

City of Hesperia STAFF REPORT



DATE: April 06, 2021
TO: Mayor and Council Members
FROM: Nils Bentsen, City Manager
BY: Casey Brooksher, Director of Finance
Jeremy McDonald, Public Works Superintendent
SUBJECT: Vehicle Purchase for Code Enforcement and Traffic

RECOMMENDED ACTION

It is recommended that the City Council authorize the City Manager to purchase four vehicles in the not-to-exceed amount of \$191,000.

BACKGROUND

With the implementation of two new programs, Residential Semi-truck / Trailer Parking Permit Program (Truck Parking) and the Rental Housing Inspection and Licensing (Rental Housing Program), Code Enforcement will need three (3) additional vehicles for newly hired staff. Staff has reviewed the need for the program and determined that one full-size (half ton) pickup truck and two mid-size (light truck) pickup trucks are necessary. Only the full-size truck will need to be equipped with four-wheel drive capability. It is anticipated that the not-to-exceed amount for all three vehicles will be \$101,000, with the full-size pickup truck estimated to be \$46,000 and each mid-size truck costing \$27,500.

Additionally, due to safety concerns, it is recommended that the City replace the aging 1998 Ford F-550 boom truck (bucket truck). The safety concerns included updated technology, breakdown of equipment, and non-responsive controls for the operator. This truck is used to maintain all traffic signals over seven feet; such signals include signage, lights, safety lights, traffic signal heads, and cameras. In prior fiscal years, staff received bids from vendors in excess of \$125,000 for the replacement of the bucket truck; however, there are substantial savings for newer-used bucket trucks. Staff anticipates for a not to exceed amount of \$90,000 for a newer-used bucket truck can be purchased, thereby saving approximately \$35,000.

ISSUES/ANALYSIS

Typically, staff would prepare a request for bid from interested vendors to provide prices. These bids are reviewed and presented to the City Council for authorization prior to purchasing the vehicles. During the time of the bid and Council approval, vendors would hold stock and prices for the City to complete this process. Unfortunately, due to the current economic conditions vendors have been unwilling to hold stock and prices due to limited inventory and high-customer demand. Staff is requesting that the City Council approve the not-to-exceed total of \$191,000 for purchase of the four vehicles.

With this approval, staff will have two options to ensure that the City receives the best value, while ensuring that the vehicles will be secured. First, the City will conduct bids for three new Code Enforcement vehicles. At the conclusion of the bid, the City can initiate a contract with the lowest responsive/responsible bidder. Second, the City will actively search vendor stock of newer, low-mile, used vehicles. If, such a vehicle exists, the City will have the flexibility to purchase the vehicle for a savings.

FISCAL IMPACT

Both the General Fund and Street Maintenance Fund maintain adequate fund balance reserves for the vehicle purchases. A budget amendment will be presented to the City Council and Board during the Fourth Quarter Budget review that will occur during July 2021.

ALTERNATIVES

1. Provide alternative direction to staff