

# C-11

June 20, 2023

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Adopt a Resolution authorizing the City Manager, or designee, to execute a contract, and any necessary documents, including any necessary subsequent amendments, with Enterprise FM Trust, dba Enterprise Fleet Management, Inc., of St. Louis, MO, to lease vehicles for various Long Beach Police Department operations, on the same terms and conditions afforded to Sourcewell, in an annual amount of \$170,000, and authorize a ten percent contingency of \$17,000, for a total annual contract amount not to exceed \$187,000, for a period of three years, with the option to renew for an additional one-year period, at the discretion of the City Manager. (Citywide)

## DISCUSSION

City Council approval is requested to enter into a contract with Enterprise Fleet Management, Inc. (Enterprise), for the lease of as-needed unmarked vehicles, by the Long Beach Police Department (LBPDP) for various operations. This lease agreement will allow the City of Long Beach (City) to replace currently leased vehicles of various makes and models that are now at the end of their lease term under previous contract.

The City maintains a wide variety of vehicles to support specialized operations in the LBPDP. Leasing a range of new or slightly used model vehicles will provide increased fuel efficiency, lower maintenance costs, and greater reliability for specialized LBPDP operations. The lease contract allows for vehicles to be selectively turned in and exchanged for another when flexibility is required.

The current contract was approved by the City Council in October 2020, by Resolution 20-0134, in an annual amount not to exceed \$138,221, until the Sourcewell contract expired on July 24, 2022, with the option to renew until July 24, 2023. The amount requested with this action accommodates a current average monthly lease payment of \$14,540 while also accommodating an anticipated increase in charges due to high mileage vehicle usage necessitated for critical emergency response by LBPDP.

The Fleet Services Bureau of the Department of Financial Management researched procurement options for lease vehicles and discovered other agencies had completed an open, fair, transparent, and competitive procurement process. The City reviewed the cooperative agreement options and determined that the contract between Sourcewell and Enterprise FM Trust dba Enterprise Fleet Management, Inc., provided the best value to the City.

City Charter Section 1802 provides an alternative procurement method by permitting the City to purchase or otherwise obtain services, supplies, materials, equipment, and labor with other governmental agencies. This alternative procurement method can save time and reduce costs through economies of scale by purchasing under existing contracts from other government agencies on a voluntary and selective basis, when authorized by a Resolution adopted by the City Council.

This matter was reviewed by Deputy City Attorney Taylor Anderson and Purchasing Agent Michelle Wilson on May 25, 2023, and by Revenue Management Officer Geraldine Alejo on May 31, 2023.

### SUSTAINABILITY

The leased vehicles will be fully compliant with the State of California and local district air quality regulations.

### TIMING CONSIDERATIONS

City Council action to adopt a Resolution and award a contract concurrently is requested on June 20, 2023, to ensure that the contract is in place expeditiously.

### FISCAL IMPACT

The total annual amount of the contract for as-needed vehicle leases will not exceed \$187,000, inclusive of a ten percent contingency, taxes, and fees. The annual lease payment is budgeted in the Fleet Services Fund Group in the Financial Management Department, offset by charges to the General Fund Group in the Police Department. Annual ongoing maintenance expenses are estimated at \$90,804, and will also be billed to the General Fund Group in the Police Department through the Fleet Services Bureau Memorandum of Understanding (MOU) process. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with the City Council priorities. There is no local job impact associated with this recommendation.

### SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



KEVIN RIPER  
DIRECTOR  
FINANCIAL MANAGEMENT

APPROVED:



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THOMAS B. MODICA  
CITY MANAGER

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RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH ENTERPRISE FM TRUST, DBA ENTERPRISE FLEET MANAGEMENT, INC., TO LEASE VEHICLES FOR VARIOUS POLICE OPERATIONS, THROUGH THEIR CONTRACT WITH SOURCEWELL, IN AN ANNUAL AMOUNT NOT TO EXCEED \$170,000 PLUS A 10% CONTIGENCY, FOR A TOTAL ANNUAL CONTRACT AMOUNT NOT TO EXCEED \$187,000, FOR A PERIOD OF THREE YEARS, WITH THE OPTION TO RENEW FOR ONE ADDITIONAL ONE-YEAR PERIOD, AT THE DISCRETION OF THE CITY MANAGER

WHEREAS, the Charter of the City of Long Beach (the "City"), Section 1802, permits the City to purchase services, supplies, materials, equipment and labor with other government agencies by purchasing under their contracts on a voluntary and selective basis when authorized by resolution; and

WHEREAS, the City desires to lease vehicles for various Police operations ("Vehicles"); and

WHEREAS, Sourcewell is a State of Minnesota local government agency and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to its members; and

WHEREAS, the City maintains a wide variety of vehicles to support specialized operations in the Police Department; and

1           WHEREAS, standard replacement cycles are 5 years for these vehicles.  
2 However, they are nearing 6 years old with excessive mileage and have exceeded their  
3 efficient and useful life; and

4           WHEREAS, to avoid costly repairs to these older units, leasing a range of  
5 newer model vehicles provides increased fuel efficiency, lower maintenance costs, and  
6 greater reliability for specialized Police operations; and

7           WHEREAS, the lease contract allows for vehicles to be selectively turned in  
8 and exchanged for another when that flexibility is required; and

9           WHEREAS, Sourcewell has a contract for the lease of these Vehicles,  
10 Contract No. 030122-EFM ("Sourcewell Contract"); and

11           WHEREAS, the City's participation in the Sourcewell Contract will facilitate  
12 acquisition of these Vehicles as well as provide considerable cost benefits to the City; and

13           WHEREAS, if the City had to utilize a formal bid process rather than  
14 participate in the Sourcewell Contract considerably more funds would be required;

15           NOW, THEREFORE, the City Council of the City of Long Beach resolves as  
16 follows:

17           Section 1.    The above recitals are true and correct and are incorporated  
18 herein by this reference.

19           Section 2.    The City Manager or designee is hereby authorized to enter an  
20 agreement with Enterprise FM Trust, dba Enterprise Fleet Management, Inc., to lease  
21 Vehicles, of the same type and kind identified in the Sourcewell Contract except as  
22 modified by mutual agreement of the City and Enterprise FM Trust, dba Enterprise Fleet  
23 Management, Inc., and the lease by the City shall be on the same terms and conditions  
24 afforded to Sourcewell, in an annual amount of One Hundred Seventy Thousand  
25 (\$170,000), plus a ten percent (10%) contingency of Seventeen Thousand Dollars  
26 (\$17,000), for a total annual contract amount not to exceed One Hundred Eighty Seven  
27 Thousand (\$187,000), for a period of three (3) years with the option to renew for one (1)  
28 additional one-year period, at the discretion of the City Manager.

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Section 3. This resolution shall take effect immediately upon its adoption by the City Council, and the City Clerk shall certify the vote adopting this resolution.

I hereby certify that the foregoing resolution was adopted by the City Council of the City of Long Beach at its meeting of \_\_\_\_\_, 2023, by the following vote:

Ayes: Councilmembers: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Noes: Councilmembers: \_\_\_\_\_  
\_\_\_\_\_

Absent: Councilmembers: \_\_\_\_\_  
\_\_\_\_\_

Recusal(s): Councilmembers: \_\_\_\_\_

\_\_\_\_\_  
City Clerk