



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: OCTOBER 24, 2017
DEPARTMENT: PUBLIC WORKS
FROM: LARRY ODA, MAINTENANCE SUPERINTENDENT
TITLE: FLEET VEHICLE ACQUISITION OCTOBER 2017

RECOMMENDED MOTION:

The Recommended Motion is to approve a Resolution authorizing the purchase of Fleet Vehicles.

RECOMMENDATION:

It is recommended that the City Council approve a resolution approving the direct purchase of fleet vehicles from the State of California Vehicle Contracts and from local dealerships that are within the ten percent local preference allowance in compliance with Salinas Municipal Code Article III Local Purchasing Preference.

EXECUTIVE SUMMARY:

Capital Improvement Project Number 9525 - Fleet Replacement, funds the replacement of vehicles and equipment that have reached the end of their useful life. Fleet has consulted with each of the user departments to identify the most effective replacement for their vehicles and equipment. The attached spreadsheet identifies purchases from the State of California Vehicle Contracts dealership, Freeway Toyota, and from local dealership, Salinas Toyota.

BACKGROUND:

The State of California, through the Department of General Services – Procurement Division, conducts a formal bid process for vehicles. City agencies may use State Contracts for their purchases (California Public Contract Code Section 10298). Local businesses are given the opportunity to compete against State Contracts and if they are within ten percent of State pricing, the City of Salinas purchases will be made through the local businesses.

City Council has the authority to approve purchases using Salinas Municipal Code Section 12-25 (Exceptions), cooperative purchasing with other governmental agencies, and purchases that comply with Salinas Municipal Code Article III Local Purchasing Preference. The local dealership, even without the ten-percent allowance was able to provide a cost that was lower than

the state contract. The state contract price for a Tacoma pickup was \$28,690.41 while the local dealership offered the same vehicle at \$25,774.67; a savings of almost \$3,000.00. The same result occurred for the Prius Two: the state contract was \$26,299.18 while the local dealership offered the same vehicle for \$24,475.93, a \$1,700.00 savings. Fleet intends to purchase two sedans and two pickup trucks for a total expenditure of \$100,501.21.

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). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

STRATEGIC PLAN INITIATIVE:

The staff recommendation supports the council Goal of Effective Sustainable Government.

FISCAL AND SUSTAINABILITY IMPACT:

Adequate funds for the purchase of Fleet Vehicle Replacement is allocated in Capital Improvement Project 9525 for fiscal year 2017/18. This project is funded with Measure G revenues.

ATTACHMENTS:

Resolution
Bid Sheets
Tabulation