



CITY OF GILLETTE

Administrative Services Department - Vehicle Maint. Division

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TO: Madam Mayor and City Council
FROM: B. Evan Byrd, Fleet Manager
THROUGH: Pamela Boger, Administrative Services Director
DATE: December 8, 2016
RE: Cancellation of Bid Award to Sundance Equipment

RECOMMENDED ACTION & SUMMARY

Staff recommends that the Council consider a motion to cancel the bid award to Sundance Equipment in the amount of \$9,695, for failure to complete the contract as bid. The bid was for a 6x4 Utility Vehicle, in this case, a John Deere Gator. John Deere raised their prices at the beginning of their fiscal year which was November 1st. After being notified that they won the bid award, Sundance Equipment then sent a new quote to the fleet manager for \$10,128. The fleet manager plans to begin the process anew after the bid award is cancelled.

BACKGROUND

On August 19, 2016 and August 26, 2016, the City published an Advertisement and Invitation for Bids for a new 6x4 Utility Vehicle. On August 24, 2016 a bid was timely submitted by Sundance Equipment Company. A bid opening was conducted on August 31, 2016 and Sundance Equipment Company was deemed the low bidder.

On November 1, 2016, Council awarded a bid in the amount of \$9,695.00 to Sundance Equipment Company, pursuant to the bid received on August 24, 2016. On November 3, 2016, the Fleet Manager informed Sundance Equipment Company that they had been awarded the bid for the 6x4 Utility Vehicle.

Later that same day, Sundance Equipment Company informed the City's Fleet Manager that the price had increased by \$433.00 due to the time delay between bid and acceptance. The cause for the price increase was that John Deere, the manufacturer of the 6x4 Utility Vehicle, had finished out its fiscal year, and had implemented its price increases on equipment beginning November 1, 2016.

Sundance Equipment Company has asserted that it will not complete the sale for the bid amount. As a result, Council is placed in a position to cancel the previously awarded bid and to seek to begin the bid process for this vehicle anew.