



March 26, 2015

TO: LOCSD Board of Directors
FROM: Jason Zatt, Utility Compliance Technician
Frank Asuncion, Utility Crew Leader
SUBJECT: **Agenda Item 11G – 4/2/2015 Board Meeting**
Award Bids for Two Replacement Utility Vehicles

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DESCRIPTION

There are two vehicles used by the Utilities department that require immediate replacement. Staff received bids and are requesting the Board to award the bids to the two most responsive bidders. They are Lithia Ford of Fresno and Toyota of Santa Maria.

STAFF RECOMMENDATION

Staff recommends that the Board adopt the following resolution:

Motion: I move that the Board award bids to Lithia Ford of Fresno for a replacement utility vehicle in an amount not to exceed \$45,801.88 and Toyota of Santa Maria for replacement of moderate duty vehicle in an amount not to exceed \$24,352.95; and authorize the General Manager to execute the purchase, extended warranty, receive the vehicles and ensure proper disposal of surplus equipment.

DISCUSSION

At the February 5, 2015 Board of Directors meeting, an additional report was filed with the midyear budget regarding two utility vehicles that are in need of replacement. This item was recommended by the Utilities Advisory Committee at their January 21, 2015 meeting. The Board adopted the midyear budget at the February 5, 2015 meeting.

One vehicle is the "workhorse" of the department and is expected to cost approximately \$46,000.00 for replacement. This amount includes the cost of an 8 year/125,000 mile warranty. The other is a light/medium duty vehicle which is expected to cost approximately \$24,000.00 to replace. This amount includes the cost of a 7 year/100,000 mile warranty.

Based on prior experience the District vehicles placed in service are used for many years past the warranty period however these vehicles accumulate fewer miles over the life of the vehicle. Staff believes an extended warranty is appropriate for this purchase to protect the District and guarantee lengthy use.

On February 20, 2015, staff advertised bids for the two vehicles to the following agencies:

Mailing Address:
P.O. Box 6064
Los Osos, CA 93412

Offices:
2122 9th Street, Suite 102
Los Osos, CA 93402

Phone: 805/528-9370
FAX: 805/528-9377

www.losososcscsd.org

HEAVY DUTY UTILITY VEHICLE

Mullahey Ford of Arroyo Grande
 Perry Ford of San Luis Obispo
 Paso Robles Ford
 Alfano Motorcars of San Luis Obispo (Chevrolet)
 Santa Maria Ford
 Lithia Ford of Fresno
 Heritage Ford of Modesto

LIGHT/MEDIUM DUTY VEHICLE

Toyota of Santa Maria
 Toyota of San Luis Obispo
 Coast Nissan San Luis Obispo
 Salinas Toyota
 Toyota of Clovis
 Modesto Toyota

The responses to these bids were as follows:

Utility Vehicle Replacement

Dealer Name	Bid	Notes
Lithia Ford of Fresno	\$43,646.88	Regular cab (extended cab no longer available). 8 year/125K mile warranty is an additional \$2155.00
Perry Ford of San Luis Obispo	\$51,582.80	Regular cab (extended cab no longer available). 7 year/75K mile warranty - additional \$940.00
Mullahey Ford Arroyo Grande		Bid received past due date
Paso Robles Ford	Did not bid	
Alfano Motorcars	Did not bid	
Santa Maria Ford	Did not bid	
Heritage Ford Modesto	Did not bid	

Light/Medium Duty Vehicle

Dealer Name	Bid	Notes
Toyota of Santa Maria	\$22,557.95	7 year/100K mi. warranty = \$1695.00 8 year/125k mi. warranty = \$1995.00 All-weather floor mats \$100 extra (carpeted interior)
Toyota of Clovis	\$23,413.67	7 year/100K mi. warranty = \$1795.00
Toyota of San Luis Obispo	Did not bid	
Coast Nissan	Did not bid	
Salinas Toyota	Did not bid	
Modesto Toyota	Did not bid	

FINANCIAL IMPACT

The original FY 2014/2015 budget was adjusted by Board action to enable the purchase of the replacement vehicles. General ledger code 9059, Capital Outlay for Vehicles, Equipment & Fixtures, in fund 500 Water, was increased to \$75,000 at mid-year. The Vehicle, Equipment Reserve, G/L 3110 fund 500 has a balance of \$42,197 that will be used for these purchases plus additional revenue equaling the total available funds of \$75,000. There are sufficient funds available to cover the cost of the replacement vehicles including the extended warranty.