

City of Mt. Pleasant, Michigan

REQUEST FOR PROPOSALS
PURCHASE / LEASE / BUY BACK
OF MUNICIPAL VEHICLES



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City of Mt. Pleasant, Michigan

T A B L E O F C O N T E N T S

REQUEST FOR PROPOSALS

**PURCHASE / LEASE / BUY BACK
OF MUNICIPAL VEHICLES**

Bidding Information

Notice to Bidders

Contract Documents

Proposal

Specifications



THE CITY OF
MT. PLEASANT, MICHIGAN

CITY HALL

320 W. Broadway • 48858-2447
(989) 779-5300

PUBLIC SAFETY

804 E. High • 48858-3595
(989) 779-5100

PUBLIC WORKS

1303 N. Franklin • 48858-4682
(989) 779-5400

REQUEST FOR PROPOSALS

PURCHASE / LEASE / BUY BACK OF MUNICIPAL VEHICLES

The City of Mt. Pleasant, Michigan, is requesting sealed proposals (RFP) at the Office of the City Clerk, City Hall, 320 West Broadway Street, Mt. Pleasant, Michigan 48858, until 1:30 p.m. (local time), on Tuesday, May 17, 2016, at which time and place the RFP will be publicly announced as closed. All proposals shall be submitted in a sealed envelope, plainly marked "Purchase/Lease/Buy Back of Municipal Vehicles RFP – May 17, 2016". Proposers must include manufacturer's specifications and the City's specifications sheets, indicating ability to comply, with the bid proposal.

Proposers shall submit one (1) marked original and four (4) photocopies of the RFP in a sealed envelope.

For purposes of review, proposals shall remain valid for a period of 90 days after the due date. Proposers may withdraw their proposal at any time.

No bid deposit or bond is required with this RFP.

To view and download the complete RFP documents and specifications at no charge, visit the City of Mt. Pleasant website at www.mt-pleasant.org and navigate to the Bids and Quotes page.

The City of Mt. Pleasant reserves the right to accept or reject any or all RFPs, to waive any irregularities in the RFPs, and to select the RFP considered most advantageous to the city.

John Zang
DPW Director
(989) 779-5402

Jeremy Howard
City Clerk

**CITY OF MT. PLEASANT, MICHIGAN
REQUEST FOR PROPOSALS
PURCHASE / LEASE / BUY BACK OF MUNICIPAL VEHICLES**

TO: Office of the City Clerk
City Hall
320 West Broadway St.
Mt. Pleasant, MI 48858

BID DATE: May 17, 2016
TIME: 1:30 p.m.

In accordance with the specifications and other RFP requirements heretofore provided, the undersigned agrees to provide the below listed items at the price(s) set forth below. This is a firm bid and not subject to withdrawal or change for a period of 90 days.

Respectfully Submitted,

COMPANY _____ DATE _____

ADDRESS _____

CITY _____ STATE _____ ZIP _____

TELEPHONE _____ FAX _____

AUTHORIZED SIGNATURE _____

PRINT OR TYPE NAME & TITLE _____

EMAIL _____

**CITY OF MT. PLEASANT, MICHIGAN
REQUEST FOR PROPOSALS
PURCHASE / LEASE / BUY BACK OF MUNICIPAL VEHICLES**

DEFINITIONS

Whenever the following terms appear in the Proposal, the intent and meaning shall be interpreted as follows.

Bid, Request for Proposal, RFP or Proposal: Terms used interchangeable in the Request for Proposal while retaining the same meaning.

City or Owner: The City of Mt. Pleasant, Michigan, the public body, agency or instrumentality for which a contract is to be performed. In the event the City exercises its regulatory authority as a governmental body, the exercise of such regulatory authority and the enforcement of any rules, regulations, laws and ordinances, shall be deemed to have occurred pursuant to the City's authority as a governmental body and shall not be attributable in any manner to the City as apart to the contract.

Contract: The written agreement for performance of the Scope of Work entered into between the City and the successful Proposer.

Contract Administrator: The Director of Public Works or some other employee expressly designated as the Contract Administrator who is representing the City concerning the contract documents.

Financed: Shall mean the method by which the City procures vehicles other than through a one-time cash payment. This can include multi-year leasing (open or closed end) lease to own, lease buy-back, simple interest or pre-computed loan financing, or a combination thereof.

Notice to Proceed: A written notice to the Vendor authorizing the commencement of work according the contract.

Proposer: Any individual(s), firm(s), partnership, corporation, limited liability company, or other legal entity submitting a proposal in response to this RFP, acting directly or through a duly authorized representative.

