



CITY OF POMONA COUNCIL REPORT

April 3, 2017

To: Honorable Mayor and Members of the City Council

From: Linda Lowry, City Manager

Submitted by: Darron Poulsen, Water and Wastewater Operations Director

Subject: **Adopt a Resolution Amending the 2016-17 Water and Sewer Operating Budgets by Appropriating \$305,215 of Available Water Fund Balance and \$122,030 of Available Sewer Fund Balance; and Approve the Purchase of Vehicles from National Auto Fleet Group in the Amount of \$427,245 Utilizing National Joint Powers Alliance Contract Agreement Number 120716**

OVERVIEW

Recommendations - That the City Council:

1. Adopt a resolution amending the FY 2016-2017 Water and Sewer Operating budget by appropriating \$305,215 of available Water Fund Balance and \$122,030 of available Sewer Fund Balance;
2. Approve the purchase of vehicles from National Auto Fleet Group in the amount of \$427,245, utilizing National Joint Powers Alliance (NJPA) contract agreement number 120716; and
3. Authorize the City Manager to execute any agreements necessary to complete the purchase, contingent upon City Attorney review.

Fiscal Impact - The total fiscal impact for the proposed action is \$427,245; funded from the Water Fund Balance and Sewer Fund Balances. Utilizing the National Joint Powers Alliance (NJPA) contract agreement number 120716 provides an expedited purchasing process and a competitive pricing with a price markdown in the range of \$2,000 to \$5,000. The fiscal impacts to Water Operations and Sewer Operations are detailed in Table 1 (continued on page 2):

Table 1

Account Number	Replacement Unit Number	New Vehicle Make and Model	Cost:
Water Operations			
571-8124-66182-00000	81481	2017 Ford F-150	\$33,963
	81482	2017 Ford Explorer	\$39,431
571-8123-66182-00000	81495	2017 Ford F-150	\$35,330

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Account Number	Replacement Unit Number	New Vehicle Make and Model	Cost:
Cont. Water Operations			
571-8129-66182-00000	81474	2017 Ford F-250	\$61,015
	81475	2017 Ford F-250	\$61,015
571-8122-66182-00000	81476	2017 Ford Explorer	\$39,431
	81526	2017 Ford Explorer	\$35,030
	Subtotal Water Cost:		\$305,215
Sewer Operations			
581-2522-66182-00000	27015	2017 Ford F-250	\$61,015
	27006	2017 Ford F-250	\$61,015
	Subtotal Cost:		\$122,030
Total			\$427,245

Previous Related Action – None.

EXECUTIVE SUMMARY

The recommended action will replace a total of 9 (nine) units which are part of the City’s Water and Wastewater Operations (WWO) Department fleet. All of the vehicles scheduled for replacement meet or exceed the City’s adopted Vehicle Replacement Policy criteria. Most of the vehicles have substantial failure issues, are unreliable and require frequent repairs. In many instances, vehicle maintenance costs have become inefficient due to age-related factors, including parts availability, emission control, and increased mechanic hours. The action will award a purchase to National Auto Fleet Group for seven (6) light duty trucks and three (3) sport utility vehicles in the total amount of \$427,244.

DISCUSSION

City vehicles are generally taken out of service when at least one of the following conditions exists: the vehicle reaches the end of its useful life, the vehicle mileage reaches 90,000 miles for pursuit vehicles, 100,000 miles for sedans and light duty trucks; the vehicle incurs collision damage requiring substantial repair expense relative to replacement cost; or when vehicle maintenance costs become inefficient due to age-related factors, including parts availability, emission control, and mechanic hours.

The City’s goal is to pursue the purchase of alternative fuel vehicles in order to reduce vehicle emissions and comply with Air Quality Management District (AQMD) guidelines, when required and appropriate. All of the proposed vehicles will comply with AQMD vehicle emissions reduction guidelines, and will provide greater fuel efficiency.

On April 4, 2016, the City Council adopted a revised Vehicle Replacement Policy and Procedures report establishing criteria to justify the purchase of replacement vehicles citywide. As part of the Vehicle Replacement Policy, WWO staff researched the availability of alternative fuel light duty

pick-up trucks. Staff confirmed there are no alternative fuel (Compressed Natural Gas and/or electric) vehicles available for a light duty pick-up truck.

The 7 light duty trucks which are recommended for replacement have exceeded their useful life of 8 years and exceed the recommended vehicle mileage of 100,000 miles. The 2 sedan units and medium duty truck have reached the end of their useful life for their respective vehicle descriptions. It is important to note that for City fleet vehicles, the mileage does not always provide a good assessment of a vehicle's condition. City fleet vehicles are operated predominantly within the City limits and incur a lot of stop and go activities which tend to increase conventional wear. The following table (Table 2) provides details on the vehicles recommended for replacement, as they meet the required criteria under the City's Vehicle Replacement Policy and Procedures:

Table 2

<i>Unit Number</i>	<i>Vehicle Description</i>	<i>Current Vehicle</i>	<i>Mileage</i>
Water Operations			
81481	Light Duty Truck	1988 Toyota Pick-Up	127,079
81482	Light Duty Truck	1997 GMC Sonoma	108,026
81495	Light Duty Truck	2005 GMC Canyon	204,554
81452	Light Duty Truck	1996 GMC 2500	132,340
81474	Light Duty Truck	2002 GMC Sonoma	106,783
81475	Light Duty Truck	2002 GMC Sonoma	130,636
81476	Light Duty Truck	2002 GMC Sonoma	119,031
81526	Sedan (General)	2002 Chevy Impala	72,490
Sewer Operations			
27015	Light Duty Truck	2004 GMC 2500	130,765
27006	Medium Duty Truck	1996 GMC 3500	32,809

The Fleet and Facilities Services Manager has reviewed and approved the replacement vehicles proposed. The vehicles listed in Table 2 will be retired and turned over in preparation for auction or replacement of another vehicle in the City's fleet pool at the discretion of the Fleet and Facilities Services Manager. The requested replacements meet all current Federal emissions requirements. In comparison to the heavy-duty CNG pick-up trucks, which average 9 to 11 miles per gallon, the 2017 Ford F-150's average is 22 miles per gallon.

Pomona City Code §2-973, Cooperative Purchasing allows for the procurement of goods and services through contracts entered into by other governmental agencies that went through a competitive bid process. The National Auto Fleet Group was the lowest bidder on multiple vehicle bids and was awarded a contract under the NJPA, Contract Agreement Number 120716, which the City can utilize. This procurement process reduces staff time developing and analyzing bids, provides competitive pricing and guarantees that the vehicles will be delivered within this fiscal year.

Prepared by: Damian Martinez, Sr. Management Analyst

Attachment: Resolution