



## Legislation Text

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**File #:** 23-0647, **Version:** 1

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Recommendation to adopt resolution authorizing City Manager, or designee, to execute a contract, and any necessary documents, including any necessary subsequent amendments, with Enterprise FM Trust, dba Enterprise Fleet Management, Inc., of St. Louis, MO, to lease vehicles for various Long Beach Police Department operations, on the same terms and conditions afforded to Sourcewell, in an annual amount of \$170,000, and authorize a ten percent contingency of \$17,000, for a total annual contract amount not to exceed \$187,000, for a period of three years, with the option to renew for an additional one-year period, at the discretion of the City Manager. (Citywide)

City Council approval is requested to enter into a contract with Enterprise Fleet Management, Inc. (Enterprise), for the lease of as-needed unmarked vehicles, by the Long Beach Police Department (LBPd) for various operations. This lease agreement will allow the City of Long Beach (City) to replace currently leased vehicles of various makes and models that are now at the end of their lease term under previous contract.

The City maintains a wide variety of vehicles to support specialized operations in the LBPd. Leasing a range of new or slightly used model vehicles will provide increased fuel efficiency, lower maintenance costs, and greater reliability for specialized LBPd operations. The lease contract allows for vehicles to be selectively turned in and exchanged for another when flexibility is required.

The current contract was approved by the City Council in October 2020, by Resolution 20-0134, in an annual amount not to exceed \$138,221, until the Sourcewell contract expired on July 24, 2022, with the option to renew until July 24, 2023. The amount requested with this action accommodates a current average monthly lease payment of \$14,540 while also accommodating an anticipated increase in charges due to high mileage vehicle usage necessitated for critical emergency response by LBPd.

The Fleet Services Bureau of the Department of Financial Management researched procurement options for lease vehicles and discovered other agencies had completed an open, fair, transparent, and competitive procurement process. The City reviewed the cooperative agreement options and determined that the contract between Sourcewell and Enterprise FM Trust dba Enterprise Fleet Management, Inc., provided the best value to the City.

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. This alternative procurement method can save time and reduce

costs through economies of scale by purchasing under existing contracts from other government agencies on a voluntary and selective basis, when authorized by a Resolution adopted by the City Council.

This matter was reviewed by Deputy City Attorney Taylor Anderson and Purchasing Agent Michelle Wilson on May 25, 2023, and by Revenue Management Officer Geraldine Alejo on May 31, 2023.

## SUSTAINABILITY

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

City Council action to adopt a Resolution and award a contract concurrently is requested on June 20, 2023, to ensure that the contract is in place expeditiously.

The total annual amount of the contract for as-needed vehicle leases will not exceed \$187,000, inclusive of a ten percent contingency, taxes, and fees. The annual lease payment is budgeted in the Fleet Services Fund Group in the Financial Management Department, offset by charges to the General Fund Group in the Police Department. Annual ongoing maintenance expenses are estimated at \$90,804, and will also be billed to the General Fund Group in the Police Department through the Fleet Services Bureau Memorandum of Understanding (MOU) process. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with the City Council priorities. There is no local job impact associated with this recommendation.

Approve recommendation.

KEVIN RIPER  
DIRECTOR  
FINANCIAL MANAGEMENT

APPROVED:

THOMAS B. MODICA  
CITY MANAGER