



# CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

# C-13

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June 14, 2016

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Adopt a Resolution authorizing the City Manager to execute a contract with Enterprise Fleet Management, Inc., of Gardena, CA, for the purchase of 14 used vehicles, in a total amount not to exceed \$205,000, inclusive of taxes and fees.  
(Citywide)

## DISCUSSION

City Council approval is requested to enter into a contract with Enterprise Fleet Management, Inc. (Enterprise), for the purchase of 14 used vehicles, currently in use by the Police Department for undercover and surveillance operations. These vehicles were leased from Enterprise in 2011 and 2014. Eight of the 14 vehicles have completed their lease term and are in a monthly rental status; the remaining six are leased until 2018. As there is a continuing need for these vehicles, it is more cost-effective to purchase rather than to continue renting and leasing the vehicles. The units have low mileage, are well-suited and fully equipped for police work, and have sufficient remaining life such that their purchase is well-justified.

The longer-term plan to satisfy undercover vehicle needs is to purchase one to two-year old used vehicles for the Police Department. Until that contract can be developed and put into place, purchasing these Enterprise vehicles is the most cost-effective option. Fleet Services also considered the option to purchase used vehicles that are on the marketplace; however, since these vehicles are in service and have already depreciated, staff estimated that the option would cost an additional \$153,172. Thus, given the current investment, expected resale value, the performance level, the in-service and fully equipped nature of the current vehicles, staff recommends purchase of the 14 vehicles.

City Charter Section 1801 requires that contracts for City purchases be awarded to the lowest responsible bidder after a competitive bid process, but allows for awards without a competitive bid process if accompanied by a Resolution adopted by the City Council.

This matter was reviewed by Deputy City Attorney Monica J. Kilaita on April 29, 2016 and by Assistant Finance Director Lea Eriksen on May 25, 2016.

SUSTAINABILITY

All vehicles purchased are in compliance with local, state and federal regulations regarding greenhouse gas and other petroleum fuel burning product emissions.

TIMING CONSIDERATIONS

City Council action to adopt the attached Resolution and award a contract concurrently is requested on June 14, 2016, to ensure that a contract is in place expeditiously.

FISCAL IMPACT

The total purchase amount will not exceed \$205,000, and is budgeted in the Fleet Services Fund (IS 386) in the Financial Management Department (FM). The costs are funded by user charges budgeted in the General Fund (GF) in the Police Department (PD). There is no local job impact associated with this recommendation.

**SUGGESTED ACTION:**

Approve recommendation.

Respectfully submitted,



**JOHN GROSS**  
DIRECTOR OF FINANCIAL MANAGEMENT

JG:DB:PM  
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ATTACHMENT

**APPROVED:**

  
\_\_\_\_\_  
**PATRICK H. WEST**  
CITY MANAGER

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH ENTERPRISE FLEET MANAGEMENT, INC., WITHOUT ADVERTISING FOR BIDS, FOR THE PURCHASE OF FOURTEEN (14) USED VEHICLES, IN A TOTAL AMOUNT NOT TO EXCEED \$205,000

WHEREAS, the Police Department leased a total of fourteen (14) vehicles from Enterprise Fleet Management, Inc., in 2011 and 2014; and

WHEREAS, the Police Department currently uses said vehicles for undercover and surveillance operations; and

WHEREAS, eight (8) of the fourteen (14) vehicles have completed their lease term and are in a monthly rental status; and

WHEREAS, the remaining six vehicles are leased until 2018; and

WHEREAS, there is a continuing need for these vehicles and therefore it would be more cost-effective to purchase the vehicles rather than to continue renting and leasing; and

WHEREAS, no useful purpose would be served by advertising for bids and to do so would constitute an idle and useless act and an unnecessary expenditure of public funds;

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

Section 1. The above recitals are true and correct and are incorporated herein.

Section 2. The City Manager is hereby authorized to enter a contract

OFFICE OF THE CITY ATTORNEY  
CHARLES PARKIN, City Attorney  
333 West Ocean Boulevard, 11th Floor  
Long Beach, CA 90802-4664

1 with Enterprise Fleet Management, Inc., without advertising for bids to provide used  
2 vehicles for a total amount not to exceed Two Hundred Five Thousand Dollars  
3 (\$205,000).

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

6 I hereby certify that the foregoing resolution was adopted by the City  
7 Council of the City of Long Beach at its meeting of \_\_\_\_\_, 2016  
8 by the following vote:

9  
10 Ayes: Councilmembers: \_\_\_\_\_  
11 \_\_\_\_\_  
12 \_\_\_\_\_  
13 \_\_\_\_\_

14 Noes: Councilmembers: \_\_\_\_\_  
15 \_\_\_\_\_

16 Absent: Councilmembers: \_\_\_\_\_  
17 \_\_\_\_\_

18  
19  
20 \_\_\_\_\_  
21 City Clerk

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