



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: MARCH 28, 2023

FROM: GENERAL SERVICES DEPARTMENT WARDS: ALL

SUBJECT: MEASURE Z – APPROVE AN INCREASE IN SPENDING AUTHORITY FOR THE PURCHASE OF NEW AND USED VEHICLES, MOTORCYCLES INCLUDED, FOR THE POLICE DEPARTMENT IN THE AMOUNT OF \$863,791.70 FOR A TOTAL AMOUNT NOT TO EXCEED \$2,563,791.70.

ISSUE:

Approve an increase in spending authority for the purchase of new and used vehicles for the police department in the amount of \$863,791.70 for a total amount not to exceed \$2,563,791.70, subject to the availability of budgeted funds, with various vendors.

RECOMMENDATIONS:

That the City Council:

1. With at least five affirmative votes, approve an increase in spending authority for the purchase of new and used vehicles, motorcycles included, for police department in the amount of \$863,791.70 for a total amount not to exceed \$2,563,791.70, subject to the availability of budget funds, with various vendors;
2. Authorize the City Manager, or designee, to execute the individual Purchase Orders and all necessary documents as needed for these individual purchases with all authority for such.

BACKGROUND:

Measure Z was placed on the November 8, 2016 ballot. The measure authorized a one-cent increase in the City’s sales tax rate and was approved by over 60% of Riverside voters. The collection of the additional one-cent sales tax began on April 1, 2017.

After hearing recommended Measure Z spending options from City staff and the Budget Engagement Committee (BEC), on May 16, 2017 the City Council approved the Measure Z Spending Plan. As part of the Measure Z Spending Plan, the City Council approved funding for a Police Vehicle Replacement and Maintenance Plan in the amount of approximately \$2.2 million per year.

In order to meet the vehicle needs of the Police Department in a timely manner, on October 5, 2021, the City Council waived the formal procurement process per section 602(m) of Purchasing Resolution No. 23256 and authorized the purchase of new and used vehicles for the Police Department in an amount estimated at \$65,000 per vehicle for a total not to exceed amount of \$1,300,000, subject to the availability of budgeted funds, with various vendors ending June 30, 2022.

Directly after this approval, immediate purchases were made for three vehicles for the Police Department in the total amount of \$100,159.12. Shortly after these purchases, it was learned that order cutoffs were pending for the Police Interceptor Ford Explorers. It was determined to be in the best interest of the Police Department, the City of Riverside, and the safety of the public to secure the purchase of thirty pursuit units with the approved funding in the total amount of \$1,187,405.52. As a result of securing this order, the remaining balance of funds was immediately exhausted.

On December 14, 2021, City Council approved a carryover of unexpended funds of approximately \$2.3 million in the General Fund and \$38.7 million in other City Funds into Fiscal Year 2021/22. Approximately \$1.8 million Measure Z Funds were carried over into Spending Item #12 – Police Vehicle Replacement and Maintenance.

On February 22, 2022, City Council approved an increase in spending authority for the purchase of new and used vehicles for the police department in the amount of \$1,700,000 for a total amount not to exceed \$3,000,000, subject to the availability of budgeted funds, with various vendors ending June 30, 2022.

Due to the continued volatility of the automotive market, on September 6, 2022, City Council waived the formal procurement process per section 602(p) of Purchasing Resolution No. 23812 and authorized the purchase of new and used vehicles, motorcycles included, for the Police Department in an amount estimated at \$65,000 per vehicle for a total not to exceed amount of \$1,700,000 annually, subject to the availability of budgeted funds, with various vendors.

Between September 6, 2022 and December 31, 2022, the Police Department purchased thirty-five vehicles for a total amount of \$1,662,380.48.

DISCUSSION:

On January 24, 2023, City Council approved a carryover of unexpended funds of approximately \$3.3 million in the General Fund and \$39.3 million in other City Funds into Fiscal Year 2022/23. The amount of \$863,791.70 Measure Z Funds was carried over into Spending Item #12 – Police Vehicle Replacement and Maintenance Plan. At this time, City Council is asked to approve an increase in spending authority for the purchase of new and used vehicles for the Police Department in the amount of \$863,791.70 for a total amount not to exceed \$2,563,791.70 with a continued individual vehicle limit of \$65,000.

This action is pursuant to Purchasing Resolution 23914, Section 602(p) which states, "Competitive Procurement through the Informal Procurement and Formal Procurement process shall not be required in any of the following circumstances: ... (p) When approved by the Manager, the City requires Goods not subject to the bidding requirements of Section 1109 of the City Charter, which are of such a nature that suitable technical or performance specifications describing them are not readily available and cannot be developed in a timely manner to meet the needs of the City, in which case the Manager shall be authorized to negotiate with any Person or

Persons for the Procurement thereof upon the price, terms and conditions deemed by the Manger to be in the best interest of the City and in doing so may utilize Informal Procurement or Negotiated Procurement process.”

The Police Chief concurs with the recommended action.

The Purchasing Manager concurs that the recommendation to authorize the purchases is in compliance with Purchasing Resolution 23914.

STRATEGIC PLAN ALIGNMENT:

This item contributes to Strategic Priority No. 2 *Community Well-Being* and Goal 2.6 - Strengthen community preparedness for emergencies to ensure effective response and recovery.

This item aligns with EACH of the five Cross-Cutting Threads as follows:

1. **Community Trust** – Vehicles are required to meet the operational needs of the Police Department. The timely purchase of police vehicles strengthens community trust by ensuring Police Department staff are equipped to perform basic functions and meet the public safety needs of the community.
2. **Equity** – The Police Department endeavors to provide public safety services to all residents in the City of Riverside. To achieve this goal, the Police Department requires specialized vehicles and equipment. Reliable vehicles help the Police Department ensure that every member of the community has equal access to share in the benefits.
3. **Fiscal Responsibility** – The General Services Department, Fleet Division is proposing this purchase in accordance with Purchasing Resolution 23914, Section 602(p) and will do its best to ensure the best price, terms and conditions are negotiated. In multiple cases, bids have been conducted with no results as no vehicles of the requested type were available at that time which has resulted in additional staff time spent trying to re-bid until pricing is provided if at all.
4. **Innovation** – The Police Department requires specialized vehicles and equipment to meet the changing needs of the community. The proposed purchase authorization provides an innovative solution to allow the Police Department to acquire the necessary vehicles in a timely fashion during a global vehicle shortage.
5. **Sustainability & Resiliency** – Replacing the Police Departments aging fleet allows the Police Department to meet the needs of the present without compromising the needs of the future. Newer vehicles will reduce the Police Departments carbon footprint.

FISCAL IMPACT:

The total fiscal impact of the action is \$863,791.70. The funds are budgeted and available in the Measure Z Fund, Police Field Operations, Vehicle Replacement Account 8001201-450057.

Prepared by: Carl Carey, General Services Director
Certified as to

availability of funds: Edward Enriquez, Interim Assistant City Manager/Chief Financial Officer/Treasurer
Approved by: Edward Enriquez, Interim Assistant City Manager
Approved as to form: Phaedra A. Norton, City Attorney