

RESOLUTION NO. 2025-276

RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SAN BERNARDINO, CALIFORNIA, AUTHORIZING THE INTERIM DIRECTOR OF FINANCE & MANAGEMENT SERVICES TO ALLOCATE FUNDING IN THE AMOUNT OF \$2,131,624.74 FOR FISCAL YEAR 2024-2025 FROM THE GENERAL FUND BALANCE INTO THE FLEET INTERNAL SERVICES FUND TO SUPPORT LEASE PAYMENTS FOR THE CITY'S FLEET; AND AUTHORIZING THE INTERIM DIRECTOR OF FINANCE & MANAGEMENT SERVICES TO ALLOCATE FUNDING IN THE AMOUNT OF \$1,929,128.52 FOR FISCAL YEAR 2025-2026 FROM THE GENERAL FUND BALANCE INTO THE FLEET INTERNAL SERVICES FUND TO SUPPORT LEASE PAYMENTS FOR THE CITY'S FLEET.

WHEREAS, the Department of Public Works Facilities and Fleet Division is responsible for maintaining the City's diverse fleet, which supports essential services across multiple departments, including public safety, infrastructure maintenance, and community development; and

WHEREAS, at the time of the City's adoption of the municipal vehicle leasing program in August 2022, a lack of a systematic vehicle replacement strategy resulted in an aging and inefficient fleet, with 38% of vehicles over ten years old, 43% exceeding seven years, and 38% with over 75,000 miles on the odometer; and

WHEREAS, since the implementation of the leasing program, the City has replaced outdated vehicles with modern, fuel-efficient, and safety-enhanced models, improving operational effectiveness, reducing costs, and ensuring fleet sustainability; and

WHEREAS, the City has already acquired 122 vehicles under the leasing program and currently has 45 additional vehicles on order to further support essential operations across multiple departments, including Police Department patrol, K-9, and the homeless program, as well as Animal Services, which will receive six much-needed animal control trucks; and

WHEREAS, the expected lease term for each vehicle is five years, and the City will be responsible for ongoing monthly lease payments totaling \$160,760.71 per month for all 167 vehicles, amounting to an annual cost of \$1,929,128.52 in the fiscal year of 2025-2026; and

WHEREAS, an additional one-time down payment of \$777,241.53 will be due upon the acceptance and placement into service of the 45 new vehicles, and lease payments for these vehicles may begin at any point during April, May, or June 2025 before the start of the next fiscal year, requiring \$1,354,383.21 in funding for lease payments for fiscal year 2024-2025; and

WHEREAS, the total funding authorization request for fiscal year 2024-2025 is \$2,131,624.74, which includes the one-time down payment and the lease payments for the 122 existing vehicles and the 45 new vehicles for three months; and

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SAN BERNARDINO AS FOLLOWS:

SECTION 1. The above recitals are true and correct and are incorporated herein by this reference.

SECTION 2. The Mayor and City Council authorize the Interim Director of Finance & Management Services to allocate \$2,131,624.74 for fiscal year 2024-2025 from the General Fund balance into the Fleet Internal Services Fund to support lease payments for the City's fleet, including the one-time down payment for the 45 new vehicles and the lease payments for the 122 existing vehicles and the 45 new vehicles for three months.

SECTION 3. The Mayor and City Council authorize the Interim Director of Finance & Management Services to allocate \$1,929,128.52 for fiscal year 2025-2026 from the General Fund balance into the Fleet Internal Services Fund to support lease payments for the City's fleet.

SECTION 4. Authorize the Interim City Manager to continue the payments to the leasing program to support operational efficiency while evaluating the cost-benefit of leasing versus ownership for future fleet replacement decisions, ensuring long-term fiscal responsibility.

SECTION 5. CEQA. The Mayor and City Council finds this Resolution is not subject to the California Environmental Quality Act (CEQA) in that the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty, as in this case, that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

SECTION 6. Severability. If any provision of this Resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications, and to this end the provisions of this Resolution are declared to be severable.

SECTION 7. Effective Date. This Resolution shall become effective immediately.

APPROVED and **ADOPTED** by the City Council and signed by the Mayor and attested by the City Clerk this 16th day of April 2025.

Helen Tran, Mayor
City of San Bernardino

Attest:

Telicia Lopez, CMC, Acting City Clerk

Approved as to form:

Sonia Carvalho, City Attorney

CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO) ss
CITY OF SAN BERNARDINO)

I, Telicia Lopez, CMC, Acting City Clerk, hereby certify that the attached is a true copy of Resolution No. 2025-276, adopted at a regular meeting held on the 16th day of April 2025, by the following vote:

<u>Council Members:</u>	<u>AYES</u>	<u>NAYS</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
SANCHEZ	_____	_____	_____	_____
IBARRA	_____	_____	_____	_____
FIGUEROA	_____	_____	_____	_____
SHORETT	_____	_____	_____	_____
KNAUS	_____	_____	_____	_____
FLORES	_____	_____	_____	_____
ORTIZ	_____	_____	_____	_____

WITNESS my hand and official seal of the City of San Bernardino this 17th day of April 2025.

Telicia Lopez, CMC, Acting City Clerk