

# STAFF REPORT

## *Consent Agenda Item*

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**DATE:** March 16, 2026

**TO:** Honorable Mayor and Council Members

**FROM:** Jason Kadle, Lieutenant

**THROUGH:** Amy Nielsen, City Manager

**SUBJECT:** **Approve Submitting a Grant Application to the United States Department of Agriculture (USDA) Rural Development Loan and Grant Assistance Program Application for Police Vehicles**

### **STAFF RECOMMENDATION:**

Approve submitting a grant application to the USDA's Rural Development Loan and Grant Assistance program for funding to assist with the purchase of police vehicles.

### **EXECUTIVE SUMMARY:**

The Fortuna Police Department currently manages a fleet of 19 patrol vehicles dedicated to sworn staff. The fleet continues to face significant operational challenges due to age and excessive mileage. Of the 19 units, two are permanently out of service, and eight have surpassed the 100,000-mile threshold.

Fleet Condition and Maintenance Challenges: The high mileage across the fleet has led to frequent mechanical failures, resulting in extended periods where vehicles are unavailable for patrol. The severity of these issues is highlighted by several key examples:

- **Out-of-Service Units:** A 2013 Ford Taurus (161,000 miles) and a 2016 Ford Interceptor (115,000 miles) are currently non-operational.
- **High-Mileage Units:** The active fleet includes a 2017 Ford Interceptor with 133,000 miles and a 2009 Ford Expedition (Detective unit) with 131,000 miles.
- **Cost Burdens:** Over the past three years, the department has been forced to replace entire engines in three separate patrol cars, with repairs generally exceeding \$10,000, with the most recent repair exceeding \$13,000.

The department continues to evaluate all solutions and options to mitigate wear and tear, and the cost of repairs/replacement.

The USDA has federal grants available to government entities for project upgrades and/or replacement through their Rural Development Loan and Grant Assistance program that will cover up to 55% of the total project costs, with a maximum grant request of \$50,000.00 per project. The total estimated project cost is approximately \$166,928.00 which includes the purchase and equipment of two 2026 Ford Police Interceptor utility vehicles.

*The USDA now requires approval from governing bodies in order to proceed with application submittals. If approved by the City Council, The Chief of Police will submit one application for Police utility vehicle grant funding to reduce the overall cost of the purchase of two 2026 Ford Police Interceptor utility vehicles.*

**FISCAL IMPACT:**

If the grant is awarded by the USDA, the cost/responsibility of the City will be to provide at least 45% of the total project cost. If the grant is awarded, the Chief of Police will provide the Council with a Supplemental Budget Request for the total amount of the grant and required matching funds.

**RECOMMENDED ACTION:**

Approve city staff for grant submission to the USDA's Rural Development Loan and Grant Assistance program for two police vehicles. Consent agenda vote.

**ALTERNATIVE TO STAFF RECOMMENDATION:**

- 1. Maintain Status Quo (No Action):** Choosing not to pursue grant funding will result in continued deferred vehicle maintenance, leading to accelerated fleet degradation. The department would remain reliant on high-mileage units that have already demonstrated a pattern of costly engine failures, ultimately leading to higher long-term costs than the grant match itself.
- 2. General Fund Procurement:** The City could choose to purchase these vehicles using existing General Fund reserves. However, this would require a one-time appropriation of approximately \$166,928.00, potentially diverting funds from other critical municipal needs.

**ATTACHMENTS:**

1. Quote provided by Downtown Ford Sacramento
2. Quote provided by Silke Communications