



TO: Mayor and Councilmembers

SUBMITTED BY: Matthew R. Fore, General Services Director

SUBJECT: Purchase of Fleet Vehicles

RECOMMENDATION:

- A. Authorize the City Manager, or designee, to negotiate and award a purchase agreement with standard industry terms and approved as to form by the City Attorney, and to execute any and all required documents with the selected vendor(s) to purchase two Ford F-150 Hybrid vehicles in an amount not to exceed \$130,000; and
- B. Authorize the City Manager to issue purchase orders to, and to execute all required documents with National Auto Fleet Group, via cooperative contract pricing, for the purchase of one Ford F-250 Utility Body and related equipment in an amount not to exceed \$70,000; and
- C. Authorize the City Manager to approve purchase orders up to 10 percent above the quoted price of any and all vehicles to account for changes in base cost, specifications, or upfitting of the vehicle, which may have transpired since staff originally obtained pricing.

BACKGROUND:

On March 18, 2025, City Council authorized staff to purchase two Ford F-150 Lightning vehicles and one Chevrolet Equinox Electric Vehicle (EV). Shortly thereafter, staff issued purchase orders to Ford for the vehicles. Unfortunately, after months of waiting, Ford recently notified staff that it had cancelled the City's order, along with those of many other customers, due to "supply issues." Therefore, staff is including the purchase of two Ford F-150 Hybrid vehicles as part of this Council action in response to the cancelled Ford Lightning order.

DISCUSSION:

The City owns a fleet of approximately 27 vehicles. One (1) of those vehicles (Vehicle No. 14) has reached its end of life and must be replaced. Moreover, in Fiscal Year 2024-25, City Council approved the creation of two (2) new Lead Maintenance Worker positions in the Public Works Department, which are heavily dependent upon vehicle use to perform

essential job functions. Staff recommends that Council authorize the City Manager to purchase three (3) new vehicles shown in Table 1 below.

Vehicle Type	New or Replacement	Estimated Cost	Dealership	Cooperative Agreement
2025 Ford F-150 Hybrid (two vehicles)	New – Lead Maintenance Workers	\$130,000	Unknown – Staff will directly negotiate with dealers	No
2025 Ford F-250 Utility Body Truck	Replaces Vehicle No. 14 (F-250)	\$70,000	National Fleet Auto Group	Yes
Estimated Total		\$200,000		

The City's Green Fleet Policy prioritizes the purchase of Zero Emission Vehicles (ZEV) unless the ZEV option poses significant limitations to range, passenger or towing capacity, or fueling availability, etc. As stated above, Ford is discontinuing production of the Ford F-150 Lightning vehicle. There is no suitable alternative equivalent available on the market at this time. For this reason, consistent with the Green Fleet Policy, staff recommends purchase of Ford F-150 Hybrid vehicles. Similarly, no EV equivalent to the Ford F-250 utility body currently exists on the market. Therefore, similar to all prior utility body replacements, staff recommends purchase of a standard F-250 to replace Vehicle No. 14.

Purchasing Strategy

Given the time urgency in procuring vehicles for the Lead Maintenance Workers who have already joined the City of Goleta, staff requests that Council authorize the City Manager, or designee, to directly negotiate and award a purchase agreement with standard industry terms and approved as to form by the City Attorney, and to execute any and all required documents with the selected vendor(s) for the purchase of two new Ford F-150 Hybrid vehicles in an amount not to exceed \$130,000.

The Ford F-250 Utility Body vehicle will be purchased through a cooperative purchasing agreement (e.g. National Fleet Auto Group via Sourcewell). Section 3.05.100 of the Goleta Municipal Code allows the City to obtain equipment and services through a cooperative bidding procedure that is conducted by another local, state, or federal agency, which allows the City to take advantage of the cooperative purchasing award and competitive contract pricing. Following Council approval, staff will issue purchase orders to the vendor referencing the cooperative purchasing agreement that underpins the price.

GOLETA STRATEGIC PLAN:

City-Wide Initiative: 5. Strengthen Infrastructure

Strategic Goal: 5.4 Protect and maintain City-owned facilities and critical operational assets.

FISCAL IMPACTS:

The total cost of the three (3) proposed vehicle purchases is estimated at \$200,000. Existing appropriations in Program 1830 will be used to cover the cost of all vehicles. Therefore, no additional appropriations are requested with this Council action.

The proposed vehicles will be capitalized as fixed assets and depreciated on a straight-line basis over a five-year useful life, once placed into service, in accordance with the City's Capitalization Policy. The associated annual depreciation expense will then be set aside in the Capital Equipment Reserves to help fund future vehicle replacement. Upon receipt of the procured vehicles, the existing vehicles to be replaced will be declared surplus and disposed of in accordance with the City's Disposition of Surplus Property Policy.

ALTERNATIVES:

Council may choose not to support the recommended action. However, doing so would severely hamper delivery of Public Works Maintenance activities.

LEGAL REVIEW BY: Isaac Rosen, City Attorney

APPROVED BY: Robert Nisbet, City Manager