

STAFF REPORT



ITEM NO. 14
CITY OF OCEANSIDE

DATE: April 18, 2007

TO: Honorable Mayor and City Councilmembers

FROM: Public Works Department

SUBJECT: **APPROVAL OF PURCHASE ORDERS FOR 18 NEW VEHICLES, TWO USED VEHICLES AND APPROVAL OF BUDGET TRANSFERS TO FUND THEIR PURCHASE**

SYNOPSIS

Staff recommends that the City Council approve purchase orders for eight new vehicles in an amount not to exceed \$190,000 to Encinitas Ford of Encinitas; for four new vehicles in an amount not to exceed \$80,450 to Quality Chevrolet of San Diego; for two new vehicles in an amount not to exceed \$49,000 to Downtown Ford of San Diego; for one new vehicle in an amount not to exceed \$94,000 to Roadline of Downey; for two new vehicles in an amount not to exceed \$173,330 to Altec of Dixon, California; approve purchase order increases not to exceed \$21,770 to Villa Ford for the purchase of one new vehicle and not to exceed \$35,000 to Enterprise Rent-A-Car for two used vehicles (total amounts not to exceed \$586,780 for new purchase orders and \$56,770 for purchase order increases); approval of budget transfers in a total amount not to exceed \$162,988 to fund the purchases and in-house build costs, adjust the interfund charges as necessary, and authorization for the Financial Services Director, or designee, to execute the purchase orders.

BACKGROUND

Each budget cycle vehicles that will meet their planned service life in years and/or miles during that budget cycle are planned for replacement. Prior to purchasing a replacement, Fleet and the department using the vehicle determine if the vehicle type is still needed; if so, whether there a cheaper alternative; if not, what type of vehicle is required; and finally, does the vehicle still have any useful life.

After careful review, it was determined that all the vehicles listed on Exhibit A have reached the end of their service life.

ANALYSIS

In February 2007, bids were solicited from specialty vehicle vendors for the stencil truck and two aerial trucks. Bids from general vehicle vendors were solicited for the remaining vehicles. Five vendors responded for the general vehicles. The lowest

responsible bidder by vehicle type was selected. We received one bid for the aerial trucks and one for the stencil truck. Staff believes that even though there was only one bid per specialty vehicle, the price that vendor offered is fair and reasonable and it is unlikely that additional bidders or continued negotiations would reduce their cost.

Exhibit A lists the vehicles by department, vendor cost, in-house cost to field the vehicle and total vehicle cost.

FISCAL IMPACT

Exhibit B details the funding sources, by department for the vehicle purchases.

The Lifeguard and Fire vehicles have paid sufficient funds into the Fleet Replacement Fund to fully fund their vehicles and the vehicle purchases will be charged to the Fleet Capital Account 831.416220.5704.

The truck for pier maintenance has a replacement cost shortfall of \$6,647, which will be paid with a budget transfer from 101.596250.5211. Sufficient funds are available to fund the vehicle purchase.

The Ford F-250 beach maintenance vehicle has a replacement cost shortfall of \$2,507, which will be paid with a budget transfer from 101.596230.5223. Sufficient funds are available to fund the vehicle purchase.

The replacement cost estimates used to create the FY 2006/7 budget for used undercover vehicles for the Police was not sufficient to cover the actual cost of the two used vehicles. The Police Department paid into the Fleet Replacement Fund \$53,166 during the life of the old vehicles they are replacing. There is a replacement cost shortfall of \$6,698 which we are requesting be funded from the General Fund Unallocated Fund Balance.

Replacement cost shortfall for the aerial trucks for Traffic Control is contained in their budget, \$90,000 will be transferred from 101.416083.5211 and the balance from 416083.5342. The department's replacement budget for the stencil truck is not sufficient to completely fund the vehicle. A General Fund Unallocated Fund Balance transfer of \$3,000 will be required to support the stencil truck purchase.

The Water Utilities Department paid into the Fleet Replacement Fund \$104,334 during the life of the six old vehicles they are replacing. There is a replacement cost shortfall of \$38,877, which will be paid by Water Utilities with a budget transfer from 711.666750.5704. Sufficient funds are available to fund the vehicle purchases.

All budget transfers for vehicle purchases will be to Fleet Capital Account 831.416220.5704

COMMISSION OR COMMITTEE REPORT

Does not apply.

