



City of San Leandro

Meeting Date: April 6, 2015

Staff Report

File Number: 15-183

Agenda Section: CONSENT CALENDAR

Agenda Number: 8.J.

TO: City Council

FROM: Chris Zapata
City Manager

BY: Sandra Spagnoli
Chief of Police

FINANCE REVIEW: David Baum
Finance Director

TITLE: Staff Report for a Resolution Authorizing the City Manager to Execute Purchase Agreement(s) for the Purchase and Outfitting of 10 Police Vehicles

SUMMARY AND RECOMMENDATION

Staff recommends that the City Council approve a resolution authorizing the City Manager to execute purchase agreement(s) for the purchase and outfitting of 10 police vehicles not to exceed \$460,000. These vehicles will replace two (2) police service technician vehicles, two (2) black and white patrol vehicles and six (6) criminal investigation vehicles. The 10 vehicle purchase includes five replacement vehicles and five additions to the police fleet.

The funds to cover the purchase price will come from 690-16-003-7510. Funds in this account include the San Leandro City Council approved budget adjustment of \$300,000 for "PD-Patrol," which is outlined in Resolution 2014-046, as well as \$160,000 currently in the vehicle replacement fund.

BACKGROUND

On May 19, 2014, the San Leandro City Council adopted Resolution 2014-046, which approved numerous recommended budget adjustments. One of the recommended budget adjustments was for the Police Department in the amount of \$300,000, which the Police Department planned on using to replace part of its aging fleet.

On June 2, 2014, the San Leandro City Council adopted Resolution 2014-053 authorizing the City of San Leandro to enter into a lease/purchase agreement with any lending company in an amount not to exceed the financing rate of 4.25% for the acquisition of 10 police vehicles. The City of San Leandro Finance Department was able to secure a loan of 2.1% with PNC bank.

These resolutions and budget adjustment requests were brought forward to the City Council as a result of the state of the Police Department's fleet. At the time these resolutions were brought to the City Council, the San Leandro Police Department operated 67 vehicles

throughout all of the department's divisions. Every year, funds were allocated for the purchase of replacement vehicles based on a designated replacement cycle. In addition, the City purchased and stored additional replacement vehicles (between 4 to 7 vehicles), in the event a vehicle needed immediate replacement. Purchased vehicles were stored at the City Corporation Yard until brought into service. This method kept an inventory of vehicles in stock for several years after their purchase date, which caused new vehicles to sit dormant for 3 to 4 years before the vehicle actually entered service. The City stored extra police vehicles due to the low number of police vehicles currently in service, especially when a vehicle was taken out of service for an extended period of time or was rotated out of the fleet.

Prior to the economic downturn, patrol vehicles were on a 3-year replacement cycle and non-patrol vehicles were replaced at 10 years. When operating budgets were reduced, the 3-year vehicle replacement cycle was amended to add two more years for both patrol vehicles and sedans, or 5 years and 12 years respectively. Both types of vehicles are now replaced at the end of their lifecycle and sometimes beyond their useful life. This means that Administrative/Criminal Investigations vehicles are replaced every 10 to 12 years and Patrol vehicles are replaced every 4 to 6 years. Since the institution of the expanded replacement schedule, it has become evident that the useful life of patrol vehicles is reached at approximately the 3-year mark, when mileage reaches 85,000 to 95,000 miles. Beyond this point, transmissions on patrol vehicles usually start to fail and other costly repairs make maintaining the vehicle cost prohibitive.

DISCUSSION

Staff recommends that the City Council approve the purchase of the 10 additional police vehicles, which will be built to police department specifications.

The Police Department will include local dealerships in the competitive bid process.

Fiscal Impact

In the Equipment Repair and Maintenance fund (690-16-003-7510) for FY 2014-15 there is \$460,000 to purchase and outfit these 10 vehicles. The average cost of a fully equipped patrol vehicle, with a 3-year/100,000 mile bumper-to-bumper warranty, is \$48,000, which excludes computers. The average cost of a detective vehicle with a 3-year/100,000 mile bumper-to-bumper warranty, ranges from \$25,000 to \$33,000.

