



**CITY OF SALINAS
COUNCIL STAFF REPORT**

DATE: JANUARY 9, 2024
DEPARTMENT: SALINAS POLICE DEPARTMENT
FROM: ROBERTO FILICE, CHIEF OF POLICE
BY: TONYA ERICKSON, POLICE SERVICES ADMINISTRATOR
TITLE: DIRECT PURCHASE OF POLICE VEHICLES FOR FY 24

RECOMMENDED MOTION:

A motion to approve a Resolution authorizing the Purchasing Officer (Finance Director) to directly purchase seventeen (17) vehicles for use by Police Department employees for a total cost not to exceed \$1,073,759.60.

RECOMMENDATION:

Staff recommends that City Council authorize the Purchasing Officer (Finance Director) to directly purchase seventeen (17) vehicles for use by Police Department employees. Total cost for the vehicles shall not exceed \$1,073,759.60.

EXECUTIVE SUMMARY:

The FY 2023-24 City Budget provided funding to purchase new and replacement vehicles for use by Police Department employees, and the Police Department has received additional grant funds to purchase vehicles to support grant activities. Given current inventory and purchasing challenges, and the immediate action required to successfully purchase an available vehicle, we are asking for authorization to purchase seventeen (17) vehicles identified as necessary, when such vehicles can be located, provided the total cost of each vehicle does not exceed the projected not to exceed cost identified in this Report and also provided the total cost for all the vehicles does not exceed \$1,073,759.60. A separate request for the direct purchase of associated emergency equipment will be submitted in the coming months.

BACKGROUND:

The FY 2023-24 City Budget provided funding to Departments to purchase new and replacement vehicles for use by Police Department employees and funding is available within the Department's Operating and/or Capital Improvement Program (CIP) Budget. The Police Department has also secured an Organized Retail Theft Prevent Grant which provides funding for three vehicles to

support grant activities. The Department has identified new and replacement vehicle priorities based upon funding availability, and those purchases are identified in this Report.

The Salinas Plan identified the following goal related to Operational Efficiencies: “Implement a Citywide fleet strategy to centralize fleet operations, contract out non-routine fleet repair and maintenance functions, and develop fleet tracking, rightsizing, and replacement plans.” Over the last several years, the City has made steady progress toward this goal. In 2020 Public Works began performing routine repair and maintenance for Police Department vehicles, and in 2023 they began expanding services to include emergency equipment repair and installation on Police Vehicles. In 2021, Public Works implemented Fleetio, a fleet management software, to track and manage Citywide fleet vehicles and operations. In 2021 the Police Department developed a Fleet Replacement Plan to focus on standardization of vehicles, establishment of replacement cycles, and electrification of City fleet vehicles.

Over the last few years, all Departments have struggled with purchasing fleet vehicles. Departments have spent significant time trying to locate or order new and replacement vehicles. Not all vehicles are consistently available for purchase via State Contract, and local dealerships are often charging premiums on desired vehicles, especially hybrids. When vehicles do become available, dealerships ask for an immediate commitment or issuance of a purchase order which requires City Council approval. In the case of Police Patrol Vehicles, the pricing and order window have not yet been established but we have been told that orders will be cancelled if a purchase order is not generated within 30 days. Given the challenge with locating available vehicles at competitive cost we are requesting authorization to purchase target vehicles, once located, as long as the total cost for each vehicle does not exceed the projected not to exceed amount identified in this Report and also provided the total for all the vehicles does not exceed the total amount identified in this Report. Given the delay between ordering and receiving vehicles, emergency equipment necessary to upfit police vehicles is not included in this report. A separate request for the direct purchase of emergency equipment will be submitted to City Council in the coming months once delivery dates are confirmed and quotes for emergency equipment can be obtained.

The chart contained within this report identifies the target vehicle and pricing information for each vehicle needing to be purchased. Each vehicle has a Not to Exceed (NTE) total which represents the maximum purchasing authority granted. Additionally, purchases may not exceed the total fleet-related appropriations within the Police Department’s FY 2023-24 budget and/or related grant budget. Target vehicles are identified, though substitutions to equivalently priced and equipped vehicles may be necessary due to inventory challenges. Purchases of alternate makes or models will be subject to review by the City’s Fleet Manager based upon how the vehicles fit within the City vehicle standardization framework, ability to provide internal maintenance and repair services, and projected vehicle reliability. The Police Department will make every effort to purchase locally, but given the market conditions and vehicle availability, that may not be possible.

All requested purchase amounts are based upon an underlying pricing source – either a quote or the publicly available State contract price. We have also incorporated the 9.25% sales tax for the City of Salinas, as well as \$1,000 to account for any potential dealer fees. The State contract price is generally below the Manufacturers Suggested Retail Price (MSRP) price, or the price available via local dealerships, thus we are requesting authorization of a contingency amount to allow for

the higher price. Additionally, the State contract price is based upon current model year and may not be available, thus we are more likely to secure a vehicle with the next model year. To account for an anticipated new model year price increase of up to 15%, as well as the 10% local purchasing preference, we have calculated a 25% contingency for each vehicle.

Target Vehicle	Pricing Resource	Qty	Per-Vehicle Price	Taxes & Fees	25% Contingency	NTE (Per Vehicle)
Ford Explorer (or alternate SUV, truck or sedan)	State Contract	4	41,317.86	4,821.90	11,534.94	57,674.70
RAV 4 Hybrid (or alternate SUV/ sedan)	State Contract	2	31,523.00	3,915.88	8,859.72	44,298.60
Ford Interceptor Pursuit	Last FY Quote	11	49,309.00	5,561.08	13,717.52	68,587.60
TOTAL VEHICLES		17	NOT TO EXCEED (NTE) TOTAL			1,073,759.60

Based upon the information provided within this report, 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; however, preference will be given to local vendors when such vehicles are available and within the not to exceed amounts identified in this Report.

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 Goals related to Public Safety and Effective and Culturally Responsive Government.

DEPARTMENTAL COORDINATION:

The Police Department and the Public Works Department will collaborate on purchases and coordinate with the Finance Departments during the purchasing process.

FISCAL AND SUSTAINABILITY IMPACT:

No additional funds are requested to support this purchase. Funds are appropriate and available within the Department’s FY 2023-24 Budget. Specific accounts to be utilized include:

- Vehicle Replacement Fund - Police, 7121.40.4130
- BSCC Organized Retail Theft Grant, 3282.40.7421

ATTACHMENTS:

Resolution