CITY ATTORNEY'S ANALYSIS

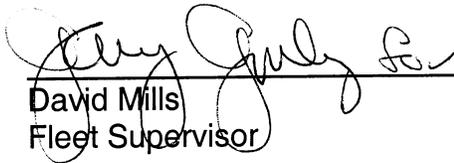
Does not apply.

RECOMMENDATION

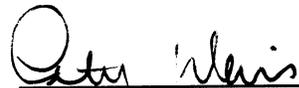
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PREPARED BY:

SUBMITTED BY:



David Mills
Fleet Supervisor



Peter A. Weiss
Interim City Manager

REVIEWED BY:

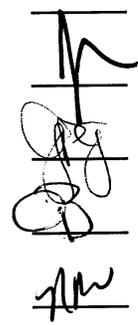
Michelle Skaggs Lawrence, Deputy City Manager

Joseph Arranaga, Acting Deputy Public Works Director

Gary Gurley, Acting General Services Manager

Lonnie Thibodeaux, Water Utilities Director

Nita McKay, Financial Services Director



**EXHIBIT A
VEHICLE PURCHASES**

VEHICLE PURCHASED	YEAR	MILEAGE	VENDOR (PO Needed)										Total Cost		
			ENCINITAS FORD	QUALITY CHEVROLET	VILLA FORD PO# 60955	DOWNTOWN FORD	ROADLINE	ALTEC	RENT-A-CAR PO# 60955	In House Build	ENTERPRISE				
Ford Explorer (L13)	2000	83,373				27,000									27,000
Ford Ranger (L15)	2002	19,052	19,932												19,932
Total Lifeguard Vehicles															46,932
Ford F250 (F65)	1996	132,011	31,482								4,310				35,792
Ford F150 Ext. Cab (F70)	1999	100,333	19,565								2,370				21,935
Ford F150 Std Cab (F71)	1999	118,274		21,770							2,478				24,248
Ford F150 Ext. Cab (F72)	1999	100,802	19,565								2,370				21,935
Total Fire Vehicles															103,910
Chev. Colorado (HAR10)	2001	83,737		21,095											21,095
Total Pier Maintenance Vehicle															21,095
Ford F250 (HAR403)	1999	71,964	22,982								2,370				25,352
Total Beach Maintenance Vehicle															25,352
Ford Crown Victoria (PD070)	2000	Totaled													24,864
Undercover Car (PD072)	2000	50,812			22,000										17,500
Undercover Car (PD172)	2001	69,264											17,500		17,500
Total Police Vehicles															59,864
Ford F450 (T4)	1995	109,577													94,000
Aerial Truck (T14)	2000	47,782													86,665
Aerial Truck (ATF)	Addition to Fleet														86,665
Total Traffic Control Vehicles															267,330
Chev. Colorado (W177)	1998	100,958		21,095											21,095
Chev.1500 Ext. Cab (W178)	1998	76,638		21,050											24,760
Ford F350 (W179)	1999	98,341	34,269								3,710				38,040
Ford F150 Ext. Cab (ATF)	Addition to Fleet		20,704								1,680				22,384
Ford F150 Ext. Cab (SD830)	1997	118,509	19,722												19,722
Chev. Colorado (SD840)	1997	97,375		17,210											17,210
Total Water Utilities Vehicles															143,211
Misc Manuals			1,779												1,779
Total All Vehicles			190,000	80,450	21,770	49,000	94,000	173,330	35,000	25,923	699,473				

**EXHIBIT B
FUNDING FOR VEHICLE PURCHASES**

	Replacement Funds Available	Pier Maintenance 101.596250 .5211	Beach Maintenance 101.596230 .5223	Traffic Control System 101.416083	General Fd Unallocated Fd Balance FY 06-07	Water Utilities 711.666750 .5704	Total
2 - Lifeguard Vehicles	46,932						46,932
4 - Fire Vehicles	103,910						103,910
1 - Pier Maintenance Vehicle	14,628	6,467					21,095
1 - Beach Maintenance Vehicle	22,845		2,507				25,352
3 - Police Vehicles	53,166				6,698		59,864
3 - Traffic Control Vehicles	158,891			105,439	3,000		267,330
6 - Water Utilities Vehicles	104,334					38,877	143,211
Misc Manuals	1,779						1,779
Total	506,485	6,467	2,507	105,439	9,698	38,877	669,473