Budget Authority

The fiscal year 2014-15 Equipment Repair and Maintenance fund for the Police Vehicle Leasing division, in account 690-16-003-7510 has \$460,000 of funds available for the purchase and outfitting (which excludes computers) of the 10 police vehicles.

ATTACHMENTS

- San Leandro City Council Resolution No. 2014-046
- San Leandro City Council Resolution No. 2014-053

PREPARED BY: Luis Torres, Police Captain, Police Department

IN THE CITY COUNCIL OF THE CITY OF SAN LEANDRO

RESOLUTION NO. 2014-053

**RESOLUTION AUTHORIZING A PILOT LEASE/PURCHASE PROGRAM FOR
POLICE FLEET VEHICLES**

WHEREAS, the City annually replaces police vehicles according to a replacement schedule; and

WHEREAS, staff proposes entering into a lease/purchase agreement for the Fiscal Year 2013-14 replacement cycle; and

WHEREAS the bid price for the lease/purchase of replacement police cars will piggyback on the state bid process and meet the City of San Leandro's purchasing policy. The total amount of the lease/purchase and the related financing for the police fleet shall not exceed the budgeted amount of \$161,055.00 for FY 2013-14; and

WHEREAS the City Council authorizes a three-year lease/purchase agreement with any lending company in an amount not to exceed the financing rate of 4.25%, and purchase of same vehicles for \$1.00 each at the end of the lease agreement.

NOW THEREFORE, BE IT HEREBY RESOLVED by the City Council of the City of San Leandro as follows:

That a three-year municipal lease/purchase agreement for replacement of police vehicles with any lending company not to exceed the financing rate of 4.25% and in the amount not to exceed \$161, 055 for FY 2013-14, is hereby authorized; and

That the City Manager is authorized to execute the said lease/purchase agreement and other documents necessary to finance the acquisition.

Introduced by Councilmember Prola and passed and adopted this 2nd day of June, 2014, by the following vote:

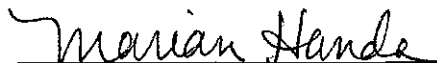
Members of the Council:

AYES: Councilmembers Cutter, Gregory, Lee, Prola, Souza; Mayor Cassidy (6)

NOES: None (0)

ABSENT: Councilmember Reed (1)

ATTEST:


Marian Handa, City Clerk

IN THE CITY COUNCIL OF THE CITY OF SAN LEANDRO

RESOLUTION NO. 2014-046

RESOLUTION APPROVING A BUDGET AMENDMENT TO THE CITY OF SAN LEANDRO
BUDGET FOR FISCAL YEAR 2014-15

WHEREAS, the City Council approves annual budgets based on the best revenue and expenditure information available at the time budgets are prepared, and

WHEREAS, the biennial budget requires budget adjustments to incorporate changes that arise and require additional budget appropriations or re-appropriations between budget line items, and

WHEREAS, the City Council approved the current 2013-15 General Fund, Special Revenue Funds, Enterprise Funds, and Internal Service Funds Budget on June 3, 2013, and

WHEREAS, the summary of budget adjustments reflects projected budget changes submitted by City departments during the 2014-15 budget update process including the fund, the sources of additional revenues or transfers, and the purpose of new expenditures or transfers.

NOW, THEREFORE, the City Council of the City of San Leandro does RESOLVE as follows:

That the 2014-15 Budget is hereby amended as shown on that certain document entitled 2014-15 Projected Budget Adjustments by Fund and 2014-15 Projected Budget Adjustments Detail, copies of which are attached hereto and incorporated herein by reference.

Introduced by Councilmember Cutter and passed and adopted this 19th day of May, 2014, by the following vote:

Members of the Council:

AYES: Councilmembers Cutter, Gregory, Lee, Prola, Reed, Souza; Mayor Cassidy (7)

NOES: None (0)

ABSENT: None (0)

