



## **REPORT TO CITY COUNCIL**

**To: Honorable Mayor and Members of the City Council**

**From: Grant Yates, City Manager**

**Prepared by: Jason Simpson, Assistant City Manager**

**Date: December 11, 2018**

**Subject: Purchase of City Replacement Fleet Vehicles**

### **Recommendations**

Authorize the City Manager to execute a purchase order of five (5) fleet vehicles from Lake Elsinore Chevrolet in the total amount of \$183,841.60, plus retrofit for decals, safety light bars and radios.

### **Background**

The City of Lake Elsinore has an inventory of 125 pieces of equipment, which includes vehicles, off-road equipment, multiple water crafts, and other various machinery. Presently, the City has a need for staff fleet vehicles in Code Enforcement (new code officer added), one (1) fire inspector truck, two (2) replacement trucks for building inspectors, and one (1) replacement truck for building inspector that was recently totaled in an accident, and (1) truck for the campground. Staff has researched the purchase of these vehicles from local dealerships as well as government vehicle purchase contracts and through posting of an rfp on the City's website. The result has yielded the favorable pricing with immediate delivery from Lake Elsinore Chevrolet. Pricing is comparable to the contracts that are nationally solicited, competitively bid and awarded on behalf of National Joint Powers Authorities (NJPA) current and potential government and education member agencies, however, delivery times exceed 120 to 180 days.

### **Discussion**

Staff is replacing three older Chevy 1500 pickup trucks with high miles, replacing a 2017 Chevy Colorado that was totaled in a not-at-fault accident with insurance proceeds, and adding one vehicle for an inspector position. The vehicles have served the City well and costs to repair exceed the value of the vehicle. The vehicles are ready for surplus and staff will auction it off in the near future.

Staff engaged local dealers and formal Request for Proposal process posted online and the City received quotes from Lake Elsinore Chevrolet in response to this formal RPF process. The below chart lists the results of the purchase outcome:

Vehicle RFP Results		
Vehicle	Vehicle Price	Extended Amount
Four (4) 2018 Chevrolet Silverado Truck	4 @ \$ 35,807.75 each OTD*	\$ 143,231.00
One (1) 2018 4x4 Chevrolet Silverado Truck	1 @ \$ 40,610.60 OTD*	\$ 40,610.60

\*OTD = Out the Door Price (includes all taxes, registration, and fees)

### **Fiscal Impact**

The vehicle and equipment replacement is capitalized in the Internal Service Fund with sufficient funds for Fiscal Year 2018-19. The use of the vehicle is charged back to the departments in amount of the annual depreciation on the vehicle so that funds are available at later date. In addition, an insurance claim will pay for replacement of one of the vehicles recently totaled in an accident.

### **Exhibits**

A Quotes