



City of Arts & Innovation

City Council Memorandum

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TO: HONORABLE MAYOR AND CITY COUNCIL DATE: DECEMBER 10, 2024

FROM: GENERAL SERVICES DEPARTMENT WARD: ALL

SUBJECT: AWARD BID NO. 8132 TO RUSICH BROTHERS ENTERPRISES INC. (dba. VALLEY KIA) OF FONTANA, CALIFORNIA FOR THE PURCHASE OF TWELVE (12) 2025 KIA SPORTAGE HYBRID ELECTRIC VEHICLES FOR THE PUBLIC WORKS DEPARTMENT, PARKING SERVICES DIVISION IN THE TOTAL AMOUNT OF \$405,605.28.

ISSUE:

Award Bid No. 8132 to Rusich Brothers Enterprises Inc. (dba. Valley KIA) of Fontana, California for the purchase of twelve (12) 2025 KIA Sportage Hybrid Electric Vehicles for the Public Works Department, Parking Services Division in the total amount of \$405,605.28.

RECOMMENDATION:

That the City Council award Bid No. 8132 to Rusich Brothers Enterprises Inc. (dba. Valley KIA) of Fontana, California for the purchase of twelve (12) 2025 KIA Sportage Hybrid Electric Vehicles for the Public Works Department, Parking Services Division in the total amount of \$405,605.28.

BACKGROUND:

The Public Works, Parking Services Division contributes to the quality of life in Riverside by maximizing parking opportunities in residential and commercial areas citywide. They manage the City's parking facilities, citation processing, installation of parking meters and more. Staff perform these duties in the field, requiring vehicles that are safe, reliable, and readily available.

The General Services Department, Fleet Management Division evaluates all vehicle replacement criteria to ensure efficient management and replacement of vehicles. A vehicle may be eligible for replacement with motor pool replacement funding under differing circumstances including, but not limited to: ten (10) to fifteen (15) years of usage, over 100,000 miles, condition of the vehicle, or the life-to-date maintenance and repairs costing more than a new vehicle. There are nine (9) vehicles eligible for replacement that have exceeded their expected service life. The vehicles that the Parking Services Division aims to replace are listed here:

| Asset No. | Year Make Model | Mileage | Replacement Reason |
|-----------|--------------------|---------|--|
| B1594 | 2010 Honda Insight | 123,784 | 14 years of age with high mileage, excessive wear and tear and life-to-date maintenance. |
| B1596 | 2010 Honda Insight | 134,230 | 14 years of age with high mileage, excessive wear and tear and life-to-date maintenance. |
| B1597 | 2010 Honda Insight | 134,505 | 14 years of age with high mileage, excessive wear and tear and life-to-date maintenance. |
| B1598 | 2010 Honda Insight | 121,998 | 14 years of age with high mileage, excessive wear and tear and life-to-date maintenance. |
| C1135 | 2008 Ford Escape | 123,446 | 16 years of age with high mileage. |
| C1259 | 2014 Ford C-Max | 121,019 | 10 years of age with high mileage. |
| C1260 | 2014 Ford C-Max | 110,583 | 10 years of age with high mileage. |
| C1262 | 2014 Ford C-Max | 108,584 | 10 years of age with high mileage. |
| C1263 | 2014 Ford C-Max | 97,623 | 10 years of age with excessive wear and tear and life-to-date maintenance. |

In addition, the Parking Services Division requires three (3) more vehicles. Two (2) Parking Control Representatives and one (1) Senior Parking Control Representative have been added to the staff this fiscal year. The Parking Services Division will provide their own funding for these vehicles.

