

2K. Consideration for authorizing the purchase of a 2022 Ford F350 Super Duty with hoist and contractors’ box for a not to exceed amount of \$67,000.

Prepared by: Street Superintendent	Meeting Date: 06/27/2022	<input checked="" type="checkbox"/> Consent Agenda Item <input type="checkbox"/> Regular Agenda Item
Reviewed by: Public Works Director/City Engineer	Approved by: City Administrator	

ACTION REQUESTED

Consideration of authorizing the purchase of a 2022 Ford F350 super duty with hoist and contractor’s box from Morrie’s Auto Group in the amount of \$66,624.

PREVIOUS COUNCIL ACTION

June 14, 2021: Approved the purchase of a 2022 Ford F350 with an aluminum contractor’s box for a not to exceed price of 47,000 and declared the 2003 F150 as surplus.

REFERENCE AND BACKGROUND

City Council authorized staff to purchase and F350 in June 2021. Currently, Ford Motor Company has still not assigned a build date for the F350, and staff does not know when it will actually be received. In lieu of waiting indefinitely, staff contacted four dealerships to try to find a replacement vehicle:

- Morrie’s Auto Group of Buffalo has a Ford F350 already built with a hoist and a contractor’s body;
- Lundeen Ford of Annandale has a Ford F350 cab and chassis that needs to have a hoist and contractor body installed;
- Boyer Ford of Minneapolis did not have a cab and chassis in their inventory;
- Cornerstone Ford of Elk River also, did not have a cab and chassis in their inventory and stated that Ford was no longer making Super Duty’s for state contract purchasing.

For 2022 state contract vehicle purchases, no trucks larger than half-tons were available for purchase. It also remains unknow what vehicles will be available or what prices will be for 2023 orders.

If this requested purchase is approved by council, staff will cancel the existing truck order and work with North Central Bus and Equipment on returning the contractors box being held for the vehicle.

This new truck will replace a 2003 Ford F150 with 123,788 miles recently reassigned to the engineering department and was declared surplus. A new vehicle for engineering as well as other vehicles were ordered late last year from the state contract and those vehicles also don't have an anticipated build date set by the manufacturer.

Several local dealerships were contacted and only two quotes were received due to product availability and are as follows:

- Morrie's Auto Group - \$66,624
- Lundeen Ford - \$52,510.00 and Bert's Truck and Equipment - \$14,094.15
 - Total – \$66,604.15

The quote from Lundeen Ford and Bert's Truck and Equipment was slightly cheaper, but the Morrie's vehicle would be available immediately and the other vehicle would be available later this year. Given the difference in timeline for receiving the truck, staff recommends purchasing the vehicle from Morrie's Auto Group.

Additional fees for license and registration, which are typically around \$2,000, will be paid directly to the Monticello DMV upon completion of the paperwork after the sale.

- I. **Budget Impact:** - The 2021 budget included \$65,000 for this replacement. This will be financed by the central equipment fund which is an internal service fund that provides financing for governmental fund (general fund) capital equipment purchases of \$10,000 or more. The central equipment fund recovers equipment costs with annual lease payments from the benefitting department.
- II. **Staff Workload Impact:** Improve efficiencies with time, vehicle reliability and safety.
- III. **Comprehensive Plan Impact:** N/A

STAFF RECOMMENDED ACTION

City staff recommends approval to purchase a 2022 Ford F350 super duty equipped with hoist and contractor's box for a not to exceed amount of \$67,000.

SUPPORTING DATA

- A. Verbal written quote summary
- B. Quotes



Date/Time: 6/16/2022 1:20:42 PM

Buyer: City of Monticello/Fnm
Home Phone: (763) 314-0170
Cell Phone: (763) 295-2711
Address: 505 WALNUT ST STE 1
MONTICELLO, MN 55362

Salesperson: Mike Schuetz

2022 Ford Super Duty F-350 DRW XL 9N20844



VIN: 1FDRF3HNXNDA04852
Odometer: 10
Color: Oxford White
Body Type: Regular Cab Chassis-Cab

MSRP/Retail	\$73,624.00
Total Savings	\$25,804.00
Rebates	0.00
Morrie's Best Price	\$47,820.00
Accessories	\$18,804.00
Doc Fee	0.00
Total Taxes	0.00
Government Fees	0.00
Trade Allowance	0.00
Trade Payoff	0.00
Cash Down	0.00
Amount Financed	\$66,624.00

Itemized Accessories BUY HAPPY ENROLLMENT: \$0, 9ft stainless dump body: \$18804

X _____
Customer Signature Date

X _____
Manager Signature Date

65,000⁰⁰ Budgeted.

