



CITY OF SAN MATEO

City Hall
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Agenda Report

Agenda Number: 11

Section Name: {{section.name}}

Account Number: 82-4683

File ID: {{item.tracking_number}}

TO: City Council

FROM: Alex Khojikian, City Manager

PREPARED BY: Public Works Department

MEETING DATE: October 16, 2023

SUBJECT:
Utility Truck Purchases – Purchase Contracts

RECOMMENDATION:

Adopt a Resolution to approve an alternative purchasing procedure to award two (2) contracts to Mission Valley Ford Truck Sales, Inc. for the purchase of two (2) new 2023 Ford F350 utility trucks in a total amount not to exceed \$158,999.19; to award a contract to Salinas Valley Ford Truck Sales, Inc. for the purchase of two (2) new 2023 Ford F350 utility trucks in a total amount not to exceed \$155,781.69; establish a contingency reserve of \$15,000.00 for each supplier; and authorize the Public Works Director to execute the purchase contract in substantially the form presented and issue change orders within the contingency amounts.

BACKGROUND:

The Public Works Field Maintenance Division utilizes various specialty utility trucks to perform essential services. Replacement of these utility trucks is imperative to provide dependable and swift service to the community. These new 2023 Ford F350 utility trucks replace existing trucks that are between 14-15 years old and at the end of their useful life based on years in service, mileage, condition, lack of replacement parts, and cost of maintenance.

The City utilizes a cooperative purchasing process to procure its service vehicles because it ensures a competitive price. However, the City has attempted to purchase these replacements utility trucks over the past few years and has encountered serious setbacks due to a lack of available inventory via the cooperative purchasing process, manufacturer delays, increased prices by the manufacturer after orders have been submitted for build, and canceling orders all together with no alternatives for the City but to continue to wait. National Auto Fleet Group, which is a selected vendor in a cooperative purchasing process, facilitated the process with Ford when ordering banks opened in December of 2022 but only allowed the City to reserve three (3) for purchase, which Council approved the purchase of on January 3, 2023. On September 20, 2023, Public Works Fleet Services was advised the manufacturer only allocated one (1) of the three (3) for production. The City would have to submit a new request for 2024 F350 utility trucks with no guarantee the manufacturer would deliver.

In response, Public Works staff located new F350 utility trucks at various commercial dealerships that will meet the needs of the operation, responsibilities of Field Maintenance, and in time for wet weather preparations. These F350 utility trucks are built and available now. In addition, the quotes received for these F350 utility trucks from Mission Valley Ford Truck Sales, Inc. and Salinas Valley Ford Truck Sales, Inc. are less than recent quotes from National Auto Fleet Group and as follows:

QUOTE	SUPPLIER	VEHICLE	AMOUNT
Quote #1	Mission Valley Ford	2023 Ford F350 4x4	\$87,720.92
Quote #2	Mission Valley Ford	2023 Ford F350 4x2	\$71,278.27
Quote #3	Salinas Valley Ford	2023 Ford F350 4x4	\$69,572.50
Quote #4	Salinas Valley Ford	2023 Ford F350 4x2	\$86,209.19
Quote #5	National Auto Fleet Group	2024 F350 4x4	\$113,133.99
Quote #6	National Auto Fleet Group	2024 F350 4x4	\$112,955.08

Based on the above, staff recommends the purchase of the two (2) new 2023 Ford F350 utility trucks from Mission Valley Ford Truck Sales, Inc. in the total amount of \$158,999.19 and the two (2) new 2023 Ford F350 utility trucks from Salinas Valley Ford Truck Sales, Inc. for a total amount of \$155,781.69. As part of the Green Fleet Initiative, staff continually researches green fleet options through the procurement process to replace vehicles with alternative fueled vehicles when available. The Ford F350 utility trucks are on a ten-year replacement schedule and none of the major manufacturers of these heavy-duty trucks have an electric option available.

San Mateo Municipal Code Section 3.60.070(h)(3) authorizes the City Council to approve an alternative purchasing procedure when it finds doing so is in the best interest of the City. In this case, staff recommends the purchase of these four (4) 2023 Ford F350 utility trucks from Mission Valley Ford Truck Sales, Inc. and Salinas Valley Ford Truck Sales, Inc. because the City is unable to procure the needed new F350 utility trucks through National Auto Fleet Group, the new utility trucks are needed for the upcoming wet weather season, and the quotes received from both vendors are lower than those received through the cooperative purchasing process with National Auto Fleet Group.

BUDGET IMPACT:

Sufficient funding for the four (4) replacement trucks, L35, L63, L12, and L56, is available in the Vehicle and Equipment Replacement Fund.

ENVIRONMENTAL DETERMINATION:

This purchase is not a project subject to CEQA, because it is an organizational or administrative activity that will not result in direct or indirect physical changes in the environment. (CEQA Guidelines Section 15378(b)(5).)

NOTICE PROVIDED

All meeting noticing requirements were met.

ATTACHMENTS

Att 1 – Proposed Resolution

Att 2 – Purchase Contract (Mission Valley Ford - L35)

Att 3 – Purchase Contract (Mission Valley Ford - L63)

Att 4 – Purchase Contract (Salinas Valley Ford - L12 and L56)

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