DISCUSSION:

Request for Bid (RFB) No. 8132 was posted on the City’s online bidding system, Planet Bids, on September 13, 2024, seeking prospective bidders to provide pricing for the purchase of twelve (12) current year KIA Sportage Hybrid Electric Vehicles for the Public Works Department, Parking Services Division. The Fleet Division has experienced issues with battery performance with the comparable Ford Escape hybrid vehicle model, which factored into the decision to choose the Kia model. The notification was sent to 79 City of Riverside vendors and 500 external vendors. RFB 8132 closed on October 1, 2024, with a total of three (3) responses. All responses were found to be responsive and responsible. No local vendors responded to this bid opportunity; thus, no local preference was possible.

| Bidder | City | Quantity | Price Per Vehicle | Sales Tax & Misc. Fees | Total Price |
|--------------------------------|---------------|----------|-------------------|------------------------|--------------|
| Rusich Brothers Enterprise Inc | Fontana, CA | 12 | \$31,062.00 | \$2,738.44 | \$405,605.28 |
| Gavidia RRP | Fullerton, CA | 12 | \$33,821.00 | \$4,186.25 | \$456,087.00 |

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|--------------------------|-------------------|----|-------------|------------|--------------|
| A1 Financial Service LLC | Moreno Valley, CA | 12 | \$49,170.00 | \$4,255.56 | \$641,106.72 |
|--------------------------|-------------------|----|-------------|------------|--------------|

The bid response from Rusich Brothers Enterprise (dba. Valley KIA) of Fontana was deemed the lowest responsive bidder in the total amount of \$405,605.28.

Purchasing Resolution 24101, Section 508. Awards, states, “Contracts procured through Formal Procurement shall be awarded by the Awarding Entity to the Lowest Responsive and Responsible Bidder.”

The Purchasing Manager concurs that the recommended actions comply with Purchasing Resolution No. 24101, Section 508.

The Public Works Director concurs with the recommendation.

STRATEGIC PLAN ALIGNMENT:

The recommended purchase of the new replacement vehicles contributes to the City’s Strategic Priority No. 4 *Environmental Stewardship* and Goal No. 4.6 – Implement the requisite measures to achieve citywide carbon neutrality no later than 2040.

This item also aligns with each of the Cross-Cutting Threads of the City’s Strategic Plan as described below:

1. **Community Trust** – New vehicles will help to ensure that Public Works, Parking Services can perform their duties safely and efficiently and improve the reliability of services, which can increase public confidence in the City.
2. **Equity** – Replacing unviable vehicles with safer and reliable vehicles will help to ensure equitable services to the community and keep residents and City staff safe.
3. **Fiscal Responsibility** – Vehicles which have reached the end of their useful life cycle are more costly to operate and maintain. The General Services Department, Fleet Management Division is proposing this purchase in accordance with the City’s Formal Procurement process per Purchasing Resolution 24101, to ensure the best price, terms and conditions.
4. **Innovation** – The General Services Department, Fleet Management Division has an established vehicle replacement program to ensure departments are accruing funds for future replacement vehicles. Nine (9) of the replacement vehicles will be purchased using funds accrued for this purpose in the Central Garage Fund Motor Pool Account.
5. **Sustainability and Resiliency** – Introducing eco-friendly hybrid electric vehicles demonstrates the City’s commitment to sustainability and reducing its carbon footprint.

FISCAL IMPACT:

The total fiscal impact of the action is \$405,605.28. The funds for nine (9) of these vehicles

(\$304,203.96) are available in the Central Garage Fund, Motor Pool, Automotive Equipment account number 2215200-462100. The funds for three (3) of these vehicles (\$101,401.32) are available in the Public Parking Fund, Motor Pool Equipment Rental account number 4151000-423400.

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| Prepared by: | Joshua Monzon, Administrative Analyst |
| Approved by: | Carl Carey, General Services Director |
| Certified as to availability of funds: | Kristie Thomas, Finance Director/Assistant Chief Financial Officer |
| Approved by: | Edward Enriquez, Assistant City Manager/Chief Financial Officer/ Treasurer |
| Approved as to form: | Jack Liu, Interim City Attorney |
| Attachments: | Bid Award Recommendation |