



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Authorize the Issuance of a Purchase Order to Folsom Lake Ford for Sixteen (16) 2020 Ford Police Interceptor Hybrid Sport Utility Vehicles (F20-091)

REPORT IN BRIEF

Approval is requested to authorize the issuance of a Purchase Order to Folsom Lake Ford of Folsom, CA in the amount of \$723,494.80 (including tire, documentation fees, and delivery fees) excluding \$64,777.98 in sales tax, for fourteen (14) Marked 2020 Ford Police Interceptor Hybrid Sport Utility Vehicles (SUVs) and two (2) Unmarked 2020 Ford Police Interceptor Hybrid SUVs for the Department of Public Safety.

EXISTING POLICY

Pursuant to Section 2.08.040 of the Sunnyvale Municipal Code, Council approval is required for the procurement of goods and/or services greater than \$100,000 in any one transaction.

In accordance with Sunnyvale Municipal Code Section 2.08.220(b), the purchasing officer may authorize the procurement of goods and/or services through a contract initiated by another governmental, public or quasi-public agency, provided that the parties agree, it was awarded within 12 months, the contract is identical or nearly identical and resulted from competitive bids methods similar to those set forth in Sunnyvale Municipal Code Section 2.08.060.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

BACKGROUND AND DISCUSSION

Economical operation of the City's fleet requires that vehicles and equipment be replaced before operating costs become excessive. The current fourteen (14) patrol units and two unmarked units being replaced have accumulated between 110,000 to 130,000 miles and are scheduled for replacement during FY 2019/20. Increased maintenance equates to increased down-time and costs. Minimizing downtime is critical to operational readiness and cost efficiency for the Department of Public Safety (DPS) and fleet maintenance management operations.

The City currently utilizes 34 interceptors for patrol and investigations. Beginning in 2011 Ford Motor Company discontinued the Crown Victoria Interceptor sedan and replaced it with the Ford Taurus Interceptor and the Ford Explorer SUV Interceptor. The Interceptor SUV has greater interior volume, and has been the proven choice of vehicle for patrol and K-9 operations for DPS. Ten (10) of the

marked vehicles purchased through this Purchase Order will be used for Patrol, four will be retrofitted for K-9 operations, and the remaining two will be unmarked for special operations. Ford is now offering a Hybrid option, which is an included feature with these vehicles. The necessary vehicle retrofitting to meet the defined vehicle expectations of DPS will be performed on a separate contract.

Traditionally, the City has purchased fleet vehicles through various cooperative purchasing agreements or through a California Statewide Commodity Contract. The City has used the State of California vehicle contracts many times in the past to identify vendors and has experienced better pricing than when bidding the goods/services individually. Interceptor SUVs that meet the City's requirements are available through a Statewide Commodity Leveraged Purchasing Agreement. Utilizing the Statewide Contract pricing saves time while benefiting from established vehicle pricing through this Contract.

FISCAL IMPACT

The total cost of this purchase is \$788,272.78. Replacement funding is available in the Fleet Equipment Replacement Account. Currently, the budgeted replacement value of police interceptors is \$30,000, plus \$11,000 for the aftermarket build up. Under this State Contract, the vehicles will each cost approximately \$15,000 more than budgeted, for a total impact of approximately \$240,000. Approximately \$7,000 of the additional cost is due to increases in price from Ford since the City last procured Interceptors, \$3,700 is the additional cost for the hybrid option, and the remainder is increases in costs for the other various options included in the purchase. In addition, the estimated build up cost for all units will cost an additional \$76,000 over the budgeted value.

The City's Fleet vehicles are funded by the City's General Services Fund, Fleet Services Sub-Fund which provides for ongoing fleet equipment replacement. Funding is provided through internal service charges from the various affected departments based on the equipment used. The fund can absorb the impact of the additional cost in the current year, and staff will adjust the replacement values and corresponding internal service charges for future years to account for the increase.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

RECOMMENDATION

Authorize the issuance of a Purchase Order to Folsom Lake Ford of Folsom, CA in the amount of \$723,494.80 (including tire, documentation fees, and delivery fees) excluding \$64,777.98 in sales tax, for fourteen (14) Marked 2020 Ford Police Interceptor Hybrid Sport Utility Vehicles (SUVs) and two (2) Unmarked 2020 Ford Police Interceptor Hybrid SUVs for the Department of Public Safety.

Prepared by: Timothy J. Kirby, Director of Finance
Reviewed by: Teri Silva, Assistant City Manager
Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Draft Purchase Order