



STAFF REPORT
2/14/2024

TO: Honorable Mayor and City Council Members

FROM: Maritza Martinez, Public Works Director

SUBJECT: Authorize the City Manager to execute letter purchase agreements for eighteen (18) Model Y Teslas, for \$1,064,264.10 and Tesla Wall Connector License Agreement for four wall-charging units.

STAFF RECOMMENDATION:

Authorize the City Manager to execute letter purchase agreements for eighteen (18) Model Y Teslas, for \$1,064,264.10 and Tesla Wall Connector License Agreement for four wall-charging units.

EXECUTIVE SUMMARY:

In 2023, the City approved award of seventeen (17) Model Y Tesla units with Enterprise Fleet Management Inc. These units have not yet been procured by Enterprise Fleet Management Inc (EFM). Staff is recommending no longer proceeding with the order through EFM and instead purchase the Tesla Model Y units direct from Tesla.

The City obtained pricing that allows for the purchase of one additional Tesla Model Y unit (eighteen (18) units) for half the cost of an additional unit (\$35k). Staff is requesting authorization for the City Manager to execute a letter purchase agreement with Tesla for the purchase of eighteen (18) Model Y units that will be available within two months.

Additionally, the purchase of these eighteen units has also allowed the City to be eligible to participate in Tesla's Own & Operate program. Whereby, Tesla will procure and install four wall-charging units without cost to the City. In order to proceed with this program staff is recommends authorizing the City Manager to execute the attached Tesla Wall Connector License Agreement.

FISCAL IMPACT:

Affordable Housing and Sustainable Communities ("AHSC") Program grant funds will be used to purchase the eighteen (18) Teslas; the recommended action does not have a fiscal impact.

Attachments:

Proposal Quotes for the Model Y Units
License Agreement