

C-5

November 12, 2019

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to amend Contract No. 34453 with CHP Enterprises, dba Ken Porter Auctions, for auctioneering services, to assign the contract, under the same terms and conditions, to Altec, Inc., and extend the term for a period of one year. (Citywide)

DISCUSSION

At its October 11, 2016 meeting, the City Council adopted specifications RFP FM16-125 and awarded Contract No. 34453 (Contract) to CHP Enterprises, dba Ken Porter Auctions, to provide auctioneering services for vehicles being disposed of by the City of Long Beach (City). In February 2019, the Financial Management Department was informed that Ken Porter Auctions had been sold by CHP Enterprises to J. J. Kane Associates, Inc., effective November 1, 2018. J. J. Kane Associates, Inc., is owned by Altec, Inc.

Altec, Inc., has agreed to assume all of the contractual obligations of the existing contract with Ken Porter Auctions under the same terms and conditions. This requires approval by the City Council.

This matter was reviewed by Deputy City Attorney Taylor M. Anderson on October 23, 2019, Purchasing Agent Tara Yeats on October 22, 2019, and by Budget Management Officer Rhutu Amin Gharib on October 28, 2019.

TIMING CONSIDERATIONS

City Council action is requested on November 12, 2019, to ensure the contract assignment is done expeditiously.

FISCAL IMPACT

There is no cost to the City associated with this contract. The revenue generated from the sale of auctioned items will continue to be maintained in the Fleet Service Fund Group in the Financial Management Department, the Harbor Fund Group in the Harbor Department, and the Water Fund Group in the Water Department. The revenue will be dependent on the vehicles or equipment that the Fleet Services Bureau is retiring from

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service, their condition at the time of the retirement, their assessed value, and market demand. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. This contract will provide continued support to our local economy by assisting in the preservation of employment for five employees residing in Long Beach.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:



THOMAS B. MODICA
ACTING CITY MANAGER