

CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

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October 11, 2016

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

RECOMMENDATION:

Adopt Specifications No. ITB FS16-136 and award a contract to Halcore Group, Inc., dba Leader Industries, of South El Monte, CA, for the purchase of four Type 1 ambulances in a total amount not to exceed \$1,411,095, inclusive of taxes and fees. (Citywide)

DISCUSSION

City Council approval is requested to enter into a contract with Halcore Group, Inc., dba Leader Industries, for the purchase of four Type 1 ambulances. These vehicles will support 24-7 emergency medical operations by the Fire Department citywide. The current units to be replaced are 2003 models with a normal expected life of six years, and 95,000 miles. They are now seven years past their useful life, with an average of 150,000 miles, and are in poor condition. Additionally, due to age, specialized parts have become increasingly difficult to acquire. This equipment was part of the approved replacement plan for FY 15.

The bid was advertised in the Long Beach Press-Telegram on June 9, 2016, and 2,069 potential bidders specializing in transportation, automotive parts, and services were notified of the bid opportunity. Of those bidders, 23 downloaded the bid via the City's electronic bid system. The bid document was made available from the Purchasing Division, located on the seventh floor of City Hall, and the Purchasing Division's website at www.longbeach.gov/purchasing. A bid announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 22 local, minority, and women-owned business groups. Three bids were received on July 20, 2016. Of those bidders, none were Minority-owned Business Enterprises (MBEs), one was a Women-owned Business Enterprise (WBE), none were certified Small Business Enterprises (SBEs), and none were Long Beach businesses (Local). Halcore Group, Inc., dba Leader Industries, of South El Monte, CA (not an MBE, WBE, SBE or Local), was the lowest responsible bidder.

Local Business Outreach

In an effort to align with the City's outreach goal, Long Beach businesses are encouraged to submit bids for City contracts. The Purchasing Division also assists businesses with registering on the Bids Online database to download bid

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specifications. Through outreach, 226 Long Beach vendors were notified to submit bids, of which one downloaded and none submitted a bid. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

This matter was reviewed by Deputy City Attorney Monica J. Kilaita on September 14, 2016 and by Budget Analysis Officer Rhutu Amin Gharib on September 19, 2016.

<u>SUSTAINABILITY</u>

The new units are in full compliance with California Air Resources Board regulations for mileage and emission standards.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. ITB FS16-136 and award a contract concurrently is requested on October 11, 2016, to ensure that a contract is in place expeditiously.

FISCAL IMPACT

The total purchase amount will not exceed \$1,411,095, and is budgeted in the Fleet Services Fund (IS 386) in the Financial Management Department (FM). Purchase costs have been collected through capital replacement charges to the General Fund (GF) in the Fire Department (FD). There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

JOHN GROSS

DIRECTOR OF FINANCIAL MANAGEMENT

JG:DB:dh

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APPROVED:

PATRICK H. WEST