



Agenda Report

June 12, 2023

TO: Honorable Mayor and City Council

FROM: Planning & Community Development Department

SUBJECT: AUTHORIZE A PURCHASE ORDER TO BUYOUT SEVENTEEN (17) LEASED CHEVROLET BOLT EV VEHICLES IN AN AMOUNT NOT-TO-EXCEED \$372,000

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the action proposed herein is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15061(b)(3) (General Rule);
2. Authorize the City Manager to enter into a purchase order contract, without competitive bidding pursuant to City Charter Section 1002(F), contracts for professional or unique services, with Enterprise Fleet Management Inc. for the lease buyout of seventeen Chevrolet Bolt electric vehicles (EVs), in an amount not to exceed \$372,000; and
3. Grant the proposed purchase order contract an exemption from Competitive Selection process pursuant to Pasadena Municipal Code Section 4.08.049(B), contracts for which the City's best interests are served.

BACKGROUND:

In 2018, the Planning & Community Development Department collaborated with the Public Works Department in the procurement process for the leasing of electric vehicles. On January 28, 2019, City Council approved a 36-month lease agreement with Enterprise Fleet Management Inc for thirty-eight Chevrolet Bolt EVs in the amount of \$780,000; of which nineteen were obtained and leased by the Planning Department.

At the end of the 36-month lease agreement, June 2022, Enterprise Fleet Management Inc. extended three alternatives: return the leased vehicles, buyout the lease, or extend the lease month-to-month for an additional year. Rather than purchase the vehicles

outright at that time, the Planning Department decided it was more fiscally responsible to extend the lease on a month-to-month bases, for an additional one-year for eighteen of the nineteen Bolt EVs, returning one vehicle not being utilized, in the amount not-to-exceed \$109,636.

The one-year, month-to-month lease extension will expire at the end of this fiscal year. With the exception of one vehicle, the Planning Department has decided to purchase seventeen of the eighteen Chevy Bolt EVs in its fleet, as the vehicles require little maintenance, and maintain low mileage; with most of the seventeen vehicles having less than 10,000 miles. In addition, the purchase of the Chevy Bolt EVs will continue to demonstrate the City's commitment to reduce greenhouse gas emissions.

As such, the proposed action is cost effective for the City, remains environmentally friendly, and will have minimal impact to the department's operations since no transitional efforts are needed to swap out vehicles; providing the ability to continue operations without interruption which is critical since the Chevy Bolt EVs are utilized daily for field work by Building, Code Compliance, and Planning staff.

The City has conducted business with Enterprise Fleet Management Inc since 2018, issuing purchase orders with an aggregate total of \$2,784,823. Enterprise initially founded in 1957 has established its commercial leasing with other municipalities in California such as Baldwin Park, Westminster, Santa Ana, San Marcos, Inglewood, and Corona.

Based on the fact that the Planning Department will be buying out existing leased vehicles that have low mileage and meet the City's sustainability goals, it is in the City's best interest to award the purchase order contract to Enterprise Fleet Management Inc. to purchase the seventeen Chevy Bolt EVs, in the amount not-to-exceed \$372,000.

COUNCIL POLICY CONSIDERATION:

By providing the Planning Department with the proper equipment to perform its function, the proposed action furthers the City Council's Strategic Plan goals to ensure public safety, increase conservation and sustainability, and maintain fiscal responsibility and stability.

ENVIRONMENTAL ANALYSIS:

This project is exempt from CEQA review pursuant to State CEQA Guidelines Section 15061(b)(3). The contract award is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to the provisions of CEQA.

FISCAL IMPACT:

The cost of the proposed action consists of \$372,000 for the lease buyout of seventeen Chevrolet Bolt electric vehicles (EVs). This action will be addressed by existing appropriations in the Building Services Fund (204) within the Planning and Community Development Department's FY 2023 Operating Budget.

Respectfully submitted,



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