



Legislation Details (With Text)

File #: 11-0090 **Version:** 1 **Name:** FM/PD -RES Helicopters
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On agenda: 2/1/2011 **Final action:** 2/1/2011

Title: Recommendation to adopt resolution authorizing City Manager to execute a sole source acquisition with the Los Angeles County Sheriff Department (LASD) for the acquisition of two 2003 Eurocopter AS350B-2 AStar helicopters, in an amount not to exceed \$3,446,150 including tax, with an additional expenditure amount not to exceed \$75,000 for outfitting costs; and increase appropriations in the General Fund (GP) and in the Police Department (PD) by \$3,521,150. (Citywide)

Sponsors: Financial Management, Police

Indexes: Contracts

Code sections:

Attachments: 1. 020111-R-16sr&att.pdf, 2. RES-11-0011.pdf

Date	Ver.	Action By	Action	Result
2/1/2011	1	City Council	approve recommendation and adopt	Pass

Recommendation to adopt resolution authorizing City Manager to execute a sole source acquisition with the Los Angeles County Sheriff Department (LASD) for the acquisition of two 2003 Eurocopter AS350B-2 AStar helicopters, in an amount not to exceed \$3,446,150 including tax, with an additional expenditure amount not to exceed \$75,000 for outfitting costs; and increase appropriations in the General Fund (GP) and in the Police Department (PD) by \$3,521,150. (Citywide)

City Council approval is being requested authorizing the City Manager to execute a sole source contract for the purchase of two Eurocopter AS350B-2 AStar helicopters for the Long Beach Police Department (LBPD), Field Support Division from LASD. The acquisition cost is based on an appraisal LASD conducted with HeliValue\$, Inc., in March 2010. HeliValue\$, Inc., has been conducting appraisals of helicopters since 1979, they have earned the status as a trusted advisor for the helicopter industry determining values, residual value projections, operational analyses, and onsite inspections.

LBPD is currently utilizing two American Eurocopter EC130 helicopters in the Field Support Division: these units were approved by the City Council on December 17, 2001, for a cost of \$5,757,113 and put into service in December 2002. To maintain an on-going cost savings, the LBPD plans to continue a reduced flight schedule pending the arrival of the AStar units. The helicopter fleet is currently logging an average of 20 hours of flight time per week. With this on-going reduced flight schedule, LBPD is committed to providing full response in the event of an emergency. The estimated date for the delivery of the Eurocopter AS350B-2 AStar helicopters is ten business days from receipt of payment by the LASD. During this period of reduced flight time, the City has realized an average cost savings of \$562,229, spanning three fiscal years.

Upon receipt of the new units and the completion of their outfitting, the City will initiate the process of selling the existing Eurocopter EC130's. The Purchasing Division will be soliciting the sale of the existing units through advertising in various public safety publications and online sites. In December

2010, the EC130's were appraised by HeliValue\$, Inc., with an estimated value of \$3,240,000. This appraisal will assist in determining a final sale price. Prior to the LASD units becoming operational, the Purchasing Division will be preparing for the solicitation of the sale of the EC130's, to ensure sale proceeds will be realized as quickly as possible to replenish the asset forfeiture fund.

The LBPD and the Department of Public Works, Fleet Services Bureau, investigated procurement options and discovered that LASD provides the best units that meet the LBPD's operational needs and Fleet Services technical and service requirements. The helicopter specifications have been reviewed and meet the City's fleet and LBPD requirements. They are partially equipped police helicopters, which makes the transition smoother and less costly. There will be a transition period where the units are painted, outfitting is complete and pilots are trained both from an operational and equipment perspective. LASD has committed to providing training to LBPD staff of these new units at no cost. Once the AS350B-2 helicopters are operational, the E130's will be grounded until they are sold.

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 documenting the reason for a sole-source award adopted by the City Council.

From an operational perspective LASD provides the following items that make their product unique: enhanced landing performance and multi-mission capability. The Eurocopter AS350B-2 AStar helicopters are capable of landing within small areas that contribute to its maneuverability and flexibility operationally. Eurocopter AS350B-2 AStar also provides significant multi-mission capability, in that, it can accommodate a host of missions for Fire and SWAT deployments.

The current cost per flight hour will be reduced by 42 percent with the acquisition of the Eurocopter AS350B-2 Astar helicopters. The current projected average annual hourly cost is \$768; with the AS350B-2 units it will be an estimated \$448 an hour. The expected reduction in maintenance costs will give the LBPD the opportunity to increase its flight time within the annual budgeted amounts dedicated to helicopter operations.

This matter was reviewed by Deputy City Attorney Amy Burton on January 19, 2011 and Budget Management Officer Victoria Bell on January 20, 2011.

City Council action to adopt the attached Resolution is requested on February 1, 2011 to ensure that these new helicopters are placed into service by April 2011.

The total cost of the acquisition including tax and the required outfitting is approximately \$3,521,150. Funding will be provided from Asset Forfeiture proceeds reserved in the General Fund (GP). Proceeds from the sale of the existing helicopters, an estimated \$3,240,000, must return to the asset seizure forfeiture account to replenish the fund balance. An appropriation increase in the General Fund (GP) and in the Police Department (PD) in the amount of \$3,521,150 is included in the recommendation.

Approve recommendation.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH THE LOS ANGELES COUNTY SHERIFF

DEPARTMENT, WITHOUT ADVERTISING FOR BIDS, FOR THE PURCHASE OF TWO 2003 EUROCOPTER AS350B-2 ASTAR HELICOPTERS IN AN AMOUNT NOT TO EXCEED \$3,446,150.

WILLIAM YEOMANS
INTERIM DIRECTOR OF FINANCIAL MANAGEMENT

JIM McDONNELL
POLICE CHIEF

APPROVED:

PATRICK H. WEST
CITY MANAGER