Purchase: A one-time cash payment.

Vendor: Any individual(s), firm(s), partnership, corporation, limited liability company or other legal entity receiving a contract as a result of this RFP, acting directly or through a duly authorized representative.

**CITY OF MT. PLEASANT, MICHIGAN
REQUEST FOR PROPOSALS
PURCHASE / LEASE / BUY BACK OF MUNICIPAL VEHICLES**

SPECIFICATIONS

Purpose

1. The City of Mt. Pleasant, Michigan is currently in need of replacing part of its motor vehicle fleet and is seeking alternative ways of procuring fleet vehicles. Methods under consideration include purchase, multi-year leasing (open or closed end), lease buy-back, or a combination thereof.
2. The contract that results from this RFP will consist of a two-year initial period, with an optional one (1) year renewal period. However, the City understands that the Vendor may need to cancel the contract early if the manufacturer's incentive program ends. Vendor must specify this as condition of bid.
3. The City reserves the right to order any amount of cash purchase and/or leased vehicles it deems to be in the best interest of the City.
4. This RFP establishes a general scope and terms of services that should form the basis of each proposal.

Vehicle Usage

1. Vehicles leased or purchased under this contract will be used by City employees to conduct official City business only. All vehicle operators will be appropriately licensed and have a satisfactory driving record.
2. Vehicles leased under this contract will not be used by law enforcement personnel, with the exception of administrative use. The majority of the vehicles will be used by the Division of Public Works (Engineering, Streets, Wastewater and Water) staff.
3. The City will use and operate, and permit the use and operation, of each vehicle in a careful manner and in compliance with all requirements of any governmental authority having jurisdiction, as applicable.
4. City vehicles typically accumulate less than 10,000 miles per year.

Program Scope of Services

1. Overview

The City of Mt. Pleasant is looking for a comprehensive solution for the procurement and replacement of fleet vehicles. This will include the additional services described in this section. Proposers are expected to submit proposals that address all portions of this section. If a Proposer is unable to satisfy every element of this section, but chooses to submit a proposal, the Proposer must clearly identify the element(s) it is unable to satisfy the specifications and the reason the requirement cannot be met. The City will

review any exception(s) taken, but, at its sole discretion, may determine the proposal not responsive to the City's requirements and remove it from further consideration.

2. Procurement

The City is looking to trade-in six late model (2014 and 2015) pickup trucks. Proposers should include the estimated trade-in value of these vehicles with their proposal. The City will obtain municipal plates for all vehicles procured as part of this contract.

The selected vendor shall deliver the vehicles to the City of Mt. Pleasant's Division of Public Works building, located at 1303 North Franklin Street, Mt. Pleasant. Vehicle pricing shall be all-inclusive; no separate stocking or delivery fees shall apply.

Vehicle Requirements

1. Because the City of Mt. Pleasant is interested in a vehicle replacement program, it will be up to the Proposer to recommend the best vehicle options/packages, including vehicle color, to provide for maximum trade-in value.
2. Vehicles quoted shall be 1/2 ton, 3/4 ton and 1 ton pickup trucks as specified. Pickup trucks are to be newest model available. The City will take delivery from dealer stock or order, whichever is the most advantageous to the City.
3. Future vehicle procurements may include small, medium or large SUVs, and passenger wagons.

Vehicle Trade-In Allowance

1. As part of this proposal, the City of Mt. Pleasant is seeking maximum trade-in value for the following vehicles. All of the vehicles were purchased brand new. For appraisal purposes, vehicles can be seen by appointment at the Division of Public Works yard, 1303 North Franklin Street, Mt. Pleasant. A lump-sum credit for the aggregate value of the trade-in vehicles will be applied toward the replacement vehicles.

Trade-Ins City Unit #	Description	Est. Current Odometer
Unit 461	2014 Ford F350 4x4 with plow	5,500 miles
Unit 462	2015 Ford F150 4x2	9,500 miles
Unit 463	2015 Ford F350 4x2	9,500 miles
Unit 464	2015 Ford F150 4x2	6,000 miles
Unit 465	2015 Ford F150 4x2	5,000 miles
Unit 468	2014 Ford F150 4x2	6,200 miles

2. At time of trade-in, the City is expected to take delivery of a vehicle equivalent to the trade of the next model year. For example, if a 2015 vehicle is traded, the City will

expect to take delivery of a 2017 model year vehicle. Timing of the trade-in will be at the discretion of the Vendor.

Vehicle Maintenance

1. Vendor will perform all recall work when necessary. Consideration will be given by the City for the location of the maintenance facility specified by the Proposer.
2. The City of Mt. Pleasant may perform limited vehicle maintenance, such as oil changes, in-house.