ATTEST: Marian Handa
Marian Handa, City Clerk

RECOMMENDED BUDGET ADJUSTMENTS - EXPENDITURE DETAIL
2014-15

Department	Salaries/ Benefits	Services	Supplies	Capital Outlay	Other	Total Adjustments
GENERAL FUND						
CITY COUNCIL	\$ (661)				\$ (850)	\$ (1,511)
DISTRICT 1	1,283					1,283
DISTRICT 2	16,694					16,694
DISTRICT 3	202					202
DISTRICT 4	30,895					30,895
DISTRICT 5	1,283					1,283
DISTRICT 6	16,560					16,560
MAYOR	1,815					1,815
CITY CLERK	(15,383)				(332)	(15,715)
RECORDS MANAGEMENT	(6,539)					(6,539)
CITY ATTORNEY	-	136,490				136,490
CITY MANAGER	(51,423)	15,000			(982)	(37,405)
CM - INNOVATION DIVISION	600	50,000				50,600
FINANCE - ADMINISTRATION	3,702				(885)	2,817
FINANCE - BUDGET & COMPLIANCE	27,458					27,458
FINANCE - ACCOUNTING OPERATIONS	(29,122)					(29,122)
HUMAN RESOURCES -RECRUITMENT & SELECTION	(19,564)				(458)	(20,022)
CALIFORNIA CONSERVATORY THEATER	-				58,262	58,262
COMMUNITY INVESTMENT	-	100,000			1,450,000	1,550,000
PW SERVICES - ADMINISTRATION	23,519				(1,953)	21,566
PD - ADMINISTRATION	250,515				(6,673)	243,842
PD - CRIME PREVENTION & TRAINING	144,071				(799)	143,272
PD - RECORDS, COMMUNICATIONS & ID	(984,736)				(1,929)	(986,665)
PD - PATROL	298,262			300,000	176,974	775,236
PD - TRAFFIC	116,552				(13,777)	102,775
PD - INVESTIGATION	196,441				25,036	221,477
COMMUNITY STANDARDS	(235,218)				(7,369)	(242,587)
EMERGENCY COMMUNICATIONS SYSTEM	261,302				(94)	261,208
RED LIGHT SAFETY PROGRAM	8,244					8,244
EMERGENCY PREPAREDNESS	-	100,000				100,000
ANIMAL CONTROL	(121,663)				(1,555)	(123,218)
FIRE - SUPPRESSION	-				(67,373)	(67,373)
ELECTRICAL	13,446				5,225	18,671
STREET TREE MAINTENANCE	6,230				11,211	17,441
MEDIAN MAINTENANCE	717					717
PLANNING SERVICES	55,263	200,000			(687)	254,576
BUSINESS DEVELOPMENT	(39,714)	335,000				295,286
HOUSING SERVICES	37,013					37,013
RENT REVIEW PROGRAM	(25,000)					(25,000)
PROJECT DEVELOPMENT - E&T	(56,263)				(467)	(56,730)
BUILDING REGULATIONS	11,877				(3,175)	8,702
LAND USE - E&T	131,043				(144)	130,899
FLOODPLAIN MANAGEMENT	(1,785)					(1,785)
ENGINEERING/TRANSPORT ADMINISTRATION	(27,121)				(453)	(27,574)
RECREATION ADMINISTRATION	7,887				2,365	10,252
REC PROGRAM - BASIC	(34,425)					(34,425)
REC PROGRAM - SR/EXCURSIONS	(1,033)					(1,033)
KID'S CLUB	7,475					7,475
FRIENDS OF THE CREEK	912					912
RECREATION PROGRAMS - YOUTH SPORTS	4,876					4,876
RECREATION PROGRAMS - KIDDIE KOLLEGE	20,749				(493)	20,256
RECREATION PROGRAMS - DAY CAMP	16,279					16,279
YOUTH ADVISORY COMMISSION	6,205					6,205
REC PROGRAM- SUMMER ADVENTURE	4,653					4,653
COMMUNITY FACILITIES	14,346				(3,944)	10,402

