



Office of the City Manager

CONSENT CALENDAR
May 14, 2024

To: Honorable Mayor and Members of the City Council
From: Dee Williams-Ridley, City Manager
Submitted by: Terrance Davis, Director of Public Works
Subject: Increase Purchase Order No. 22203563 for Nicholas K Corp dba the Ford Store San Leandro

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to increase FY 2022 purchase order number 22203563 to Nicholas K Corp dba the Ford Store San Leandro by \$20,000 for a new not to exceed amount of \$155,000 to account for the increased cost of new model year vehicles.

FISCAL IMPACTS OF RECOMMENDATION

Funds for the increase of cost are available in the FY 2024 Equipment Replacement Fund 671.

Original Purchase order Amount	\$135,000.00
<u>Additional purchase order amount</u>	<u>\$ 20,000.00</u>
Amended purchase order amount	\$155,000.00

CURRENT SITUATION AND ITS EFFECTS

Council approved \$135,000 for the purchase of three Electric F150 Pickup Trucks in March 2022. The initial order was impacted by supply chain and capacity issues affecting the manufacturer’s ability to complete the order. One of three vehicles in the initial order was produced that year, while the remaining order was deferred until the following new model year ('23). Subsequently, the new model pricing increased, resulting in an additional cost of \$20,000 to complete the order.

This purchase supports the City’s Strategic Plan Goal of being the global leader in addressing climate change.

BACKGROUND

On March 22, 2022, City Council adopted Resolution No. 70,272-N.S. authorizing the City Manager to authorize a purchase order with Nicholas K Corp dba the Ford Store San Leandro for the purchase of three Electric Vehicle Ford Pickup Trucks, for an amount not to exceed \$135,000. The City processed a piggyback purchase off County

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of Alameda Purchase Order Contract (Master Contract No. 901979). County of Alameda's bid procedures satisfy the procurement requirements of the City of Berkeley.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

The three vehicles will utilize 100% electric power, thus mitigating environmental concerns associated with internal combustion engine systems, while reducing maintenance costs due to fewer moving parts.

RATIONALE FOR RECOMMENDATION

The City's fleet vehicle needs must be met in order to ensure safe and reliable vehicles to best serve residents.

ALTERNATIVE ACTIONS CONSIDERED

None. The City needs to purchase these three vehicles to replace vehicles that have reached the end of their life.

CONTACT PERSON

Greg Ellington, Superintendent, Department of Public Works (510) 981-6469

Attachment:
1: Resolution

RESOLUTION NO. ##,###-N.S.

INCREASE PURCHASE ORDER NO. 22203563 FOR NICHOLAS K CORP DBA THE FORD STORE SAN LEANDRO

WHEREAS, Council passed Resolution No. 70,272-N.S. and approved the purchase of three Electric Vehicle Ford Pickup Trucks; and

WHEREAS, Purchase Order 22203563 was issued to Nicholas K Corp dba the Ford Store San Leandro with funds approved from the Equipment Replacement Fund budget: 671-54-626-723-0000-000-473-664120; and

WHEREAS, due to market complications which caused delay of initial order thus deferring order until the next fiscal year model; and

WHREAS, one of the three ordered units has been received and paid; and

WHEREAS, funds for the increase are available in the FY 2024 budget in the Equipment Replacement Fund (671); and

WHEREAS, the cost for two new 2023-year models is \$110,000 and exceeds the Council approved purchase order by \$20,000; and

NOW THEREFORE, BE IT RESOLVED that the Council authorizes the City Manager to increase Purchase Order 22203563 issued to Nicholas K Corp dba the Ford Store San Leandro by \$20,000 for a new not to exceed amount of \$155,000.