Vehicle Damage

Definitions

Normal Wear and Tear is defined as dents, dings, paint chips, or scratches three inches or less in size, pitted, but not cracked, windshields, and interior wear such as soiled carpets and seats normally incurred by a motor vehicle used in both rural and metropolitan areas over a period of 12 months.

Excess Wear and Tear is defined as dents, dings, paint chips, or scratches more than three inches in size, cracked or punctured bumpers, chipped or cracked windshields, interior holes, burns, rips, tears, or stains requiring heavy cleaning or replacement of fabric, interior damage such as gouged steering wheels or dashboards, missing equipment, and any exterior or interior damage attributable to collision.

A Total Loss Vehicle is defined as a vehicle that the estimated cost to repair the vehicle is equal to at least 80 percent of the retail market value of the vehicle prior to the damage as determined by using NADA Guides at www.nadaguides.com.

The City of Mt. Pleasant, at its discretion, may be willing to incorporate into the contract a more detailed catalog of damage descriptions and a schedule of damage allowances and charges. This catalog and the associated schedule(s) should be based on a common industry standard.

Vehicle Damage Repair Due to Collisions

1. The City will be responsible for repairing all vehicle damage due to collisions.
2. The Vendor, if they so choose, may supply a proposal for repairing vehicle collision damage. The cost of the damage will be covered by an insurance policy with comprehensive and collision coverage; in the event that the Vendor's repair proposal is lower than, or equal to, the insurance payout, the Vendor will be afforded the right to perform the repairs.
3. In cases where vehicle damage is caused by another party and that party selects the repair shop to have the vehicle repaired, the Vendor will be afforded the opportunity to inspect the vehicle before and after the repairs are made so long as those inspections are conducted without unduly affective the repair schedule.

4. The City will be responsible for the replacement of all cracked and damaged glass.

Vehicle Damage Resulting from Excess Wear and Tear

When the City returns a vehicle to the Vendor at the end of the vehicle's lease period, an assessment for excess wear and tear shall be made at the time the vehicle is returned. If excess wear and tear damage exists, the Vendor shall submit an invoice to the City for the excess wear and tear damage. The invoices repair amounts shall be obtained from a reputable industry guide, such as the "Mitchell Collision Estimating and Reference Guide." Excess wear and tear must be fully documented, including clear photographic evidence of the damage. For any individual damage estimate that is greater than \$2,000, the Vendor will provide the City with repair estimates from no less than three (3) repair facilities.

Maintaining Warranty and Repair Services

1. The Vendor will perform all manufacturer-required maintenance at the manufacturer-prescribed intervals. Maintenance intervals will be selected to ensure the continuation of warranty coverage. In no case will maintenance intervals exceed 5,000 miles or one (1) year, whichever comes first.

2. The City will maintain responsibility for maintenance tasks that would typically be considered the duty of the vehicle operation, such as:

- Periodic visual inspections
- Fluid level checks and top-off
- Oil changes
- Tire pressure check and inflation

The Vendor will also include all of the above tasks as part of every scheduled maintenance visit and will correct deficiencies at each visit.

3. All scheduled warranty work shall be completed within 48 hours.

Warranty Coverage

All vehicles proposed will be covered by a 36-month, 30,000 mile bumper-to-bumper warranty.

The City will be responsible for all acts of vandalism.

Lemon Law

The Vendor will be responsible for pursuing claims under the Michigan Auto Lemon Law.

Additional Information/Clarification

Information provided by the City is intended to secure proposals for the intended purpose. The City has made reasonable effort to provide necessary and accurate

information when this request was prepared, but the City is not to be penalized for any inaccuracies in the description of financing terms or a lack of completeness in any descriptions. Accuracy of this data is not guaranteed. It is the sole responsibility of the Proposer to assure that they have all information necessary for submission of their proposal. Therefore, the proposer should request additional information or clarification for any statements made in the document that do not appear to conform to industry standards or do not appear to support the intended purpose of this Request for Proposal.

Submission of Proposal

1. Incurred Expenses

The City is not responsible for any expenses which Proposers may incur by preparing and submitting their proposals called for in the Request for Proposal.

2. Interviews

The City reserves the right to conduct oral interviews or require presentations with Proposers prior to selection. The City will not be liable for any costs incurred by the Proposer in connection with such interviews/presentations (i.e. travel, accommodations, equipment, etc.)

3. Proposal Acknowledge

By submitting a proposal, the Proposer certifies that they have fully read and understand the proposal method and has full knowledge of the scope, nature, and quality of work to be performed.

