

## **C-3**

October 20, 2020

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 amendments, with Enterprise FM Trust, dba Enterprise Fleet Management, Inc., of St. Louis, MO, to lease vehicles for various Police operations, on the same terms and conditions afforded to Sourcewell, formerly The National Joint Powers Alliance, in an annual amount of \$125,656, with a 10 percent contingency of \$12,565, for a total annual contract amount not to exceed \$138,221, until the Sourcewell contract expires on July 24, 2022, with the option to renew for as long as the Sourcewell contract is in effect, 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 up to 20 vehicles, as needed by the Police Department for various operations. This lease agreement will allow the City to replace currently leased vehicles of various makes and models that are now at the end of their term under the previous contract.

The City maintains a wide variety of vehicles to support specialized operations in the Police Department. The current leased vehicles are almost six years old with excessive mileage and have exceeded their efficient and useful life of five years. Leasing a range of newer model vehicles will provide increased fuel efficiency, lower maintenance costs, and greater reliability for specialized Police operations. The lease contract allows for vehicles to be selectively turned in and exchanged for another when that flexibility is required.

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 by purchasing under their contracts on a voluntary and selective basis when authorized by a Resolution of the City Council.

The Fleet Services Bureau and the Purchasing Division in the Financial Management Department investigated procurement options, and the Sourcewell contract (not a SBE, DBE, MBE, WBE, or Local) was determined to be competitively bid using an open, fair, and transparent process and was the best option for this purchase.

This matter was reviewed by Deputy City Attorney Taylor M. Anderson on October 1, 2020, Deputy Finance Director Sandy Tsang-Palmer on September 23, 2020, and by Budget Management Officer Rhutu Amin Gharib October 1, 2020.

SUSTAINABILITY

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

TIMING CONSIDERATIONS

City Council action to adopt the attached Resolution is requested on October 20, 2020, to ensure the contract is in place expeditiously.

FISCAL IMPACT

The annual cost of the contract will not exceed \$138,221, inclusive of a 10 percent contingency, taxes, and fees, and is budgeted in the Fleet Service Fund Group in the Financial Management Department. Ongoing maintenance expenses estimated at \$90,804 annually, and lease charges of \$125,656, will be charged to the General Fund Group in the Police Department. All charges will be made through the regular Fleet Services Memorandum of Understanding (MOU) monthly billing process starting when the units are delivered and in use. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS  
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:



THOMAS B. MODICA  
CITY MANAGER

1 RESOLUTION NO.  
2

3 A RESOLUTION OF THE CITY COUNCIL OF THE  
4 CITY OF LONG BEACH AUTHORIZING THE CITY  
5 MANAGER TO EXECUTE AN AGREEMENT WITH  
6 ENTERPRISE FM TRUST, DBA ENTERPRISE FLEET  
7 MANAGEMENT, INC., TO LEASE VEHICLES FOR  
8 VARIOUS POLICE OPERATIONS, THROUGH THEIR  
9 CONTRACT WITH SOURCEWELL, FORMERLY THE  
10 NATIONAL JOINT POWERS ALLIANCE, IN AN ANNUAL  
11 AMOUNT NOT TO EXCEED \$138,221, INCLUDING TAX  
12 AND FEES  
13

14 WHEREAS, the Charter of the City of Long Beach (the "City"), Section  
15 1802, permits the City to purchase services, supplies, materials, equipment and labor  
16 with other government agencies by purchasing under their contracts on a voluntary and  
17 selective basis when authorized by resolution; and

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

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

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

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

28 WHEREAS, the lease contract allows for vehicles to be selectively turned in

1 and exchanged for another when that flexibility is required; and

2 WHEREAS, SOURCEWELL, FORMERLY THE NATIONAL JOINT  
3 POWERS ALLIANCE, has a contract with ENTERPRISE FM TRUST, DBA  
4 ENTERPRISE FLEET MANAGEMENT, INC., for the lease of these Vehicles, Contract  
5 No. 060618-EFM ("Sourcewell Contract"); and

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

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

11 NOW, THEREFORE, the City Council of the City of Long Beach resolves as  
12 follows:

13 Section 1. The above recitals are true and correct and are incorporated  
14 herein by this reference.

15 Section 2. The City Manager or designee is hereby authorized to enter  
16 an agreement with ENTERPRISE FM TRUST, DBA ENTERPRISE FLEET  
17 MANAGEMENT, INC., to lease Vehicles, of the same type and kind identified in the  
18 Sourcewell Contract except as modified by mutual agreement of the City and  
19 ENTERPRISE FM TRUST, DBA ENTERPRISE FLEET MANAGEMENT, INC., and the  
20 lease by the City shall be on the same terms and conditions afforded to SOURCEWELL,  
21 FORMERLY THE NATIONAL JOINT POWERS ALLIANCE, in an annual amount of One  
22 Hundred Twenty Five Thousand Six Hundred Fifty Six Dollars (\$125,656), plus a ten  
23 percent (10%) contingency of Twelve Thousand Five Hundred Sixty Five Dollars  
24 (\$12,565), for a total annual contract amount not to exceed One Hundred Thirty Eight  
25 Thousand Two Hundred Twenty One Dollars (\$138,221), including tax and fees, until the  
26 Sourcewell Contract expires on July 24, 2022, with the option to renew for three (3)  
27 additional one-year periods, at the discretion of the City Manager.

28 Section 3. This resolution shall take effect immediately upon its adoption

OFFICE OF THE CITY ATTORNEY  
CHARLES PARKIN, City Attorney  
411 West Ocean Boulevard, 9th Floor  
Long Beach, CA 90802-4511

1 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

2 I hereby certify that the foregoing resolution was adopted by the City  
3 Council of the City of Long Beach at its meeting of \_\_\_\_\_, 2020,  
4 by the following vote:

5  
6 Ayes: Councilmembers: \_\_\_\_\_  
7 \_\_\_\_\_  
8 \_\_\_\_\_  
9 \_\_\_\_\_

10 Noes: Councilmembers: \_\_\_\_\_  
11 \_\_\_\_\_

12 Absent: Councilmembers: \_\_\_\_\_  
13 \_\_\_\_\_

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

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

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