



Legislation Details (With Text)

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On agenda: 4/16/2018 **Final action:** 4/16/2018

Title: SUBJECT: Purchase of a Replacement Police Vehicle and Requests for a Budget Appropriation for the Purchase and a Waiver of the Competitive Bidding Requirement

REPORT IN BRIEF

Fleet Services is requesting approval from Council to appropriate \$34,196 from the Fleet Capital Replacement fund, accept Insurance reimbursements for one wrecked police vehicle, and waiving the City's bid requirements to purchase a new 2017 Chevrolet Caprice Police Vehicle from a local dealership.

RECOMMENDATION

City Council - Adopt a motion:

- A. Requesting an appropriation of \$34,196 from the Fleet Capital Replacement Fund to replace one wrecked Police Patrol Vehicle;
- B. Accepting insurance reimbursement revenue from McLaren's Insurance, crediting those funds back to the Fleet Capital Replacement Fund;
- C. Waiving the City's bid requirement, allowing a direct purchase from a local dealership for the purchase of one new 2017 Chevrolet Caprice Police Vehicle; and
- D. Authorizing the Finance Officer to make the appropriate budget adjustments and City Buyer to issue the Purchase Orders.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Attachment 1 - Caprice PPV.pdf, 2. Attachment 2 - PDRetroGear.pdf, 3. Attachment3 - SUVPoliceQuote.pdf

Date	Ver.	Action By	Action	Result
4/16/2018	1	City Council/Public Finance and Economic Development Authority/Parking Authority	approved	Pass

Report Prepared by: Dan Arnold, Public Works Manager - Operations

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- D. Authorizing the Finance Officer to make the appropriate budget adjustments and City Buyer to issue the Purchase Orders.

ALTERNATIVES

- 1. Approve, as recommended by staff; or,
- 2. Approve, subject to other than recommended by staff (identify specific findings and/or conditions amended to be addressed in the motion); or,
- 3. Deny; or,
- 4. Refer to staff for reconsideration of specific items; or,
- 5. Continue to a future meeting (date and time to be specified in the motion).

AUTHORITY

Title 3, Article III of the Merced Municipal Code, purchases over twenty five thousand dollars.

CITY COUNCIL PRIORITIES

As provided for in the FY 2017/18 Council Priorities under Operational Sustainability.

DISCUSSION

Fleet Services is requesting approval from Council to appropriate \$34,196 from the Fleet Capital Replacement fund to purchase one new 2017 Police Chevrolet Caprice. The new vehicle is replacing one Chevrolet Caprice Police Patrol car that was completely totaled during a recent vehicle accident. The city's insurance will reimburse the City for the wrecked patrol vehicle, less a \$5,000 deductible; however, insurance stipulations require the City to make the purchase first before a reimbursement can be processed. Staff requests those insurance reimbursements be credited back to the Fleet Capital Replacement Fund 674 once received.

Chevrolet stopped making the Caprice Police vehicle in 2017, and a search for a new Police Caprice was very limited due to its discontinuance. However, our local Chevrolet Dealer has located one for a total cost of \$32,718.98 (see Attachment 1); this vehicle will come with a full new car five-year/100,000 mile powertrain warranty. Fleet staff also solicited quotes for a Ford SUV Interceptor to compare cost and functionality. Though the Police version of the Caprice is being phased out, by purchasing the Caprice instead of the normal Ford SUV Interceptor, (see Attachment 3), the City will

save \$4,661.02.

In addition, by purchasing a Caprice instead of an Interceptor, some of the retrofit gear from the wrecked Caprice can be transferred into the new vehicle, saving approximately \$4,000 in additional cost. However, an additional \$1,476.22 is requested in this appropriation to purchase needed emergency lighting gear (see Attachment 2).

As a special one-time vehicle purchase, with very few Caprice Police vehicles available on the market, Fleet Services is requesting this vehicle be purchased as a sole source through our local Chevrolet dealership. The local dealership pricing does include a discount for government entities; this discount saves the City \$4,937 (see MSRP vs. Selling Price in Attachment 1). Additionally, since this vehicle is already built and available, the City will not need to wait the standard 3-4 months for a new vehicle to be built and delivered.

Staff is requesting Council's approval to waive the City's bidding requirements and purchase directly from Merced Chevrolet in order to realize a cost and time savings, as well as to continue with standardized vehicles.

HISTORY

Through the years, City Council has approved sole source purchases of specific vehicles primarily for standardization purposes, and especially for emergency vehicles where officers need continuity in configuration, handling and performance. When responding to life or death emergencies standardization can mean the difference between life and death where every second counts. Other departments such as Solid Waste have also been sole sourced to ensure truck configuration is consistent for operator controls which can also lower accident liability due to standardization.

Standardization reduces overall parts and maintenance expenses for Fleet Services, and improves repair time when breakdowns do occur, due to technician familiarity with a specific vehicle type. Utilizing government discounts, such as now used by some of the local dealerships, have proven to save the City money while allowing the purchase of specific equipment for which standardization makes economic and operational sense.

IMPACT ON CITY RESOURCES

An appropriation of \$34,196 from the Fleet Capital Replacement fund is needed to purchase one new vehicle. The Insurance reimbursement for one wrecked police vehicle will be credited back to the Fleet Capital Replacement Fund 674.

ATTACHMENTS

1. Attachment 1 - Caprice PPV.pdf
2. Attachment 2 - PDRetrofitGear.pdf
3. Attachment 3 - SUVPoliceQuote.pdf