



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 10/1/2019

ITEM NO: 6

DATE: October 1, 2019
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Authorize the Town Manager to Purchase Two Vehicles from Downtown Ford Sales in an Amount Not to Exceed \$126,376

RECOMMENDATION:

Authorize the Town Manager to purchase two vehicles from Downtown Ford Sales in an amount not to exceed \$126,376.

BACKGROUND:

As part of the Fiscal Year 2019/20 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 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 1) determines which assets should be replaced by evaluating predetermined age and/or mileage criteria.

Fleet vehicle replacement purchases are reviewed annually through the Operating Budget and approved as part of the budget process.

PREPARED BY: Steve Regan
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 Two Vehicles from Downtown Ford Sales in an Amount Not to Exceed \$126,376

DATE: October 1, 2019

BACKGROUND (continued):

The recommended action addresses two assets approved to be replaced in the Parks and Public Works Department. One vehicle is assigned to Park Services, a 2007 Ford F250 pickup with 76,234 miles, and the second vehicle assigned to the Street Division a, 2008 Ford F250 pickup with 82,757 miles. The vehicles currently meet the replacement criteria based on miles and years of service and the identifying criteria for replacement, which is eleven years and/or 72,000 miles.

DISCUSSION:

Staff reviewed multiple vehicle models to determine the best options for replacement taking into consideration several factors, including staff's need and use for the vehicle, the vehicle's fuel consumption, and the overall cost.

For the Parks Maintenance vehicle, the primary use entails daily service to parks where staff requires access to a variety of tools, irrigation supplies, and playground parts, as well as vehicle capacity in the truck bed for hauling waste and small motorized equipment for maintenance operations.

The Streets Maintenance Program is responsible for maintaining roads, trails and the Heinz Open Space. The replacement vehicle includes a four-wheel drive system to allow staff the ability to access the hillside area year around. Currently, the Department is unable to tow any equipment up the steep gravel roads to respond to downed trees and mud slides, providing challenges for service response and mitigation of fire hazards. Additionally, the new vehicles incorporate a mechanical liftgate which allows for one person to load heavy or cumbersome objects into the bed of the vehicle to increase efficiency and to reduce possible injuries to staff.

In accordance with the Town's Purchasing Policy, Section 7c (Cooperative Purchasing), the purchase of these vehicles is based on a formal bid process completed by the State of California Department of General Services, which allows for other municipalities to purchase vehicles using their formal bid proposal documents (Attachment 2).

CONCLUSION:

Staff recommends that the Town Council authorize the Town Manager to purchase two vehicles from Downtown Ford Sales in an amount not to exceed \$126,376.

FISCAL IMPACT:

There are sufficient funds available in the Equipment Replacement Fund to purchase these vehicles.

PAGE 3 OF 3

SUBJECT: Authorize the Town Manager to Purchase Two Vehicles from Downtown Ford
Sales in an Amount Not to Exceed \$126,376

DATE: October 1, 2019

ALTERNATIVE:

Alternatively, the Town Council could direct staff to delay replacement of the vehicles. Staff does not recommend this alternative as the vehicles have reached the end of their useful life and the lack of the four-wheel drive vehicle impacts daily productivity specific to responding to incidents within the open space and trails.

ENVIRONMENTAL ASSESSMENT:

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

Attachments:

1. Town Vehicle and Equipment Acquisition and Replacement Policy
2. Bid Proposal Documents