



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 03/19/2024

DATE: February 27, 2024
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Actions Related to Purchasing a Police Vehicle:
a. Authorize the Town Manager to Purchase One 2025 Ford Interceptor Pursuit Vehicle from Folsom Lake Ford in an Amount not to Exceed \$56,606; and
b. Authorize the Town Manager to Execute a Purchase Order with Lehr to Build Up One Police Vehicle in an Amount not to Exceed \$31,810; and
c. Authorize an Expenditure Budget Adjustment in an Amount of \$88,416 from the Available Equipment Replacement Fund.

RECOMMENDATION:

Actions Related to Purchasing a Police Vehicle:

- a. Authorize the Town Manager to purchase one 2025 Ford Interceptor pursuit vehicle with Folsom Lake Ford in an amount not to exceed \$56,606 (Attachment 1).
- b. Authorize the Town Manager to execute a purchase order with Lehr to build up one police vehicle in an amount not to exceed \$31,810 (Attachment 2).
- c. Authorize an expenditure budget adjustment in an amount of \$88,416 from the available Equipment Replacement Fund.

BACKGROUND:

As part of the Fiscal Year 2023/24 Operating Budget, the Equipment Replacement Fund was approved, providing funds for replacement of high mileage or older vehicles that have reached their replacement criteria or do not meet federal regulations for emissions. The Town amortizes a vehicle's replacement over its forecasted life and sets funds aside on an annual basis to ensure the Equipment Replacement Fund has sufficient resources for the timely

PREPARED BY: Jim Harbin
Superintendent

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, Finance Director, and Director of Parks and Public Works

PAGE 2 OF 3

SUBJECT: Authorize the Town Manager to Purchase a Police Vehicle, Execute a Purchase Order, and Authorize an Expenditure Budget Adjustment in an Amount of \$88,416

DATE: February 27, 2024

BACKGROUND (continued):

replacement of vehicles. In addition, this funding structure allows for a smoothing of operating expenditures and a more accurate reflection of the actual cost of operations.

The Town Vehicle and Equipment Acquisition and Replacement Policy (Attachment 3) determines which assets should be replaced by evaluating predetermined age and/or mileage criteria. Staff reviews the list of vehicles for replacement each year and makes a judgement with regard to which should be prioritized for replacement. Replacement purchases are reviewed annually through the Operating Budget development process.

DISCUSSION:

A Police Department pursuit vehicle asset (Ford Interceptor) is on the recommendation list for replacement in the Fiscal Year (FY) 2024/25 Operating Budget. Staff was preparing to request authorization of funding a replacement during the budget development process.

The police pursuit interceptor recommended for replacement is over five years old and will have approximately 60,000 miles of usage at the time of replacement. With the ongoing backlog of computer chips along with the delays caused by the pandemic, lead times for purchasing and equipping vehicles continue to affect fleet acquisitions.

The Town's most recent purchase order for a Ford police interceptor in 2022 was reassigned by Ford to 2023, and again to 2024 due to chip availability and demand from large jurisdictions. The order period this year for FY 2024/25 is from February 8, 2024 to when Ford decides production volumes are peaked, at which time the order window closes. The next order window may be a year from then. Expediting this purchase in advance of FY 2024/25 will allow the Town to receive this vehicle and place it in service early in FY 2024/25.

In accordance with the Town Code Section 2.50.130 (6) (c), the purchase of this vehicle is based on a formal bid process completed by the State of California Department of General Services. Folsom Ford has a Statewide Contract for purchase of enforcement and police pursuit vehicles that is relied on for this purchase (Attachment 4).

Lehr is an approved "single source" vendor for the fit up of emergency vehicles for the Town based on their close proximity, experience, and their pricing matched with a formal bid process completed by the County of Placer, which demonstrates that the Town is receiving the lowest price possible (Attachment 5). The Town's purchasing policy authorizes a single source purchase without competitive bidding under these circumstances.

PAGE 3 OF 3

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CONCLUSION:

The requested Council action would allow Parks and Public Works to proceed with purchasing the vehicle for Police Department use. The Equipment Replacement Fund is a dedicated resource for this expense.

FISCAL IMPACT:

There are sufficient funds available in the Equipment Replacement Fund for the requested expenditure budget adjustment.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

ATTACHMENTS:

1. Vehicle Purchase Quote
2. Vehicle Build Up Quote
3. Town Vehicle and Equipment Acquisition and Replacement Policy
4. California State Contract Letter
5. County of Placer Supplier Contract