



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
May 7, 2024

TOPIC: Purchase of Three Chevrolet Equinox SUVs for the Public Works Agency

AGENDA TITLE

Award a Purchase Order to Guaranty Chevrolet for Three Chevrolet Equinox SUVs in an Amount Not to Exceed \$109,290 (Specification No. 24-060) (Non-General Fund)

RECOMMENDED ACTION

Authorize a one-time purchase and payment of a purchase order to Guaranty Chevrolet Motors, Inc. for three 2024-2025 Chevrolet Equinox SUVs, in an amount of \$106,290 plus a contingency amount of \$3,000, for a total amount not to exceed \$109,290.

GOVERNMENT CODE §84308 APPLIES: Yes

DISCUSSION

The Public Works Agency's Parks, Fleet, and Facilities Division is responsible for the acquisition, maintenance, repair, and replacement of vehicles, trucks, and maintenance equipment. With the assistance of the Fleet Services Team, Staff has identified a need for additional vehicles for the Refuse Enterprise of the Public Works Agency (PWA).

On November 7, 2023, City Council awarded a Purchase Order to Guaranty Chevrolet Motors, Inc. (Vendor) for the one-time purchase of one 2024 Chevrolet Silverado 1500 standard bed truck. On December 19, 2023, City Council awarded a second Purchase Order for two additional trucks for a total of three 2024 Chevrolet Silverado 1500 standard bed trucks for PWA. Due to unforeseen circumstances, the Vendor will no longer be able to deliver the three trucks as ordered by the City. Additionally, since the manufacturer's ordering window has closed, the vendor can no longer place a new order for these three trucks by the end of this fiscal year. Guaranty Chevrolet Motors, Inc., has committed to satisfying the City's need for vehicles by holding three Chevrolet Equinox SUVs currently available on their lot for our purchase.

Prior to these Purchase Orders being issued, a separate Purchase Order was awarded to National Auto Fleet Group by City Council for two Ford F-150 trucks on October 18, 2022. However, it was cancelled due to limited manufacturer allocations and ordering window deadlines.

Since then, PWA has grown and has identified a need for three vehicles to adequately allow staff members to perform their daily tasks in the field. In order to continue to conduct business, PWA opted to rent the required vehicles on a month-to-month basis. Although this temporary solution has satisfied needs while vehicles are on-order and in production, it is not a cost-efficient nor ideal solution. After researching possible procurement options and considering the series of fulfillment issues that have transpired beginning in October 2022, Staff recommends procuring three Chevrolet Equinox SUVs that are immediately available for purchase at Guaranty Chevrolet Motors, Inc.

FISCAL IMPACT

Funds are budgeted and available for expenditure in the current Fiscal Year 2023-24 budget.

Fiscal Year	Accounting Unit-Account #	Fund Description	Accounting Unit, Account Description	Amount
2023-24	06917640-66400	Refuse Collection Service Fund	Refuse Collection Service, Machinery & Equipment	\$109,290
TOTAL				\$109,290

EXHIBIT(S)

1. Guaranty Chevrolet Quote

Submitted By: Nabil Saba, P.E., Executive Director – Public Works Agency

Approved By: Alvaro Nuñez, Acting City Manager