Mike Haaland

From: Travis Rotzien <travisrotzien@lundeenford.com>
Sent: Monday, June 20, 2022 12:25 PM
To: Mike Haaland
Subject: 2022 F350 price

Hey Mike,

I sat down with Marc and we double checked the price on that f350. Online is actually correct which is \$53,010. We rebuilt it just to make sure. We would do \$500 off of that \$53,010 for you. So for you guys it would be \$52,510 before taxes and fees. Let me know what you think and if you do want to hold it just let me know we wouldn't need much down to make sure it's held.

Thanks Mike!
-Travis Rotzien



TRUCK EQUIPMENT OF MOORHEAD

Berts Truck Equipment Of Mhd Inc
3804 HWY 75 N . PO BOX 336
MOORHEAD, MN 56561-0336
(218) 233-8681 . FAX (218) 233-9548
1-800-232-3787

Estimate E 12240
Date / /
Date Open 06/21/2022

Sold To : 295-2711 763
Ship To :
MONTICELLO, CITY OF
505 WALNUT ST
MONTICELLO MN 55362 USA

Table with columns: Written By (BRIAN), Terms (CHG), Time (09:38:04), Customer Po # (MIKE), Promised, Phone (763-295-2711), Ship Via, Unit # (C-TIPPER), Plate #, Year, Make, Model, Mileage/Hrs (0/0.0), VIN, Engine.

Main items table with columns: Qty, Description, Price, Amount. Includes items like Steel Dump Bodies, KNAKCP-025T21A-P, KNAKHA-1520SF-ED, etc.

ALL INVOICES PAID BY CREDIT CARD WILL HAVE AN ADDITIONAL 3% SURCHARGE.
-NOTICE- THERE WILL BE A \$30 FEE ON ALL RETURNED CHECKS.
ALL RETURN ITEMS MUST BE ACCOMPANIED BY THE ORIGINAL INVOICE.

Parts..... 11184.15
Labor..... 2875.00
Shop Supplies 35.00

This invoice is due no later than the 10th day of the following month of purchase, a 1-1/2% charge will be added to past due accounts.

Authorized By _____

TOTAL 14094.15

CITY OF MONTICELLO

VERBAL/WRITTEN QUOTE SUMMARY SHEET

Minimum 2 verbal or written quotes required for items/services costing at least \$1,000 but less than \$2,500.
 Minimum 3 written quotes required for items/services costing at least \$2,500 but less than \$10,000.
 No Quotes are required for items purchased through state cooperative purchasing venture.

Use this form to summarize quotes received and to select vendor for award.

Name: Mike Hauland Dept: Street Dept Phone: 763 271 3277

Signature of Person Obtaining Quotes: Mike L Hauland

Item/Service Requested: F350 Ford Superduty

Note: If you are unable to obtain required number of quotes, provide an explanation below in notes/comments.

#	Date	Vendor Name	Contact Person	Phone Number	Total \$ Amount Quoted
1	16 June 22	Morrie's Auto Grp.	Mike Schvetz	612 254-6672	\$66,604 ⁰⁰
2	20 June 22	Lundeen Ford	Travis Ratzien	320 274-8211	Lundeen \$52,510 ⁰⁰ Berts 14,094 ¹⁵ Total \$66,604 ¹⁵
3	21 June 22	Cornerstone Ford		763 274-3330	None in inventory
4	22 June 22	Boyer Ford	Corey	612 378-6000	None in inventory
5					

Selected Vendor: Morrie's Auto Group

(If you are selecting other than low quote, you are required to provide written justification as to why low quote was not selected in the notes/comments section):

Notes/comments:

Lundeen/Bert's Equipment is \$19,85 less expensive than Morrie's but we would have to wait 1-2 months while the truck from Lundeen was being built. The F350 at Morrie's is already completed, ready to put in service.

Approval Acknowledgement: _____ Date: _____

Attach this form and written quotes obtained to invoice. Questions may be directed to the Finance Department.