



City of Chula Vista

Staff Report

File#: 17-0053, **Item#:** 6.

- A. RESOLUTION NO. 2017-044 OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA AWARDING AN AGREEMENT TO BOB WONDRIES FORD DOING BUSINESS AS WONDRIES FLEET GROUP TO PROVIDE FORD UTILITY INTERCEPTOR VEHICLES TO THE POLICE DEPARTMENT AND AUTHORIZING THE DIRECTOR OF FINANCE/TREASURER TO EXECUTE THE SAME
- B. RESOLUTION NO. 2017-045 OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA AWARDING AN AGREEMENT TO AMERICAN EMERGENCY PRODUCTS DOING BUSINESS AS AEP CALIFORNIA, LLC. TO PROVIDE VEHICLE OUTFITTING SERVICES FOR THE POLICE DEPARTMENT, AUTHORIZING THE DIRECTOR OF FINANCE/TREASURER TO EXECUTE THE SAME, AND AUTHORIZING THE DIRECTOR OF FINANCE/ TREASURER TO APPROVE UP TO FOUR ADDITIONAL ONE-YEAR EXTENSIONS

RECOMMENDED ACTION

Council adopt the resolutions.

SUMMARY

On November 8, 2016, Chula Vista voters approved Measure P - a temporary, ten-year, half-cent sales tax to fund high priority infrastructure needs. On December 6, 2016, the Chula Vista City Council approved an initial expenditure of \$3.2 million of Measure P sales tax funds for the current fiscal year. This initial FY 2017 expenditure will be allocated to police and fire vehicles, 911 emergency communication equipment, street paving, and sports field repairs.

As part of the Measure P expenditure plan, the Police Department, with the assistance of the Finance Department, has completed the evaluation of quotes received for purchasing base vehicles and providing outfitting services of marked patrol vehicles. Adoption of these resolutions awards an agreement with Wondries Fleet Group to purchase vehicles and awards an agreement with AEP California LLC to provide vehicle outfitting services for the Police Department.

ENVIRONMENTAL REVIEW

Environmental Notice

The activity is not a "Project" as defined under Section 15378 of the California Environmental Quality Act State Guidelines; therefore, pursuant to State Guidelines Section 15060(c)(3) no environmental review is required.

BOARD/COMMISSION RECOMMENDATION

Not Applicable

DISCUSSION

Pursuant to Section 2.56 of the Chula Vista Municipal Code outlining the City's purchasing system, two separate Requests for Quote (RFQ) were issued to purchase vehicles for the Police Department and provide vehicle outfitting services for marked patrol units. The RFQs outlined the vehicle specifications, vehicle outfitting service requirements, quote submittal requirements, and general conditions for the award of contract. The RFQs were advertised electronically on Planet Bids.

Marked Patrol Vehicles (RFQ # Q10-16/17)

The Ford Utility Interceptor All-Wheel Drive vehicle is the current make and model being purchased for the Police Department's patrol fleet. A Request for Quote (Q10-16/17) was issued on January 6, 2017 to provide quotes for Ford Utility Interceptor vehicles. For this particular RFQ, 137 vendors were notified of the RFQ and 12 prospective bidders downloaded the RFQ.

The following five companies submitted quotes by the January 20, 2017 deadline:

- Chevrolet of Watsonville
- David Wilson's Ford of Orange
- Fairway Ford
- Fritts Ford
- Wondries Fleet Group

The selection process involved a thorough review to determine if the quote conforms to the solicitation and if the quote is considered to be in the best interest of the City, with price, experience and service delivery being considered. Based on this evaluation, the Police Department recommends to purchase Ford Utility Interceptor vehicles from Wondries Fleet Group.

Since 2010, the Police Department has purchased 20 vehicles from Bob Wondries Ford (DBA Wondries Fleet Group). This vendor was selected because they are the lowest bidder at \$27,126 base price per vehicle. On January 31, 2017, a notice of intent to purchase from Wondries Fleet Group was sent to all five respondents.

The agreement with Wondries Fleet Group covers a one-year period of January 20, 2017 through January 19, 2018. Prices for the Ford Utility Interceptor base vehicle shall remain firm until April 20, 2017. Any price increases thereafter shall be by mutual consent. The maximum expenditure under this one-year agreement with Wondries Fleet Group is \$900,000.

In coordination with the Finance Department, the Police Department intends to issue another Request for Quote before the agreement expires in January 2018 to bid for quotes on the latest Ford Utility Interceptor model that is available.

Vehicle Outfitting (RFQ # Q11-16/17)

Vehicle outfitting services are required for Ford Utility Interceptors to make them fully marked black-and-white patrol units and fully-equipped with lighting/siren systems, equipment console, computer mount and radio communications. For the RFQ requesting quotes for vehicle outfitting services, 126 vendors were notified of the RFQ and 9 prospective bidders downloaded the RFQ.

