

CITY OF YUBA CITY
STAFF REPORT

Date: March 5, 2019
To: Honorable Mayor & Members of the City Council
From: Finance Department
Presentation By: Spencer Morrison, Accounting Manager

Summary

Subject: Cancel award of two (2) Ford Explorers and purchase two (2) Chevy Tahoe SUVs

Recommendation:

- A. Cancel award of two (2) Ford Explorers to Geweke Ford of Yuba City, CA in the total amount of \$61,527.52 due to delivery delays from the ending of a model year.
- B. Purchase two (2) 2WD Chevy Tahoe SUVs from Wheeler Chevrolet of Yuba City, CA in the total amount of \$78,638.48 by utilizing section 8-8.3 of the Purchasing Policy
- C. Award a contract to Cop Shop Installation of Yuba City, CA for vehicle equipment and installation in the total of \$27,572.89 by utilizing section 8-8.3 of the Purchasing Policy.
- D. Authorize the Finance Director to make a supplemental appropriation of \$10,212 using unallocated Police Funds within the Vehicle Replacement Fund

Fiscal Impact: \$106,212 Vehicle Replacement Account #6610-69401; \$96,000 already authorized in FY18/19 budget

Purpose:

Purchase of replacement vehicles for the Police Department

Background:

Each year Fleet Maintenance staff reviews the City's vehicles to determine which are recommended for replacement. This is done by reviewing the age of the vehicle, amount of miles on the vehicle and the anticipated maintenance cost if the vehicle remains in service. For the 2018/2019 fiscal year, Council approved the capital acquisition budget including \$96,000 (purchase and equipment price) for two (2) SUV police vehicles which will be for Community Service Officer (CSO) use in Field Operations.

To purchase the two (2) SUV police vehicles, staff researched statewide contracts, Cooperative Purchasing contracts and the local Ford dealership to find the best option for the City. Staff found

that the local Ford dealership had the best price and recommended award to Geweke Ford for two (2) 2019 Ford Explorers and Council approved the recommendation at the September 4, 2018 Council meeting. Unfortunately, we received email notification on September 14, 2018, from Geweke's Fleet Manager, that the manufacturer changed their order cutoff date of September 15, 2018 and 2019 model year vehicles were no longer available. The Fleet Maintenance supervisor and Geweke's Fleet Manager called around the region to try to locate two (2) vehicles with no success.

Analysis:

The Finance Department has been working with the Fleet Maintenance Division and the Police Department to come up with alternate solutions. Staff reviewed 2 options:

1. Wait until FY19/20 budget to purchase the Ford Explorers. These will likely need newly designed equipment to outfit new model year.
2. Repurpose two (2) Ford Explorers used by the Lieutenants, purchased in 2017, to the CSOs in Field Operations. Then replace those vehicles with 2019 Chevy Tahoe SUVs from Wheeler Chevrolet of Yuba City, CA and purchase equipment from Cop Shop Installation of Yuba City, CA. Purchase the vehicle and equipment by utilizing Purchasing Policy section 8-8.3 which states, "Bidding may be dispensed with when it is in the best interest of the City to negotiate an extension of an existing contract for supplies or technical services, based upon satisfactory performance, such negotiated price must be fair and reasonable. This shall also apply to products and services purchased through prior recent bidding." Council awarded the purchase of Chevrolet Tahoe SUVs to Wheeler Chevrolet of Yuba City, CA in August 2018 and awarded the purchase of equipment and installation to Cop Shop Installation of Yuba City, CA in July 2018. The updated total negotiated cost is \$10,639.

After weighing all the options, staff does not believe option 1 is a viable option considering a few different items:

- The Police Department currently have 5 personnel sharing 2 vehicles and is working to accommodate personnel so they are able to best perform their job functions of serving the community.
- It could take up to 8 to 12 months to get new vehicles into service. The reason for that amount of time is the production of the new 2020 model does not start until May 2019 and will not be available for delivery until fall 2019. Then the vehicles would need to be outfitted with emergency equipment.
- Adding to the delay of putting vehicles into service, the necessary and existing equipment may not be interchangeable on the 2020 vehicles considering the new model year will have a different body design. Talking with the Ford dealership, since the new 2020 model vehicles are being completely overhauled with a new bodystyle, the vendors that outfit the vehicles with emergency equipment will not have access to the vehicle until the fall of 2019. After which, they will have to manufacture equipment which could take up to 2 to 4 months for delivery. Then, the vendors that install the equipment would need 2 to 4 weeks to install the equipment.
- Waiting until the FY19/20 budget year, the price of a 2020 Ford Explorer would be consistent with the current fiscal year Capital Acquisitions budget, but the CSO function would be less efficient.

Staff believes choosing option 2 would be in the best interest of the City for a few reasons:

- This option would supply personnel with appropriate vehicles to be able to perform their job efficiently and effectively in the shortest amount of time, 2 to 3 months.
- A portion of the equipment necessary to outfit the CSO vehicles, such as light bars, consoles and push bars, in the total of \$800 per vehicle, would be repurposed from the Police Patrol Explorers that were taken out of service in this fiscal year. The equipment was considered in the original Capital Acquisition budget.

Fiscal Impact:

\$106,212 Vehicle Replacement Account #6610-69401; \$96,000 already authorized in FY18/19 budget

Alternatives:

- 1) Direct staff to submit a Capital Acquisition request for model year 2020 Ford Explorer and equipment.

Recommendation:

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Attachment:

1. Spreadsheet-mileage and maintenance

Prepared By:

/s/ Vicky Anderson
Vicky Anderson
Administrative Analyst I

Submitted By:

/s/ Diana Langley
Diana Langley
Interim City Manager

Reviewed By:

Finance

RB

Police

RL

City Attorney

SC

ATTACHMENT 1

Vehicles that were sent to Auction and are being replaced

Unit #	Make and Model	Mile age	Maintenance last 5 years	Maintenance last 2 years	Reasons
06-23	2006 Ford Explorer	100,000	\$11,782.61 (2013 to 2017)	\$2,551.77 (2016-2017)	Went to Auction in Dec 2018. Took out of service 10/25/17. Major engine failure. Still ran but made a serious knocking noise due to timing chain and camshafts being worn out.
06-24	2006 Ford Explorer	94,000	\$13,047.37 (2014-2018)	\$5,132.79 (2017-2018)	Went to Auction in Dec 2018. Out of service 9/2018. The Wiring harness shorted out causing the engine computer to short out. Fleet was not able to fix due to computer and wiring harness not being available anymore. This information was told to Fleet by the Manufacturer

These vehicles were taken by the auction house and were given a smog and safety inspection. If they do not pass those checks then they are considered non reliable to sell to the public and must be purchased by either a dealer or a wrecking yard. These vehicles did not pass the inspection checks.