

STAFF REPORT



SUBJECT: FY 21/22 Police Vehicle & Equipment Purchase

DEPARTMENT: Police

STAFF CONTACT: James Gresham

RECOMMENDATION:

Purchase 5 PPV Tahoe's through Lake Country Chevrolet, finance both the equipment and vehicles.

BACKGROUND:

The FY 21/22 budget contained funds to purchase 5 patrol police Tahoe's for the police department. Of these vehicles 4 are replacement and one is an addition to the fleet. (These Tahoe's are sold as PPV or Police Pursuit Vehicles which is a special package only available for law enforcement.) Prior to budget approval General Motors sold out of all designated PPV builds for the 21/22 model year. PPV sales have begun to shift to a more vertically integrated market with vehicle upfitters partnering with dealerships and pre-purchase vehicles then sell them as a package with their equipment. No PPV Tahoe's are available to purchase this year except through these dealer/upfitters. For the last few years, the police department has used Dana Safety & Supply as our upfitter. Dana has a relationship with Lake Country Chevrolet who has pre-purchased a number of PPV Tahoe's that are available for sale.

Both the vehicle and equipment upfitting markets have seen significant cost increases and supply chain disruptions.

In the January 2022 meeting council approved joining in the TIPS purchasing Co-Op of which Lake Country is a member and has extended us pricing through the Co-Op. The total cost for each vehicle is \$39,591 without equipment and \$62,661 with equipment and upfitting. (Additional equipment will be needed later for the 5th additional fleet vehicle.)

FISCAL IMPACT SUMMARY:

Historically the police department has leased new vehicles on a 4-year, \$1 payout lease and purchased vehicle equipment on a cash basis.

The budget for the Tahoe lease is \$45,000/yr and the lease quote for the vehicles without equipment is \$51,529.65/yr. The amount budgeted for the purchase of police equipment is \$90,000 or \$18,000 per vehicle. The equipment bids came in at \$23,070.85 per vehicle. This is an increase of \$6,478.22 per vehicle over the budgeted amount.

The quote to lease both the equipment and vehicles is \$81,517.82.

This option allows us to lease the entire vehicle including equipment in one transaction. This option would come in below budget for this year but have additional budgetary implications for the following three years of \$30,180.56.

ALTERNATIVES

- Reduce number of vehicles purchased
- Attempt to rebid the equipment and/or vehicle specifications
- Any combination of lease and cash equipment purchases