## CITY OF YUBA CITY STAFF REPORT

Date: November 20, 2018

To: Honorable Mayor & Members of the City Council

From: Finance Department

Presentation By: Spencer Morrison, Accounting Manager

## **Summary**

**Subject**: Purchase of one (1) 2019 Ford F150

**Recommendation**: A. Award the purchase of one (1) Ford F150 to Geweke Ford of Yuba City,

CA in the total amount of \$28,067.33, with the finding that it is in the best

interest of the City.

B. Authorize the Finance Director to make a supplemental appropriation and

related transfers in the amount of \$742.33 to Account No. 6610-69410

(Vehicle Replacement Fund).

**Fiscal Impact**: \$28,067.33 – Vehicle Replacement Account No. 6610-69410

### Purpose:

To maintain the City's vehicle fleet for operational efficiency.

### Background:

Each year, Fleet Maintenance staff reviews the City's vehicles to determine which are recommended for replacement. This is done by reviewing the age of the vehicle, amount of miles on the vehicle, and the anticipated maintenance cost if the vehicle remains in service. For the 2018/2019 fiscal year, Council approved the capital acquisition budget which included \$27,325 for one (1) pickup truck for the Water Treatment Plant.

#### **Analysis:**

The City recently purchased a 2019 Ford F150 in August from Geweke Ford for the Wastewater Treatment Facility. Staff believes it is in the best interest of the City to utilize Section 8-8.3 (*Bidding may be dispensed with when*) of the Purchasing Policies, which states, "[w]hen it is in the best interest of the City to negotiate an extension of an existing contract for supplies or technical services, based upon satisfactory performance, such negotiated price must be fair and reasonable. This shall also apply to products or services purchased through prior recent bidding." Geweke Ford has agreed to extend the price for the additional Ford F150.

#### **Fiscal Impact:**

The total cost for the Ford F150 is \$28,067.33. The approved appropriation for the Water Treatment Plant's pickup is \$742.33 less than the price offered by the recommended vendor. Division 7120 has sufficient funds within the Vehicle Replacement Fund to cover the additional cost for the vehicle.

# **Alternatives**:

- 1. Direct staff to conduct a formal bid.
- 2. Do not award the purchase.

# **Recommendation:**

A. Award the purchase of one (1) Ford F150 to Geweke Ford of Yuba City, CA in the total amount of \$28,067.33, with the finding that it is in the best interest of the City.

B. Authorize the Finance Director to make a supplemental appropriation and related transfers in the amount of \$742.33 to Account No. 6610-69410 (Vehicle Replacement Fund).

<u>Prepared By:</u> <u>Submitted By:</u>

/s/ Vicky Anderson /s/ Steven C. Kroeger

Vicky Anderson Steven C. Kroeger Administrative Analyst I City Manager

Reviewed By:

Finance RB
Public Works DL

City Attorney <u>TH via email</u>