



**CITY OF SALINAS
COUNCIL STAFF REPORT**

DATE: AUGUST 23, 2022
DEPARTMENT: SALINAS FIRE DEPARTMENT
FROM: SAMUEL KLEMEK, FIRE CHIEF
TITLE: DIRECT PURCHASE OF FIRE VEHICLES

RECOMMENDED MOTION:

It is recommended that the City Council:

1. Approve a resolution amending the purchases in previously approved Resolution No. 22329 to include a price increase of up to 25% to each of the vehicles included and the direct purchase of one Sports Utility Vehicle (SUV), associated equipment, outside installation services and signage, for a total cost not to exceed \$ 320,044.98.
2. Approve a motion to appropriate \$170,000; previously approved FY 21-22 funds through Resolution No. 22329, for use in FY 22-23 and towards the total cost of \$ 320,044.98.

RECOMMENDATION:

Staff recommends that City Council approve the direct purchase of two Fire Department pickup trucks and one SUV for sworn personnel. The total cost for the vehicles shall not exceed \$320,044.98. This resolution would replace resolution #22329, approved by the City Council on April 12, 2022.

EXECUTIVE SUMMARY:

The Fire Department has been working diligently to bring the fleet into a state of good repair and maintain the vehicle replacement program consistent with best practices. We have a need to replace two ¾-ton vehicle trucks and one sports utility vehicle to achieve this goal as part of the department's ongoing vehicle replacement plan.

On April 12, 2022, the City Council approved the use of funds for the purchase of two pickup trucks. Given current inventory challenges, and the immediate action required to successfully purchase an available vehicle, we have not been able to purchase the trucks. Additionally, the Salinas Fire Department has identified the need for one SUV to be used by sworn personnel. We

are asking for authorization to purchase any similar make or model pickup or SUV from any Bona-fide vendor as long as the total costs do not exceed \$ 320,044.98.

Though the Fire Department will seek to purchase locally, due to the current supply chain issue, the department may pursue a purchase outside of the City to fulfill the specification requirements and timely delivery of the vehicles.

BACKGROUND:

The Salinas Fire Department has identified the need for two Pickup Trucks and one SUV which will be dedicated for use by the sworn personnel. The Department has been attempting to locate vehicles for several months but most vehicles on dealer lots, or in production, are already under contract. We have identified intermittent availability, but the dealerships have required an immediate commitment to purchase which we have been unable to do without City Council approval. Given the challenge with locating available vehicles, we request authorization to purchase an available vehicle once located, as long as the total cost does not exceed the amount identified in this report.

A current quote from the manufacturers indicated that the price of one F-250 XL is \$54,777.95 and \$62,480.08 for one Chevy Tahoe. This includes taxes, fees, and dealer charges. Due to rising costs, inflation, limited inventory, and consumer demand for vehicles, dealerships are not honoring California Statewide Contract for the provision of the new vehicles. We have unsuccessfully attempted to get quotes from dealerships, but dealerships have closed ordering for the current model year and have not yet opened ordering for the upcoming model year. Ordering for the next production cycle is expected to open late this summer, but those vehicles will not be available until early-to-mid 2023.

Given the limited inventory and extended timeframe to secure a vehicle via the traditional ordering process, we are requesting approval for the direct purchase of a vehicle, from any vendor with an available vehicle, up to the maximum amount identified below. Given the lack of inventory and current market conditions, the department is also requesting approval of a 25% contingency given it is unlikely we will be able to purchase a vehicle at a cost under MSRP or matching that of the Statewide contract rate.

Description	Cost
Super Duty Truck	48,345.00
Destination Fees	1,795.00
Sales Tax	4,637.95
Subtotal	54,777.95
25% Contingency	13,694.49
Upfitting	35,000
Not to Exceed Total Per Unit	103,472.44

Description	Cost
Sport Utility Vehicles	55,395.00
Destination Fees	1,795.00
Sales Tax	5,290.08
Subtotal	62,480.08
25% Contingency	15,620.02
Upfitting	35,000
Not to Exceed Total Per Unit	113,100.10

The department will make every effort to purchase locally, but given the market conditions and vehicle availability, that may not be possible. The City Council has the authority to approve this direct purchase under Salinas Municipal code Section 12-27 and without application of the local purchasing preference pursuant to Salinas Municipal Code Section 12-28.080.

CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378).

STRATEGIC PLAN INITIATIVE:

Approving the proposed resolution will support the City Council’s Strategic Plan Goal of Public Safety.

DEPARTMENTAL COORDINATION:

The Salinas Fire Department will coordinate with the Public Works and Finance Departments during the purchasing process.

FISCAL AND SUSTAINABILITY IMPACT:

\$170,000 for this procurement, and related costs, were approved by the City Council on April 12, 2022, through resolution #22329. Additionally, there are enough funds carried over from the prior year to cover the additional \$150,044.975 requested, making the total amount approved for this purchase not to exceed \$320,044.98.

ATTACHMENTS:

- Resolution
- Resolution # 22329
- Vehicle Quotes