

STAFF REPORT

DATE: November 14, 2022
TO: Sacramento Regional Transit Board of Directors
FROM: Carmen Alba, VP, Bus Operations
SUBJ: DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO EXECUTE A CONTRACT WITH FOLSOM LAKE FORD FOR THE PURCHASE OF 16 POLICE INTERCEPTOR UTILITY VEHICLES

RECOMMENDATION

Adopt the Attached Resolution.

RESULT OF RECOMMENDED ACTION

This contract will allow the replacement of current Police Service vehicles that are past their service life, have high mileage and/or wear, or have become difficult to source replacement parts that are not supported by the manufacturer.

FISCAL IMPACT

The purchase of 16 vehicles through the competitively-bid State Contract Number 1-22-23-14C will cost \$765,276.10, plus applicable state and local taxes and fees.

2022 Original Quote	2022 Rollover Quote*	2023 Vehicle Quote
\$36,533.28	\$47,311.61	\$48,670.
x10	x10	x6
\$365,332.80	\$473,116.10	\$292,020.00

Total Required **\$765,136.10**

*Note: The rollover quote for the first ten 2022 models will be updated to 2023 models at this reduced cost. The price difference between the original price quote for the 10 vehicles and the price increase is \$10,870.80 per vehicle.

DISCUSSION

On June 13, 2022, under Resolution No. 2022-06-066, the Board awarded a Purchase Order to Folsom Lake Ford (FLF) for the purchase of ten 2022 Police Interceptor Utility Vehicles under State of California Contract Number 1-22-23-14C for \$365,332.80, plus applicable sales taxes and fees.

Ford provided notice to FLF in late August that due to the extremely challenging environment for the global automotive industry, microchip shortages, major disruptions in the supply chain due to the war in Eastern Europe, and the lingering impact of COVID, Ford has been faced with logistical challenges and unpredictable manufacturing plant downtime. Given the high order submissions and unforeseen plant downtime, Ford notified FLF that it would be unable to build any unscheduled 2022 vehicles and that all unscheduled vehicles would need to be reordered as 2023 vehicles.

Around the same time, FLF submitted a request to the State of California for a price adjustment for the 2023 Model Year Vehicles. While the State Contract terms allow a maximum price increase of 3% between model years, on September 2, 2022, the State of California nonetheless approved a Supplement to the State Contract to increase the base pricing for the Mid-size Utility Vehicle with Police Package from \$36,226.00 for the 2022 model to \$45,813.00 for the 2023 model year, an increase of 27% year over year.

Staff contacted the procurement representative at the State of California to confirm the basis for the price increase. While SacRT was not provided any substantiation for the 27% increase, the State representative indicated that the cost increases have been approved and allowed. Because SacRT had already been provided a price quote for 10 2022 vehicles, FLF has agreed to provide a slight discount on those vehicles, as shown above in the Fiscal Impact statement.

Due to the order backlog and supply chain shortages, Supplement No. 1 to the State Contract also specifies that the last date to order Model Year 2023 vehicles under State Contract was the close of business on September 8, 2022, and that Model Year 2023 vehicles will be unavailable until further notice. FLF has confirmed that this order deadline will not be enforced against SacRT and that SacRT is still eligible to order up to 16 Model Year 2023 vehicles.

Despite the substantial price increase, Staff believes the State Contract remains the best and most efficient way to obtain the needed police interceptor vehicles. The Grants Department has identified additional funds to allow for the increase in costs and also the purchase of an additional 6 vehicles. With this change, all vehicles ordered will be 2023 model year vehicles.

In accordance with the Federal Transit Administration (FTA) guidance, the Police Interceptor Utility vehicles due for replacement have either accumulated over 100,000 life miles or been in service over 5 years. The Police Services fleet includes 23 patrol vehicles. The average age of the 13 vehicles identified for replacement is nearly 10 years old. The 13 vehicles, 7 Ford Crown Victoria and 6 Ford Police Interceptor Utility are unreliable and require excessive maintenance. SacRT is also having trouble sourcing replacement parts on the now-discontinued Ford Crown Victoria. The need to replace 13 vehicles and add an additional 3 vehicles will address those aged vehicles that currently provide critical and direct support to SacRT operations. The 3 additional patrol vehicles are necessary to allow for spares to be used when vehicles are unavailable due to needed service and repairs. These 16 replacement and additional vehicles will increase the Police Services fleet from 23 to 26 total patrol vehicles.

At this time, Staff is still resolving the contract details with FLF, so a delegation of authority to the General Manager/CEO is being requested at this time.

RESOLUTION NO. 2022-11-132

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

November 14, 2022

DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO EXECUTE A CONTRACT WITH FOLSOM LAKE FORD FOR THE PURCHASE OF 16 POLICE INTERCEPTOR UTILITY VEHICLES

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, authority is delegated to the General Manager/CEO to approve a contract for the purchase of 16 Police Interceptor Utility Vehicles with Folsom Lake Ford under which Folsom Lake Ford agrees to provide a quantity of 16 model year 2023 Police Interceptor Utility Vehicles, as specified in the State of California Contract Number 1-22-23-14C, for a total amount of \$765,136.10, plus applicable state and local taxes and fees, upon successful completion of contract negotiations.

STEVE MILLER, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Tabetha Smith, Assistant Secretary