RECOMMENDED BUDGET ADJUSTMENTS - EXPENDITURE DETAIL
2014-15

Department	Salaries/ Benefits	Services	Supplies	Capital Outlay	Other	Total Adjustments
PARK RESERVATIONS & SECURITY	14,843					14,843
FIELD RENTAL	15,171					15,171
SWIM-MANOR	9,155				(1,690)	7,465
SWIM-FARRELLY	1,662				(788)	874
SWIM-BOYS & GIRLS CLUB	8,020				(4,197)	3,823
SENIOR CENTER	16,008				(3,451)	12,557
PARKS MAINTENANCE	(14,860)	51,000			11,444	47,584
LIBRARY ADMINISTRATION	123,328				(14,556)	108,772
LIBRARY - CASA AND MUSEUM	(51,780)				(1,343)	(53,123)
BOOKMARK CAFE	21,526					21,526
SUPPORT SERVICES	22,858				623	23,481
TRANSFERS OUT	-				400,000	400,000
TOTAL GENERAL FUND ADJUSTMENTS	\$254,650	\$ 987,490	\$ -	\$300,000	\$2,000,723	\$ 3,542,863
DEVELOPMENT FEES FOR STREET IMPROVEMENTS (DFSI) FUND						
ADVANCED PLANNING	\$ -	\$ 33,000				\$ 33,000
TRAFFIC STUDIES & SIGNAL EQUIPMENT 2014-15		20,000				20,000
TOTAL DFSI FUND ADJUSTMENTS	\$ -	\$ 53,000	\$ -	\$ -	\$ -	\$ 53,000
PARKING FUND						
PARKING METER OPERATION	\$ 4,830				\$ (1,684)	\$ 3,146
PARKING LOT OPERATION	850					850
PARKING STRUCTURE	462				(1,494)	(1,032)
TOTAL PARKING FUND ADJUSTMENTS	\$ 6,142	\$ -	\$ -	\$ -	\$ (3,178)	\$ 2,964
GAS TAX FUND						
STREET TRAFFIC SIGNS	\$ -				\$ 1,246	\$ 1,246
STREET MAINTENANCE	2,928				8,406	11,334
TOTAL GAS TAX FUND ADJUSTMENTS	\$ 2,928	\$ -	\$ -	\$ -	\$ 9,652	\$ 12,580
GAS TAX SECTION (2103) FUND						
ANNUAL OVERLAY/REHAB 2014-15	\$ -	\$ (43,000)				\$ (43,000)
ANNUAL STREET SEALING 2014-15		(328,565)				(328,565)
TOTAL GAS TAX (SECTION 2103) FUND ADJUSTMENTS	\$ -	\$ (371,565)	\$ -	\$ -	\$ -	\$ (371,565)
MEASURE F (VRF) FUND						
ANNUAL OVERLAY/REHAB 2014-15	\$ -	\$ (40,919)				\$ (40,919)
ANNUAL STREET SEALING 2014-15		47,253				47,253
ROADWAY GRANT MATCHING FUNDS		123,408				123,408
TOTAL MEASURE F (VRF) FUND ADJUSTMENTS	\$ -	\$ 129,742	\$ -	\$ -	\$ -	\$ 129,742
ACTIA (MEASURE B) FUND						
ANNUAL SIDEWALK PROGRAM - B&P	\$ 2,299					\$ 2,299
ANNUAL SIDEWALK PROGRAM - S&R	2,868					2,868
ANNUAL OVERLAY/REHAB 2014-15		(195,956)				(195,956)
ANNUAL STREET SEALING 2014-15		281,312				281,312
CIP ADVANCE PLANNING		50,000				50,000
TOTAL ACTIA (MEASURE B) FUND ADJUSTMENTS	\$ 5,167	\$ 135,356	\$ -	\$ -	\$ -	\$ 140,523
HERON BAY MAINTENANCE ASSESSMENT DISTRICT FUND						
HERON BAY MAINTENANCE DISTRICT	\$ (9,902)	\$ 1,000			\$ 623	\$ (8,279)
TOTAL HERON BAY FUND ADJUSTMENTS	\$ (9,902)	\$ 1,000	\$ -	\$ -	\$ 623	\$ (8,279)

