



Legislation Text

File #: 21-0344, **Version:** 1

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Bruce Moe, City Manager

FROM:

Steve S. Charelian, Finance Director
Julie Bondarchuck, Financial Controller
Mike Grafton, Equipment Maintenance Supervisor
Dru Leonard, Acting Purchasing Supervisor

SUBJECT:

Consideration to Award Bid No. 1260-22 to Winner Chevrolet, Inc. for the Budgeted Purchase of Five Patrol Vehicles and One K-9 Vehicle including Upfitting in the Amount of \$431,579.48 (Finance Director Charelian).

APPROVE

RECOMMENDATION:

Staff recommends that the City Council award Bid No. 1260-22 to Winner Chevrolet, Inc. for the budgeted purchase of five Chevrolet Tahoe patrol vehicles and one budgeted K-9 vehicle including upfitting in the amount of \$431,579.48.

FISCAL IMPLICATIONS:

Funds totaling \$532,120 are budgeted in the Fiscal Year 2021-2022 Fleet Management Fund for purchase and equipping of these vehicles. The vehicle cost including upfitting (e.g., adding lights, siren, etc.) will be \$431,579.48. The remaining budgeted funds of \$100,540.52 will be used for vehicle graphics and other necessary safety and communications equipment.

BACKGROUND:

The Fiscal Year 2021-2022 budget includes funding for the purchase of six Police Pursuit Vehicles (PPV) in order to maintain service levels, reduce repair costs and provide for cost-effective fleet operations.

This purchase is for six replacement vehicles for the Police Department used by patrol officers. The vehicles proposed to be replaced are an average of eight years old with mileage ranging from 100,000 to 120,000 miles, and have reached the end of useful serviceability. The selection of the replacement vehicles has been approved by the Police Department and City's Equipment Maintenance Supervisor.

The global chip shortage has caused interruptions in the supply chain, most notably in auto manufacturing. Procurement staff had difficulty sourcing available vehicles. Ultimately, staff was able

to find a dealer, Winner Chevrolet, who could supply the vehicles on the condition that Defender Supply would outfit the vehicles. The City typically has the vehicles upfitted by South Bay Regional Public Communications Authority (SBRPCA).

DISCUSSION:

Request for Bids was posted on the City's website as well as ProcureNow, a public bid notification board. Due to the global chip shortage, many dealers were not able to provide pricing as the ordering window for City's PPV of choice, Chevrolet Tahoe, quickly closed without notice. This shortage has vastly reduced the number of vehicles available, creating high competition amongst buyers and ultimately making it very difficult to procure vehicles. Of the two dealers that provided pricing, the second bidder, Penske Chevrolet of Cerritos, could not assure provision of the vehicles.

Winner Chevrolet was the only dealer who could guarantee delivery of the vehicles on the condition that Defender Supply be used to upfit the vehicles. Currently, outfitters such as Defender Supply, who has industry partnerships with Chevrolet, Master Distributorships with the major police equipment vendors, and extensive experience serving law enforcement agencies across the country, is the only available avenue to obtain PPVs. The Police Department has worked closely with Defender Supply to ensure that the upfit meets the City's detailed specifications. Additionally, Police Department staff visited another agency who recently acquired a Chevrolet Tahoe upfitted by Defender Supply and confirmed that the upfit meets the City's standards. Lastly, SBRPCA has agreed to maintain the PPV equipment for the life of the vehicle here at the City.

The City's agreement with South Bay Regional Public Communications Authority (SBRPCA) to upfit a Police vehicle costs approximately \$28,820 (including a labor cost equivalent of \$5,000) and Defender Supply's price is \$28,253. The aggregate price of \$431,579.48 includes six vehicles and their respective upfits, sales tax, and fees.

Based on these bids, staff recommends that the City Council award Bid No. 1260-22 to the lowest responsive bidder, Winner Chevrolet, Inc., for the purchase of five Chevrolet Tahoe patrol vehicles and one K-9 vehicle in the amount of \$431,579.48. If this purchase is approved, the existing vehicles will either be repurposed as training vehicles or auctioned for the highest attainable value. The new vehicles will arrive in approximately 4-5 months.

PUBLIC OUTREACH:

This bid was advertised on the City's website as well as ProcureNow, a public bid notification board.

ENVIRONMENTAL REVIEW:

The City has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a "Project" as defined under Section 15378 of State CEQA Guidelines; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines the activity is not subject to CEQA. Thus, no environmental review is necessary.

LEGAL REVIEW:

The City Attorney has reviewed this report and determined that no additional legal analysis is necessary.

ATTACHMENT:

1. Approved Upfitting List for Six Police Pursuit Vehicles