approval.

In addition, the Township has the option to participate in a bulk vehicle purchase along with the City of Champaign in FY 18/19, either through a public bidding process or use of the State Joint Purchase Program. Such a purchase, if approved, in FY18/19 would not exceed \$17,500.00.

#### **E. Alternatives:**

1. Purchase a used vehicle from the City of Champaign Surplus vehicle pool in FY 2017/2018 at a cost not to exceed \$5000.00 then a used vehicle through bulk purchasing at a price to be determined by Resolution, but not to exceed \$17,500.00 in FY 2018/2019.
2. Purchase one vehicle from City of Champaign Surplus in FY 2017/2018 at a cost not to exceed \$5,000.00.
3. Purchase no additional vehicles and provide further direction to Township staff.

#### **F. Discussion of Alternatives:**

**Alternative 1** would authorize the purchase of one used pickup truck from the City of Champaign Surplus vehicle pool in FY 2017/2018 at a value to be mutually determined by both agencies at a cost not to exceed \$5,000.00. Additionally, in FY 2018/2019, the Township would purchase one used vehicle using a vehicle purchase program like the process that the City of Champaign Public Works regularly uses at a cost not to exceed \$17,500.00. In each fiscal year, funds have been or will be budgeted for the respective purchases.

##### **a. Advantages**

-Allows the Township to update its fleet and provide more flexibility for Township operations.

-Costs to update the fleet are significantly less than purchasing new which was estimated at \$29,682.00 in FY 17/18. Using Alternative 1, FY 17/18 costs would be about \$5,000.00 (currently in FY17/18 budget) and costs for FY 18/19 would be less than \$17,500.00.

-Additional fleet vehicles will provide the Township with the equipment needed to adequately perform functions of the Township.

**b. Disadvantages**

-Requires an expenditures up to \$5,000.00 in FY 17/18 and \$17,500.00 in FY 18/19.

**Alternative 2** authorizes the Township to purchase one used vehicle from the City of Champaign Surplus vehicle pool in FY 2017/2018 at a value mutually determined by both agencies but not to exceed \$5,000.00. No other vehicle purchases will be made after this purchase in FY 17/18 or FY18/19.

**a. Advantages**

-Reduced cost. An estimated \$5,000.00 would be spent in FY 2017/2018.

**b. Disadvantages**

-Limits the Township in its ability to perform current functions as well as expand future functions. Current Township activities justify the need for at least two and possibly three vehicles in the fleet.

**Alternative 3** no vehicle purchases approved and give direction to staff.

**a. Advantages**

-No expenditures for vehicles in FY 2017/2018 or FY 2018/2019

**b. Disadvantages**

-Employees and elected officials will continue to use their personal vehicles. Also, the current vehicle used by Township staff is aging and may incur additional maintenance and operating costs.

**G. Community Input:** No specific input was sought on this project. Input can be made by the public during the public comments section of the meeting.

**H. Budget Impact:** The Township has already budgeted \$10,000.00 in FY17/18 for a vehicle purchase. The Township will budget for an additional used car purchase in FY 2018/2019. The total cost of purchasing two vehicles through these means is approximately ten thousand (\$10,000.00) less than purchasing one new vehicle as previously proposed.

**I. Staffing Impact:** Approximately 2 hours were involved in preparation of this bill. No other staffing impact is expected.

Prepared by: Andrew Quarnstrom  
Township Supervisor

Reviewed by: Jennifer Bannon  
Township Attorney