



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: SEPTEMBER 21, 2021

DEPARTMENT: PUBLIC WORKS, COMMUNITY DEVELOPMENT

FROM: DAVID JACOBS, PUBLIC WORKS DIRECTOR

BY: RONALD PATTERSON, FLEET MAINTENANCE MANAGER

TITLE: PURCHASE OF 2021 TOYOTA TACOMA AND TWO 2021 RAV4 HYBRIDS

RECOMMENDED MOTION:

It is recommended that City Council approve a Resolution authorizing the direct purchase of a 2021 Toyota Tacoma truck from Salinas Toyota at a total cost of \$32,799.55 and two 2021 Toyota RAV4 Hybrids from Salinas Toyota at a total cost of \$65,758.60

RECOMMENDATION:

It is recommended that City Council approve a Resolution authorizing the direct purchase of a 2021 Toyota Tacoma truck at a total cost of \$32,799.55 and two 2021 Toyota RAV4 hybrids at a total cost of \$65,758.60 from Salinas Toyota.

BACKGROUND:

Public Works continues replace dated and worn-out vehicle fleet and equipment. The vehicles in this report will be used by the Community Development Department.

Permit Services will be utilizing the Toyota Tacoma and Housing will be using one RAV4 and Advanced Planning and Project Implementation will be using the other. Both RAV4's will be replacing older vehicles that have been decommissioned. The hybrids will provide a significant increase in fuel economy and reduced emissions. For comparison, the 1999 Taurus that the RAV4 will be replacing got an average of 18 MPG/City the 2021 RAV4 Hybrid gets 41 MPG/City. The annual savings from the Taurus to the RAV4 Hybrid driving 7500 miles a year at \$4.25 per gallon is \$993.00. The difference between the RAV4 4cyl gas VS hybrid is at 7500 miles is \$403.00. The cost difference from a 4 cylinder to hybrid is \$1601.00. This difference makes the hybrid a good return on investment. The ROI only gets better with rising fuel prices.

Older vehicles will be reallocated to different departments as needed or will be disposed of at auction. Fleet will not keep excess vehicles as right sizing the fleet has been a priority as well as standardization.

Salinas Toyota quoted the 2021 Toyota Tacoma truck at a cost of \$29,192.00 base vehicle cost. The Sourcewell price from National Auto Fleet Group (Sourcewell) is \$26,553.74 base vehicle, Salinas Toyota is above the Sourcewell price, but is within the 10% local preference at 9.94%.

Salinas Toyota quoted the 2021 Toyota RAV4 Hybrid at a cost of \$29,975.00 base vehicle cost. The State Contract Pricing sheet lists the RAV 4 Hybrid at \$27,446.00 base vehicle cost. This falls within the 10% local preference at 9.21%.

The City can utilize cooperative purchases with other government agencies. Local businesses are given the opportunity to compete against these contracts. This purchase from Salinas Toyota satisfies the purpose and requirements of Article III-A, Local Purchasing Preference of the Salinas Municipal Code by being within ten percent of the State Contract.

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:

The requested Council action directly relates to Council's Strategic Plans or Goals of providing "Operational Efficiencies". The purchase of these vehicles will allow Community Development to continue to provide service to the community while improving the fleets fuel economy and reducing emissions.

DEPARTMENTAL COORDINATION:

Fleet Maintenance, in coordination with Community Development selected the appropriate vehicles based on typical usage and demand. It was concluded the Toyota Tacoma truck meets both the needs of the Permit Services Division as well as the requirements of the Fleet Maintenance Shop. The RAV4's meets the needs of the Housing Department as the Advanced Planning and Project Implementation Department. The Finance Department will coordinate the purchase and title change.

FISCAL AND SUSTAINABILITY IMPACT:

Funding to complete this purchase will be from.

- 6900.30.3350-66.5500 for the Toyota Tacoma for Permit Services (\$32,799.55)
- 5800.30.9045-66.5500 CCD vehicle replacement for the Toyota RAV4's for Housing and APPI (\$65,758.60)

ATTACHMENTS:

City Council Resolution
Salinas Toyota Quotes
National Fleet Quotes