Because there is a limited number of vendors that provide outfitting services to law enforcement

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vehicles and meet the service requirements of the City, there were only two companies that submitted quotes for vehicle outfitting services:

- AEP California LLC
- DVBE Supply

Like the vehicle RFQ, the selection process of this RFQ involved a thorough review to determine if the quote conforms to the solicitation and if the quote is considered to be in the best interest of the City, with price, experience and service delivery being considered. Based on this evaluation, the Police Department recommends awarding the contract to AEP California LLC to provide vehicle outfitting services to Police Department vehicles.

Since 2010, AEP California LLC has been providing vehicle outfitting services to the Police Department for their patrol vehicles. This vendor was selected because they are the only qualified vendor to meet the Police Department's vehicle outfitting requirements. The other respondent, DVBE Supply, did not have the ability to provide each item on the equipment list of the RFQ. On January 31, 2017, a notice of intent to award to AEP California LLC was sent to both respondents.

The agreement with AEP California LLC covers an initial one-year period of January 20, 2017 through January 19, 2018. This agreement may be extended by mutual consent for four (4) additional one (1) year periods. Prices for vehicle outfitting services shall remain firm for the initial period of coverage (January 20, 2017 to January 19, 2018). Price increases for vehicle outfitting to be agreed upon during each annual renewal, which is based upon current San Diego CPI and capped at a maximum of 5%. The maximum expenditure for this agreement with AEP California LLC is \$2,500,000.

Measure P Expenditure Plan

On November 8, 2016, Chula Vista voters approved Measure P, authorizing the one-half cent sales tax on retail sales within the City for a period of ten (10) years. The new one-half cent sales tax becomes effective on April 1, 2017, and the City anticipates receiving approximately \$3.2 million in fiscal year 2016/17. On December 6, 2016, City Council approved the expenditure plan related to Measure P. As part of the \$3.2 million expenditure plan approved by Council, \$463,940 is allocated to the Police Department to replace its aging vehicle fleet in FY 2016/17.

The Police Department anticipates to spend its \$463,940 allocation to purchase 15 Ford Utility Interceptor vehicles in FY 2016/17. Because there is a 90-day delivery time for these vehicles, the outfitting services provided by AEP California LLC will not occur until FY 2017/18.

DECISION-MAKER CONFLICT

Staff has reviewed the decision contemplated by this action and has determined that it is not site-specific and consequently, the 500-foot rule found in California Code of Regulations Title 2, section 18702.2(a)(11), is not applicable to this decision for purposes of determining a disqualifying real property-related financial conflict of interest under the Political Reform Act (Cal. Gov't Code § 87100, et seq.).

Staff is not independently aware, and has not been informed by any Council member, of any other

fact that may constitute a basis for a decision maker conflict of interest in this matter.

LINK TO STRATEGIC GOALS

The City's Strategic Plan has five major goals: Operational Excellence, Economic Vitality, Healthy Community, Strong and Secure Neighborhoods and a Connected Community. Awarding vehicle purchase and vehicle outfitting contracts supports the goal of Operational Excellence by utilized qualified vendors that meet the vehicle requirements of the Police Department, while considering cost and service delivery.

CURRENT YEAR FISCAL IMPACT

Approval of these resolutions allow the Police Department to purchase marked patrol vehicles (Ford Utility Interceptor) from Wondries Fleet Group and receive vehicle outfitting services from AEP California LLC. These vehicle costs are included in the City's Infrastructure, Facilities and Equipment expenditure plan (Measure P funding) approved by Council on December 6, 2016.

On August 2, 2016, City Council approved Ordinance 3371 to establish a temporary one-half cent General Transactions and Use Tax if approved by the voters. Per the Ordinance, all revenue generated by the tax shall be accounted for in the General Fund as a separate line item titled "Local Sales and Use Tax - Measure P". These revenues will then be transferred to the newly created 2016 Measure P Sales Tax Fund and therefore there is no net fiscal impact to the General Fund.

As part of the expenditure plan approved by Council on December 6, 2016, \$463,940 has already been appropriated in the capital category of the 2016 Measure P Sales Tax Fund for Police vehicle replacement, resulting in no net fiscal impact to the General Fund.

ONGOING FISCAL IMPACT

The Measure P Expenditure Plan anticipates that the one-half cent sales tax increase would generate between \$16.3 million in the first full year of fiscal 2017/18 and \$14.6 million in three (3) quarters of the final fiscal year 2026/27. As part of the City's annual budget process, annual allocations to the 2016 Measure P Sales Tax Fund would be brought forward for City Council consideration and action. In accordance with the Ordinance, for each subsequent year after fiscal year 2016/17, prior to City Council consideration of the City's annual budget, staff will prepare and present to the Citizens' Oversight Committee for its review a spending plan for Measure P revenues.

ATTACHMENTS

Attachment 1: RFQ # Q10-16/17 to provide Ford Utility Interceptor Base Vehicles to the Police Department

Attachment 2: Agreement with Bob Wondries Ford to provide Ford Utility Interceptor Base Vehicles

Attachment 3: RFQ # Q11-16/17 to outfit Ford Utility Interceptor Vehicles for the Police Department

Attachment 4A: Agreement with American Emergency Products to provide vehicle outfitting services for the Police Department

Attachment 4B: Attachment A for Agreement with American Emergency Products to provide vehicle outfitting services for the Police Department

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