



## Legislation Text

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**File #:** 21-1090, **Version:** 1

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Resolution to Amend the Fleet and Facility Unit FY 2021 Budget by Appropriating Funds and to Approve the Purchase of Vehicles from National Auto Fleet Group (Sourcewell Bid - \$305,219.60) **(8 Votes Required)**

The attached resolution authorizes the purchase of six 2022 Chevrolet Bolt electric vehicles at \$30,320.00 each and four 2022 Chevrolet Bolt electric vehicles at \$30,824.90 each for a total of \$305,219.60 from National Auto Fleet Group, Watsonville, California.

The Fleet and Facilities Unit establishes a replacement schedule for each class of vehicle purchased by the City. Once a vehicle hits the preset age, we use a two-step evaluation process to determine which vehicles are actually replaced. That process has been completed for FY21 and all vehicles being replaced have been approved by Council.

The group of vehicles included in this resolution are being targeted for early replacement to support multiple sustainability efforts approved by City Council. The Community Services Area has identified six rental housing inspector vehicles that are excellent candidates for replacement with fully electric vehicles. The Safety Services Area has identified four fire inspector vehicles that are also excellent candidates for electrification.

The vehicles proposed for early replacement include one model year 2016 vehicle with the remaining vehicles being 2017 models. Depreciation paid and budgeted to date and anticipated auction value for these vehicles will be funded by the Fleet Fund with the remaining costs related to the conversion to all electric vehicles funded by the Office of Sustainability and Innovations. The ten vehicles being replaced are all General Fund assets.

Staff is requesting the early replacement of these ten vehicles based on the estimated savings of between 61 and 111 metric tons of CO<sub>2</sub>e. The difference in the amount will be determined by our ability to charge the vehicles using solar or traditional power, that has not been determined yet. Based on the Climate Emergency resolution passed by City Council, staff is recommending that the additional cost of replacing these vehicles now is justified by the decreased carbon emissions.

The Chevrolet Bolt is an all-electric plug-in vehicle with approximately 240 miles of range on a single charge. Based on expected usage, the vehicle will be able to handle the normal driving activities of a work shift and can fully recharge overnight using a Level 2 (240v) charger.

The Fleet and Facilities Unit reviewed the bids of the Cooperative Purchasing Programs of the State of Michigan, Sourcewell, Oakland County, and Macomb County. National Auto Fleet Group was the lowest responsive bidder to the Sourcewell cooperative purchasing program (Sourcewell contract #120716-NAF) for the Chevrolet Bolts.

National Auto Fleet Group complies with the requirements of the City's Conflict of Interest and Non-Discrimination ordinances.

Budget/Fiscal Impact: Funding for the Fleet Services share of this purchase is provided by the annual replacement costs paid to the Fleet Fund for these vehicles by the General Fund; however, this purchase was not anticipated and included in the approved FY21 Fleet Services Operations and Maintenance Budget; therefore, requiring a budget amendment.

The Fleet Services Fund will have collected \$204,961.00 for the replacement of these ten vehicles. Supplemental funding for the purchase of the electric vehicles is available in the amount of \$100,258.60 in the FY21 Office of Sustainability and Innovations budget due to unfilled staff vacancies during the pandemic.

The owning department of each electric vehicle will be responsible for the increased Fleet replacement cost each year. This Fleet replacement cost covers the future cost of replacing the vehicles purchased under this resolution. Fuel savings and reduced maintenance expenses will recoup some of this additional expense based on the usage of the vehicle.

Each vehicle will also require a Level 2 charger. The purchase and installation of the charging infrastructure is not part of this resolution and has been budgeted separately in the FY21 Fleet Services Operations and Maintenance budget.

Green Fleet Policy: On April 7, 2021, the Green Fleet Committee approved the need for the replacement of these vehicles, that the proposed replacements are consistent with the Green Fleet Policy and recommended the approval of this resolution. The Sustainability and Innovations Manager has concurred with the actions of the Committee.

Prepared by: Matthew J. Kulhanek, Fleet & Facilities Manager

Reviewed by: John Fournier, Assistant City Administrator

Approved by: Tom Crawford, City Administrator

Whereas, The Fleet and Facilities Unit needs to purchase replacement vehicles for the City's fleet;

Whereas, National Auto Fleet Group, Watsonville CA, is the lowest responsive bidder to the Sourcewell cooperative purchasing program;

Whereas, National Auto Fleet Group complies with the requirements of the City's Conflict of Interest and Non-Discrimination Ordinances; and

Whereas, Adequate funds for the Fleet Services share of this purchase of vehicles in the amount of \$204,961.00 are available in the Fleet Services fund balance;

RESOLVED, That the City Council approve an appropriation of \$204,961.00 from the Fleet Services fund balance; thereby, increasing the Fleet Services Fund revenue and expenditure budget;

RESOLVED, That City Council approve the issuance of a purchase order to National Auto Fleet Group for the purchase of six 2022 Chevrolet Bolt electric vehicles at \$30,320.00 each and four 2022 Chevrolet Bolt electric vehicles at \$30,824.90 each for a total of \$305,219.60;

RESOLVED, That funds for the purchase of these vehicles in the amount of \$204,961.00 come from the FY21 Fleet Services Fund budget and \$100,258.60 from the FY21 Office of Sustainability and

Innovations budget with funds to be available without regard to fiscal year;

RESOLVED, That the vehicles being replaced (nos. 1018, 1059, 1060, 1061, 5117, 5118, 5230, 5234, 5235 and 5236) be sold at the next City vehicle auction held after the vehicles are removed from service; and

RESOLVED, That the City Administrator be authorized to take the necessary actions to implement this resolution.