RECOMMENDED BUDGET ADJUSTMENTS - EXPENDITURE DETAIL
2014-15

Department	Salaries/ Benefits	Services	Supplies	Capital Outlay	Other	Total Adjustments
GRANTS FUND						
PARATRANSIT PROGRAM - TDA	\$ (12,144)					\$ (12,144)
MEASURE B GAP (TRANSIT GRANT)	(7,119)					(7,119)
SENIOR CENTER	(47)					(47)
LSTA GRANTS	26,602					26,602
PROJECT LITERACY PROGRAM	838					838
TOTAL GRANTS FUND ADJUSTMENTS	\$ 8,130	\$ -	\$ -	\$ -	\$ -	\$ 8,130
COMMUNITY DEVELOPMENT BLOCK GRANT (CBDG) FUND						
ANNUAL SIDEWALK PROGRAM - S&R	\$ -	\$ 69,313				\$ 69,313
CDBG ADMINISTRATION	(4,300)					(4,300)
TOTAL CBDG FUND ADJUSTMENTS	\$ (4,300)	\$ 69,313	\$ -	\$ -	\$ -	\$ 65,013
HOME GRANT FUND						
HOME GRANT ADMINISTRATION	\$ 38					\$ 38
TOTAL HOME GRANT FUND ADJUSTMENTS	\$ 38	\$ -	\$ -	\$ -	\$ -	\$ 38
LINKS SHUTTLE FUND						
LINKS SHUTTLE	\$ -	\$ 50,000				\$ 50,000
TOTAL LINKS SHUTTLE FUND ADJUSTMENTS	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000
PUBLIC EDUCATION & GOVERNMENT (PEG) FUND						
PEG	\$ -	\$ 22,184				\$ 22,184
TOTAL PEG FUND	\$ -	\$ 22,184	\$ -	\$ -	\$ -	\$ 22,184
CAPITAL IMPROVEMENTS PROJECTS FUND						
CASA PERALTA IMPROVEMENTS	\$ -	\$ 300,000				\$ 300,000
MARINA STREETSCAPE		50,000				50,000
TOTAL CAPITAL IMPROVEMENT PROJECTS FUND ADJUSTMENTS	\$ -	\$ 350,000	\$ -	\$ -	\$ -	\$ 350,000
WATER POLLUTION CONTROL PLANT ENTERPRISE FUND						
WPCP - COLLECTION SYSTEM	\$ 41,785	\$ 2,500			\$ (16,395)	\$ 27,890
WPCP - OPERATIONS	294,778	72,905	9,800		8,300	385,783
EAST BAY DISCHARGERS AUTHORITY (EBDA)	8,626	1,200			1,557	11,383
EBMUD	(5,568)					(5,568)
CIP ADVANCE PLANNING	-	20,000				20,000
SEWER/LIFT STATION REPLACEMENT RENEWAL	-	(5,000)	5,000	10,000		10,000
W.P.C.P. RENEWAL & REPLACEMENT	-	(96,405)				(96,405)
WPCP REHABILITATION - CM	675					675
TOTAL WATER POLLUTION CONTROL PLANT FUND ADJUSTMENTS	\$ 340,296	\$ (4,800)	\$ 14,800	\$ 10,000	\$ (6,538)	\$ 353,758
ENVIRONMENTAL COMPLIANCE ENTERPRISE FUND						
CERTIFIED UNIFIED PROGRAM AGENCY (CUPA)	\$ 1,346	\$ 100	\$ (100)		\$ (5,008)	\$ (3,662)
PRETREATMENT	(3,408)	(500)	500		(4,385)	(7,793)
STORM WATER	-				11,594	11,594
RECYCLING - PROGRAM	1,015				623	1,638
RECYCLING - MEASURE D	8,396				(59)	8,337
TOTAL ENVIRONMENTAL COMPLIANCE FUND ADJUSTMENTS	\$ 7,349	\$ (400)	\$ 400	\$ -	\$ 2,765	\$ 10,114
SHORELINE ENTERPRISE FUND						
GOLF COURSE OPERATION	\$ (7,027)					\$ (7,027)
MARINA OPERATIONS	(31,663)				281	(31,382)
SHORELINE OPERATIONS & MAINTENANCE	(3,553)				(471)	(4,024)
TOTAL SHORLINE FUND ADJUSTMENTS	\$ (42,243)	\$ -	\$ -	\$ -	\$ (190)	\$ (42,433)
STORM WATER ENTERPRISE FUND						
STORM WATER COMPLIANCE ADMINISTRATION	\$ 10,591					\$ 10,591
STREET CLEANING	(1,479)				12,364	10,885
TOTAL STORM WATER FUND ADJUSTMENTS	\$ 9,112	\$ -	\$ -	\$ -	\$ 12,364	\$ 21,476