4. Request for Additional Information

The Proposer shall furnish such additional information as the City may reasonably require. This includes information that indicates financial resources as well as ability to provide the products and/or services.

5. Acceptance, Rejection, Modification to Proposals

The City reserves the right to reject any and all proposals, or to waive minor irregularities in the proposals.

6. Proposals Binding

All proposals submitted shall be binding for 90 days following the proposal due date.

Conditions of Proposals

1. Late Proposals

Proposals received by the City after the time specified for receipt will not be considered. Proposers shall assume full responsibility for timely delivery at the location designated for receipt of proposals.

2. Responsiveness of Proposal

All information required by this RFP must be supplied to constitute a complete proposal.

3. Public Closing

All proposals will be publicly closed at the time and place specified.

4. Award

Award shall be made to the responsible Proposer whose proposal is determined to be the most advantageous to the City. The selected proposal will be submitted to the City Commission for acceptance and final award within 90 days from the RFP closing date.

Addenda

Any addenda or answers to written questions supplied by the City to participating Proposers become part of this Request for Proposal and the resulting contract. All addenda should be acknowledged in the appropriately marked area on the proposal sheet.

No negotiations, decisions, or actions shall be initiated or executed by the Proposer as a result of any discussions with any City employee. Only those communications that are in writing from the Financial Services Director or designee may be considered as a duly authorized expression. Also, only communications from Proposers that are signed and in writing will be recognized by the city as duly authorized expressions on behalf of the Proposer.

Information Required of Proposer

In order to ensure a uniform review process and to obtain the maximum degree of comparability, it is required that the proposals be organized in the manner specified below. Proposal shall be in the following order.

A. Cover Page

Name of Proposer's company/corporation, address, telephone number, fax number, email address, name of person that will handle the City's account, date, and the subject RFP Purchase/Lease/Buy Back of Municipal Vehicles.

B. Financial Proposals

1. Provide the complete lump sum fixed price proposal for the vehicles designated to be paid in cash.

2. Provide the financing proposal(s). There is no limit on the number of proposals (financial program types) or the number of options that are presented, although the Proposer should provide a synopsis of each program and option at the beginning of each financial proposal.

Prices Proposed

Prices shall be shown in both amounts and extensions whenever possible. In the event of discrepancies existing between unit amounts and extensions or totals, the unit amount shall govern.

All proposal prices shall include all taxes, delivery, permit fees, royalties, license fees, and destination charges, upgrade costs, optional equipment and installation costs along

with any other cost or fee arising from the, as well as all costs of packaging, to the designated location with the City of Mt. Pleasant. All costs and compensation shall remain firm and fixed for acceptance for 90 calendar days after the day of the Proposal closing.

Evaluation of Proposals

Award shall be made to the responsible Proposer whose proposal is determined to be the most advantageous to the City, taking into consideration the evaluation factors set forth below.

The City, at its sole discretion, will determine the approach that is most cost effective and best meets the needs of the City.

A selection committee will be established to review and evaluate all proposals submitted. The City reserves the right to reject any and all proposals, and to waive minor irregularities in the proposal. The City further reserves the right to see new proposals when it is in the best interest of the City to do so.

Form and Precedence of Proposed Contract

The contract to be entered into with the successful Proposer will include, but not be limited to the following documents, in the priority shown below.

- A. The Agreement
- B. Addenda to this Request for Proposal
- C. This Request for Proposal
- D. The Vendor's final proposal as approved by the City

In the event of conflicts or discrepancies among the contract documents, interpretations will be based on the above priorities.

Invoicing and Payments

A. The Vendor will submit invoices(s) monthly, showing payments due for all vehicle(s) and services provided during the previous month.

B. Vehicles that are in the City's possession for the entire month will be invoiced at the full monthly amount shown in the Contract. Vehicles that are in the City's possession for less than a full month will be invoiced at a pro-rata amount based on the number of days the vehicle was in the City's possession. A month will be defined as thirty (30) days for the purposes of this calculation.

C. For the purposes of this section, vehicles being serviced shall be considered in the possession of the City so long as the terms and conditions of the maintenance agreement(s) are being followed.

D. Payments will not accrue until the City accepts delivery of the vehicle, and will cease upon return of the vehicle to the Contractor.

Local Business Preference

The City has a local preference policy for businesses located within the City limits, which allows a local differential as follows, but should not exceed \$1,500.

<u>Amount of Low Bid</u>	<u>% Differential Allowed</u>
\$5,000 - \$9,999	3%
>\$10,000	2% up to \$1,500