



# Agenda Report

May 13, 2024

**TO:** Honorable Mayor and City Council  
**FROM:** Department of Public Works  
**SUBJECT: AUTHORIZE THE CITY MANAGER TO INCREASE PURCHASE ORDER CONTRACT 1241231 WITH 72 HOUR LLC (DBA: CHEVROLET OF WATSONVILLE/NATIONAL AUTO FLEET GROUP) BY \$6,947**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find that this action is exempt under the California Environmental Quality Act (CEQA) in accordance with Section 15061(b)(3), the "Common Sense" Exemption that CEQA only applies to projects that may have an effect on the environment;
2. Authorize the City Manager to increase purchase order contract no. 1241231 with 72 Hour LLC (72 Hour) for an additional \$6,947 (includes 15% contingency) for the purchase of one Ford F-150 Lightning electric truck. Competitive bidding is not required pursuant to City Charter Section 1002 (H) contracts with other governmental entities or their contractors; and
3. Grant the proposed increase to the purchase order contract an exemption from the Competitive Selection process pursuant to Pasadena Municipal Code Section 4.08.049(B), contracts for which the City's best interests are served.

## **BACKGROUND:**

On May 9, 2022, City Council previously authorized a purchase order contract with 72 Hour for the purchase of one Ford F-150 Lightning electric truck. This vehicle will be utilized in the Fire Department as a shop truck for support in areas such as training, operations, and administration and will be assigned as ground support units during Rose Parade and Rose Bowl activities.

The Ford F-150 Lightning electric truck was ordered in May 2022 and in March 2024, the Department of Public Works Building Systems and Fleet Management Division (BSFMD) was informed by 72 Hour that the vehicle order had been disrupted and cannot be fulfilled. Ford stated that its 2023 model year production for City's vehicles on order had stalled due

to supply chain issues, high demand, and plant downtime (compounded by the 2023 United Auto Workers' strike). This resulted in Ford orders nationwide going unfulfilled and the need to be re-authorized as 2024 model year, thereby impacting a vehicle previously approved by Council.

Staff, therefore, will switch the vehicle to the newer and available 2024 model. This will support and address the City's fleet replacement needs without further delay especially during these times of unpredictable market conditions in the automotive industry affecting production, inventory, and pricing. The proposed increase will cover the difference in pricing between the model years.

The vendor, 72 Hour, has agreed to extend the contract prices, terms, and conditions under Sourcewell contract #091521-NAF to the City for the proposed purchase of one (1) new 2024 Ford F-150 Lightning electric truck for \$64,103. The increase of \$6,947 specifically for this vehicle will be added to PO 1241231.

**COUNCIL POLICY CONSIDERATION:**

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

**ENVIRONMENTAL IMPACT:**

This purchase complies with all South Coast Air Quality Management District rules and regulations for engine emissions and clean air standards in the South Coast basin.

PO Increase with 72 LLC to Amend Model Year for One Ford F-150 Lightning Electric Truck

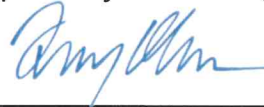
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**FISCAL IMPACT:**

This action will increase the existing purchase order contract no. 1241231 by \$6,947 for a new total amount of \$64,103. Funding for this action will be addressed by the utilization of existing budgeted appropriations in the Fleet Replacement Fund, budget account 50322060. Indirect and support costs such as maintenance and repair will be addressed annually by utilization of existing budgeted appropriations in the respective department's operating budget.

Respectfully submitted,



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Director of Public Works

Prepared by:



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Public Works Administrator BSFMD

Approved by:



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