



Legislation Text

File #: 10-1336, **Version:** 1

Recommendation to adopt resolution authorizing City Manager to execute a contract with Enterprise Rent-A-Car Company of Los Angeles, LLC, dba Enterprise Fleet Management of Los Angeles, CA (not an MBE, WBE, SBE or Local), for the lease of 13 police vehicles per the quote dated October 22, 2010, on the same terms and conditions afforded to the City of Santa Ana, Specification Nos. 02-076 and 08-074, in an amount not to exceed \$57,500 annually including tax and fees for a four-year lease period, plus a \$27,500 annual contingency, if necessary and if funds are available with an option to lease up to six additional units, pursuant to City Manager approval. (Citywide)

City Council approval is being requested to enter into a contract for the lease of 13 police vehicles as part of the City's multi-year vehicle replacement plan. This contract will provide the Police Department vehicles of various models and years for undercover and surveillance operations. The budgeted amount to purchase 13 vehicles is \$284,700. By leasing the vehicles in lieu of buying, the City achieves cost savings of \$54,700, or 19 percent, over the four-year lease period.

There are approximately 95 vehicles in the undercover fleet and about 14 percent (or 13 vehicles) are replaced on an annual basis. The replacement criteria are based on condition of the vehicle, mileage, or extensive exposure as a police vehicle. The vehicles that are being replaced are, on an average, over ten years old and exceed 100,000 miles.

The City Charter provides an alternative procurement method by permitting the City to purchase or otherwise obtain services, supplies, materials, equipment and labor with other governmental agencies by purchasing under their contracts on a voluntary and selective basis when authorized by a Resolution of the City Council.

The Department of Public Works, Fleet Services Bureau, and the Department of Financial Management, Purchasing Division, investigated procurement options and learned that the City of Santa Ana had completed a competitive bid process for leased vehicles and has a contract with Enterprise Fleet Management that meets the City's needs. This cooperative purchase agreement will facilitate the timely acquisition of these vehicles and provide cost benefits to the City. This proposed acquisition of lease cars will provide flexibility within the leased fleet and reduce costs to the City, while maintaining a high service level.

Enterprise Fleet Management has agreed to lease 13 vehicles to the City of Long Beach under the same terms and conditions as are afforded to the City of Santa Ana in an amount not to exceed \$57,500 annually, including tax and fees. The proposed vehicles meet the needs of the Police Department and the specifications have been approved by the Department of Public Works, Fleet Services Bureau.

This matter was reviewed by Deputy City Attorney Amy R. Burton on November 17, 2010 and Budget Management Officer Victoria Bell on November 22, 2010.

City Council action is requested on December 14, 2010, to ensure that the leased vehicles are placed in service in a timely manner.

The annual cost of this 'contract, in the amount of \$57,500, including taxes and fees, plus a \$27,500 annual contingency, is budgeted in the General Fund (GP) in the Police Department (PO). The recommended action will result in a cost savings of \$54,700, or 19 percent, over the four-year lease term. There is no job impact associated with this request.

Approve recommendation.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AUTHORIZING THE CITY MANAGER TO LEASE THIRTEEN POLICE VEHICLES THROUGH THE SPECIFICATION BETWEEN THE CITY OF SANTA ANA AND ENTERPRISE RENT-A-CAR COMPANY OF LOS ANGELES, LLC DBA ENTERPRISE FLEET MANAGEMENT OF LOS ANGELES

LORI ANN FARRELL,
DIRECTOR OF FINANCIAL MANAGEMENT/CFO

MICHAEL P. CONWAY
DIRECTOR OF PUBLIC WORKS

JIM MCDONNELL
CHIEF OF POLICE

APPROVED:

PATRICK H. WEST
CITY MANAGER