



CITY OF COSTA MESA

Agenda Report

77 Fair Drive
Costa Mesa, CA 92626

File #: 23-1270

Meeting Date: 6/20/2023

TITLE:

AUTHORIZE THE PURCHASE OF FORD FLEET VEHICLES

DEPARTMENT: PUBLIC WORKS DEPARTMENT, MAINTENANCE SERVICES
DIVISION

PRESENTED BY: RAJA SETHURAMAN, PUBLIC WORKS DIRECTOR

CONTACT INFORMATION: ROBERT RYAN, MAINTENANCE SERVICES MANAGER, (714)
327-7499

RECOMMENDATION:

Staff recommends the City Council:

1. Authorize by minute action, that compliance with the bidding requirements and procedures is inefficient and not in the best interest of the City, based on identified conditions and supported by substantial evidence.
2. Authorize the purchase of Ford fleet vehicles from local authorized Ford dealerships.
3. Authorize the City Manager or designee to execute the necessary documents for the purchase of new and replacement Ford fleet vehicles as approved in Fiscal Years 2021-22, 2022-23, and 2023-24 annual budgets.

BACKGROUND:

Consistent with past practices, new and/or replacement vehicle and equipment requests are evaluated during the annual budget process along with Equipment Maintenance staff recommendations.

The vehicles and equipment identified have high mileage and usage, are in poor condition, and have severe mechanical issues. Other factors for replacement consideration include obsolete parts availability and high maintenance and repair costs. All the vehicles and equipment approved for replacement have exceeded their anticipated service lives.

Typically, vehicles and equipment are purchased using contracts through Sourcwell. Utilizing a Sourcwell contract meets all requirements outlined in the City of Costa Mesa's Purchasing Policy and all requirements set forth by the State of California in regard to regional cooperative purchasing agreements. This process has been utilized successfully by the City for several previous vehicle purchases. However, over the last two (2) years, the availability of vehicles has been severely limited and manufacturers have not been allocating sufficient inventory for government procurement.

Therefore, a total of twenty-two (22) vehicles that were approved by City Council for replacement in Fiscal Years 2021-22 and 2022-23 have not been secured through the Sourcewell contract. These vehicles include thirteen (13) light and medium duty trucks for the Maintenance Division, six (6) support and executive staff type vehicles, an animal control truck for the Police Department, and two (2) trucks to support operations in Parks and Community Services.

In order to address the vehicle procurement issue, Purchasing released an Invitation for Bid (IFB) No. 23-17 on PlanetBids on April 27, 2023, with a response date of May 17, 2023. However, the City received no bids. The IFB was modified after receiving feedback from potential vendors. IFB No. 23-17 was released for a second time on May 22, 2023, with a response date of June 5, 2023. Once again, the City received no bids.

ANALYSIS:

The purchase of these vehicles is necessary in order to upgrade the City's fleet of operable vehicles to serve the community and its stakeholders. The necessity of this purchase is exemplified by the continual breakdowns and repairs of the aging fleet of vehicles. The purchase will also provide vehicles to newly added staff that serve the community.

Traditional procurement avenues have been exhausted with no results. Approving the recommendation would allow staff to negotiate directly with one or more local authorized Ford dealership(s) to procure the vehicles necessary to ensure maintenance and safety operations.

Attachment 1 includes the complete list of approved vehicles from Fiscal Years 2021-22 and 2022-23 yet to be procured. Procurement of additional vehicles was also approved as part of the Fiscal Year 2023-24 budget.

ALTERNATIVES:

The City Council could choose not to authorize the direct purchase of vehicles from local authorized Ford dealerships. This is not recommended this would result in further delays in the procurement of approved vehicles and equipment. These delays could potentially result in safety issues as well as maintenance units not being in service promptly causing staff to be operating unreliable vehicles.

FISCAL REVIEW:

Funds for the replacement of City vehicles and equipment as proposed are included in the Equipment Replacement Fund's Operating Budget.

LEGAL REVIEW:

The City Attorney's Office has reviewed this report and approves it as to form.

CITY COUNCIL GOALS AND PRIORITIES:

This item works toward achieving the following City Council Goals:

- Strengthen the Public's Safety and Improve Quality of Life
- Advance Environmental Sustainability and Climate Resiliency

CONCLUSION:

Staff recommends the City Council:

1. Authorize by minute action, that compliance with the bidding requirements and procedures is inefficient and not in the best interest of the city, based on specifically identified conditions and supported by substantial evidence.
2. Authorize the purchase of Ford fleet vehicles from local authorized Ford dealerships.
3. Authorize the City Manager or designee to execute the necessary documents for the purchase of new and replacement City fleet vehicles as approved in Fiscal Years 2021-22, 2022-23, and 2023-24 annual budgets.