



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

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October 21, 2014

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. ITB FS14-124 and award a contract to Worthington Ford, of Long Beach, CA, for the purchase of Ford OEM parts and service needed to maintain vehicles used Citywide, in an annual amount not to exceed \$350,000 for a period of two years, with the option to renew for two additional one-year periods, at the discretion of the City Manager. (Citywide)

DISCUSSION

City Council approval is requested to enter into an annual contract with Worthington Ford for the purchase of OEM (original equipment manufacturer) parts and service needed to maintain Ford vehicles used throughout the City. The Department of Financial Management, Fleet Services Bureau, provides regular inspections, repairs and maintenance for all vehicles through staff at various locations. This contract provides the most cost-effective source for parts and service to support these City vehicles.

As opposed to maintaining a large parts inventory on site, it is more effective to maintain a smaller stock of parts at the Fleet facility, and work with local vendors to ensure that parts are delivered promptly. This vendor is certified to perform service work on Ford vehicles, preserving the warranties and prolonging their useful life as City assets.

The bid was advertised in the Press-Telegram on August 8, 2014, and 419 potential bidders specializing in automotive parts and services were notified of the bid opportunity. Of those bidders, nine downloaded the bid via our 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 weekly update of Open Bid Opportunities, which is sent to 30 local, minority and women-owned business groups. Three bids were received on August 20, 2014. Of those bidders, none were Minority-owned Business Enterprises (MBEs), none were Women-owned Business Enterprises (WBEs), none were certified Small Business Enterprises (SBEs), and one was a Long Beach business (Local). Worthington Ford, of Long Beach, CA (Local), was the lowest responsible bidder.

Long Beach Business Outreach

In an effort to align with our 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 specifications. Through outreach, 83 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, Kendra L. Carney and by Budget Management Officer Victoria Bell on September 29, 2014.

SUSTAINABILITY

Use of original equipment manufacturer parts and certified repair services for City vehicles ensures that they are operating at peak performance and reduces harmful emissions from use of fossil fuel products.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. ITB FS14-124 and award a contract concurrently is requested on October 21, 2014 to ensure that necessary parts and service are available for regular maintenance of vehicles Citywide.

FISCAL IMPACT

The cost of this contract is an annual amount not to exceed \$350,000 and is budgeted in the Fleet Services Fund (IS 386) in the Financial Management Department (FM), in the Harbor Fund (HR 430) in the Harbor Department (HA), and in the Water Fund (EF 130) in the Water Department (WA). The award of this contract will provide continued support to our local economy by assisting in the preservation of employment for 27 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**