

City of Hesperia

STAFF REPORT



DATE: June 6, 2023
TO: Mayor and City Council Members
Chair and Board Members, Hesperia Water District
FROM: Nils Bentsen, City Manager
BY: Jeremy McDonald, Director of Public Works
Robert Worby, Fleet / Warehouse Supervisor
SUBJECT: Vehicle Procurement

RECOMMENDED ACTION

It is recommended that the City Council and Board of Directors of the Hesperia Water District approve Joint Resolution No. 2023-26 and HWD No. 2023-10 authorizing a City Council Bidding Override exemption for the purchase of four (4) small sized trucks, by authorizing the City Manager to enter into an agreement with Victorville Chevrolet in the not-to-exceed amount of \$145,000 for the purchase of two (2) new 2023 Chevy Colorado small sized trucks (truck) for the Code Enforcement Program, one (1) new 2023 Chevy Colorado truck for the Streets Maintenance Program, and one (1) new 2023 Chevy Colorado truck for the Production Program.

BACKGROUND

As part of fleet management, vehicles are reviewed periodically to maintain an optimal operating fleet. Vehicles that exceed the average useful life and have higher than expected lifetime maintenance costs are recommended for replacement. By replacing the fleet on a scheduled basis, it lowers long-term maintenance costs for the City. Other experienced benefits of fleet replacement include improved occupant safety and lower fuel expenditures.

ISSUES/ANALYSIS

On May 10, 2023, Public Works requested quotes for two (2) two-wheel drive and two (2) four-wheel drive trucks. The bid request was sent to various dealerships for the vehicles and included a requirement of delivery by June 30, 2023. On May 16, 2023, the bid closed with Sunland Ford being the only respondent and total bid of \$176,026 for four small sized trucks. Subsequently, on May 17, 2023, Victorville Chevrolet responded with a bid of \$144,703. Typically, the late bid would be removed from consideration; however, in this case the bid difference of \$31,323 is approximately the cost of one small sized truck.

Upon staff review, it was determined that the late bid from Victorville Chevrolet was an oversight by the vendor. Furthermore, the Victorville Chevrolet bid is nearly 22% less than Sunland Ford, which thereby saves the City and taxpayers money. As recommended with Joint Resolution No. 2023-26 and HWD 2023-10, the City Council can provide a bidding override exemption and award Victorville Chevrolet the contract for the vehicles.

FISCAL IMPACT

Funds for this purchase has been included in the FY 2022-23 Budget. By City Council approving to override the bidding process, as allowed in the Municipal Code, the City will save approximately \$31,000 or 22% by awarding Victorville Chevrolet the winning bid over Sunland Ford.

ALTERNATIVE(S)

1. Provide alternative direction to staff.

ATTACHMENT(S)

1. Joint Resolution No. 2023-26 and HWD No. 2023-10
2. Bid Comparison