



CITY OF COSTA MESA

77 Fair Drive
Costa Mesa, CA 92626

Agenda Report

File #: 23-1000

Meeting Date: 2/7/2023

TITLE:

AUTHORIZE THE USE OF SOURCEWELL'S NATIONAL COOPERATIVE AGREEMENT WITH NATIONAL AUTO FLEET GROUP FOR THE PURCHASE OF NEW AND REPLACEMENT CITY VEHICLES AND EQUIPMENT

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 the use of Sourcewell's National Cooperative Agreement No. 091521-NAF (Attachment 1) with National Auto Fleet Group for the purchase of new and replacement City fleet vehicles - cars, vans, SUV's, trucks and related equipment - as approved during the annual budget process.
2. Authorize the City Manager and the City Clerk to execute all documents necessary to utilize the Sourcewell National Cooperative Agreement for one year with two one-year renewals authorized in respective annual budgets through FY 2024-25 for an annual not-to exceed amount of \$2,000,000.

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

ANALYSIS:

The purchase of these vehicles and equipment will upgrade the City's fleet of operable vehicles and will facilitate the transport of material and passengers, thereby improving the City's ability to serve the community and its stakeholders. The continual breakdowns and repairs of vehicles being considered for replacement exemplifies the necessity of this purchase. The purchases will also provide vehicles to newly added staff that service the community.

While evaluating the vehicles for purchase, staff will select electric and hybrid vehicle options where available. These options support the City Council's goal of "Advancing Sustainability and Climate Resiliency" by reducing fuel costs and emissions produced by City vehicles.

Purchasing these vehicles and equipment through National Auto Fleet Group using the Sourcewell contract meets all requirements set forth in the City of Costa Mesa's Purchasing Policy and all requirements set forth by the State of California in regards to regional cooperative purchasing agreements. Sourcewell established an approved vendor list following a nationwide competitive bid process. This assures that the City receives the lowest available pricing and meets the competitive bid process requirements. This process has been utilized successfully by the City for several previous vehicle purchases.

For future years, staff will continue to request approval for new and/or replacement vehicles as part of budget process. The approval of the recommended multi-year contracting authority will enable the City Manager to proceed efficiently with the purchase of vehicles approved by the City Council.

ALTERNATIVES:

The City Council may choose not to authorize the use of Sourcewell's national cooperative agreement with National Auto Fleet Group. This is not recommended, as there could be significant delays in the procurement of approved vehicles and equipment. This could potentially result in safety issues with emergency response units as well as maintenance units not being in service in a timely manner, and staff driving unreliable vehicles.

FISCAL REVIEW:

Funds for the replacement of City vehicles and equipment are included in the Fiscal Year 2022-23 Operating Budget. For future years, staff will request appropriations as part of the budget process.

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 public safety and improve the quality of life.
- Advance environmental sustainability and climate resiliency.

CONCLUSION:

Staff recommends the City Council:

1. Authorize the use of Sourcewell's National Cooperative Agreement No. 091521-NAF with National Auto Fleet Group for the purchase of new and replacement City fleet vehicles - cars, vans, SUV's, trucks and related equipment - as approved during the annual budget process.
2. Authorize the City Manager and the City Clerk to execute all documents necessary to utilize the Sourcewell National Cooperative Agreement for one year with two one-year renewals authorized in respective annual budgets through FY 2024-25 for an annual not-to exceed amount of \$2,000,000.