RECOMMENDED BUDGET ADJUSTMENTS - EXPENDITURE DETAIL
 2014-15

Department	Salaries/ Benefits	Services	Supplies	Capital Outlay	Other	Total Adjustments
BUILDING MAINTENANCE INTERNAL SERVICE FUND						
BUILDING MAINTENANCE	\$ (24,487)	\$ (10,000)	\$10,000		\$ 5,262	\$ (19,225)
POOL MAINTENANCE	438					438
TOTAL BUILDING MAINTENANCE FUND ADJUSTMENTS	\$ (24,049)	\$ (10,000)	\$10,000	\$ -	\$ 5,262	\$ (18,787)
INFORMATION TECHNOLOGY INTERNAL SERVICE FUND						
TELEPHONE/COMPUTER SERVICES	\$ 4,486	\$ 25,000		\$ 19,000	\$ (976)	\$ 47,510
CENTRAL SERVICES	2,484				(1,729)	755
TOTAL INFORMATION TECHNOLOGY FUND ADJUSTMENTS	\$ 6,970	\$ 25,000	\$ -	\$ 19,000	\$ (2,705)	\$ 48,265
INSURANCE SERVICES INTERNAL SERVICE FUND						
ADMINISTRATION	\$ 3,418					\$ 3,418
WORKERS' COMPENSATION INSURANCE	(281)					(281)
TOTAL INSURANCE SERVICES FUND ADJUSTMENTS	\$ 3,137	\$ -	\$ -	\$ -	\$ -	\$ 3,137
EQUIPMENT MAINTENANCE INTERNAL SERVICES FUND						
CITY GARAGE	\$ 8,711				\$ (152)	\$ 8,559
VEHICLE PURCHASES AND REPLACEMENTS				515,773		515,773
TOTAL EQUIPMENT MAINTENANCE FUND ADJUSTMENTS	\$ 8,711	\$ -	\$ -	\$515,773	\$ (152)	\$ 524,332
SUCCESSOR AGENCY FUND						
RETIREMENT OBLIGATIONS - PROJECT AREAS	\$ (8,101)					\$ (8,101)
RETIREMENT OBLIGATIONS - HOUSING	2,087					2,087
TOTL SUCCESSOR AGENCY FUND ADJUSTMENTS	\$ (6,014)	\$ -	\$ -	\$ -	\$ -	\$ (6,014)
TOTAL ALL FUND ADJUSTMENTS	\$566,122	\$1,436,320	\$25,200	\$844,773	\$2,018,626	\$ 4,891,041



City of San Leandro

Meeting Date: April 6, 2015

Resolution - Council

File Number: 15-184

Agenda Section: CONSENT CALENDAR

Agenda Number:

TO: City Council

FROM: Chris Zapata
City Manager

BY: Sandra Spagnoli
Chief of Police

FINANCE REVIEW: David Baum
Finance Director

TITLE: RESOLUTION Authorizing the City Manager to Execute Purchase Agreement(s) for the Purchase and Outfitting of 10 Police Vehicles in an Amount Not to Exceed \$460,000

WHEREAS, the City annually replaces police vehicles according to a replacement schedule; and

WHEREAS, the City Council adopted Resolution No. 2014-046 that approved a budget adjustment in the amount of \$300,000 for the Police Department to add additional vehicles to its aging fleet, and \$160,000 from the 2013-14 adopted budget was carried over to 2014-15; and

WHEREAS, staff proposes procuring five replacement vehicles and five additional vehicles to increase its fleet; and

WHEREAS, staff will include local dealerships in the competitive bid process. The total amount of the purchase will not exceed \$460,000.

NOW THEREFORE the City Council of the City of San Leandro resolves as follows:

That five replacement vehicles and five additional police vehicles may be purchased and outfitted (excluding computers) to police department specifications, for a sum not to exceed \$460,000; and

That the City Manager is authorized to execute the said purchase agreement(s) and all other documents related to the purchase.