



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

C-11

333 West Ocean Boulevard 6th Floor • Long Beach, CA 90802 • (562) 570-5400 • Fax (562) 570-5414

January 22, 2019

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. ITB FS19-041 and award a contract to South Bay Ford, Inc., of Hawthorne, CA, for the purchase of Ford brand parts and repair services, in an annual amount of \$500,000, with a 15 percent contingency amount of \$75,000, for a total annual amount not to exceed \$575,000, for a period of two years, with the option to renew for three additional one-year periods; and, authorize the City Manager, or designee, to execute all documents necessary to enter into the contract, including any necessary amendments. (Citywide)

DISCUSSION

City Council approval is requested to enter into a contract with South Bay Ford, Inc. for the purchase of Ford brand parts and repair services for light-, medium-, and heavy-duty vehicles in the City's fleet.

There are currently 846 Ford vehicles in operation, serving various departments throughout the City. While generic parts are generally less expensive and are used where practicable, Ford brand parts are also necessary to maintain vehicles in operational condition.

The bid was advertised in the Long Beach Press-Telegram on November 21, 2018, and 696 potential bidders specializing in automotive parts and repair services were notified of the bid opportunity. Of those bidders, 12 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 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 28 local, minority, and women-owned business groups. Four bids were received on December 11, 2018. Of those bidders, one was a Minority-owned Business Enterprise (MBE), one was a Small Business Enterprise (SBE), one was a Long Beach business (Local), and none were Women-owned Business Enterprises (WBE). South Bay Ford, of Hawthorne, CA (not a SBE, MBE, WBE, 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 PlanetBids database to download the bid specifications. Through outreach, 114 Long Beach vendors were notified to submit bids, of which two downloaded and one 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 Taylor M. Anderson on January 7, 2019 and by Budget Management Officer Rhutu Amin Gharib on January 3, 2019.

SUSTAINABILITY

Maintaining vehicles in accordance with the manufacturer's recommendations helps to keep vehicles running at top efficiency and minimizes unhealthy emissions.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. ITB FS19-041 and award a contract concurrently is requested on January 22, 2019, to ensure that the contract is in place expeditiously.

FISCAL IMPACT

The total annual Contract amount will not exceed \$575,000, inclusive of a 15 percent contingency. Of that amount, \$460,000 is budgeted in the Fleet Services Fund (IS 386) in the Financial Management Department (FM); \$57,500 is budgeted in the Water Fund (EF310) in the Water Department (WA); and, \$57,500 is budgeted in the Harbor Fund (HR430) in the Harbor Department (HA). Costs for vehicle parts and service are collected through the Fleet Services Memorandum of Understanding (MOU) billing process. The award of this contract will provide continued support to our local economy by assisting in the preservation of employment for 22 full-time employees residing in Long Beach.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:



PATRICK H. WEST
CITY MANAGER