



REPORT TO TOWN BOARD

FROM: Andrew J. Quarnstrom, Township Supervisor

DATE: May 2, 2017

SUBJECT: Explanation of Town Board Resolution 2017-0502

A. Introduction: The purpose of this Township Resolution is to authorize the purchase of one (1) 2017 Ford F-250 vehicle using the Illinois State Joint Purchasing Program for a total cost of \$29,682.00. The vendor selected by the State of Illinois for this vehicle type is Landmark Ford Inc., Springfield, Illinois.

B. Recommended Action: The Administration recommends approval of this Township Resolution.

C. Summary:

- The Illinois State Joint Purchasing Program allows for local government participation in the purchase of fleet vehicles. By combining large numbers of vehicles in one contract, the State can obtain pricing that is better than what the Township could expect to obtain on its own.

-Unit # 2 is a new vehicle added to the Township fleet.

-The new vehicle would be purchased from the Illinois State Joint Purchasing Program at a total cost of \$29,682.00

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 many new programs the Township provides. Often, the current vehicle is in use and employees or elected officials use their private vehicles for Township business. The addition of a utility pickup allows the vehicle to be used for programs such as the senior fan program or Thanksgiving basket delivery. Also, the new vehicle purchase will also allow Township staff to use the vehicle for Township maintenance such as snow plowing or landscaping that is currently hired out.

2. State Purchase Program. The Illinois State Joint Purchasing Program (State Bid) is a program allowing governmental agencies to place combined orders for vehicles. The State Bid lowers cost by combining large numbers of vehicles into one purchasing contract. Those contracts are assigned to one vendor in the state and the State Bid price is only available with purchase through that vendor. Both Illinois State

law and a previous Township Resolution (2016-08-01) provide for purchase from the State Bid without further competitive bids. State Bid guidelines discourage, but do not prohibit by law, further bidding by participating agencies. This is done to ensure that dealers and manufacturers provide the best pricing on the State Bid in the initial solicitation. A dealer expecting a second chance might not bid the joint purchase as competitively if further bidding was routine.

Each year, several contracts are issued by the State of Illinois for various vehicle types. Contracts are awarded to vendors by type of vehicle such as passenger sedans, police package cars, and ¾ ton pickup trucks. Contracts issued by the State are normally open for several months, but manufacturers have final order cut-off dates that must be considered when ordering vehicles from the State Bid.

3. Vendor Selected by the State Bid. The following table illustrates the State Bid vendor, the vehicle type being purchased, and the cost of the vehicle.

Landmark Ford, Inc. (Springfield, IL)

Unit #	Vehicle Type	Purchase Price
2	Ford F-250 4x4 Crew Cab	\$29,682
	TOTAL	\$29,682

E. Alternatives:

1. Approve the Township Resolution and authorize the purchase of one (1) 2017 Ford F-250 using the Illinois State Joint Purchasing Program for a total cost of \$29,682. The vendor selected by the State of Illinois for this vehicle is Landmark Ford, Inc., Springfield, Illinois.
2. Do not approve the Township Resolution and provide further direction to staff.

F. Discussion of Alternatives:

Alternative 1 would authorize the purchase of one (1) 2017 Ford F-250 vehicle using the Illinois State Joint Purchasing Program for a total cost of \$29,682.00. The vendor selected by the State of Illinois for this vehicle is Landmark Ford, Inc., Springfield, Illinois.

a. Advantages

-The State Bid purchase lowers the cost of vehicle replacement by combining large numbers of vehicles into one purchasing contract.

-An additional fleet vehicle will provide the Township with the equipment needed to properly perform functions of the Township.

b. Disadvantages

-Requires an expenditure of \$29,682.00

Alternative 2 does not approve the Township resolution.

a. Advantages

- Purchase expense deferred.
- Provides an opportunity for Township Board input.

b. Disadvantages

- Limits the Township in its ability to perform current functions as well as expand future functions.
- If purchased later, cost could be higher.

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: Although the onetime cost for the purchase of this vehicle is high, the Township has not added to its fleet since 2003. Expanded services and additional programs have increased demand for employee transportation. The funds will be allocated FY 17/18 budget year with no effect to the overall Township budget.

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