



# CITY OF LONG BEACH

# R-33

DEPARTMENT OF FINANCIAL MANAGEMENT

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December 18, 2007

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Adopt Specifications No. PA-00208 and Award Contracts to Ford West (Primary Supplier), Wondries Fleet Group (Secondary Supplier), Pasadena Ford (Secondary Supplier), Longo Toyota (Primary Supplier) and Unicars Honda (Secondary Supplier) to furnish and deliver multiple vehicles over a two-year term, in the total estimated not to exceed amount of \$5,125,200 for the first year of a two-year term. (Citywide)

## DISCUSSION

City Council approval is requested to enter into multiple Citywide contracts for multiple vehicles. The multiple award process is recommended to ensure maximum cost savings, diversification of orders and minimum service down time. Based on these factors, the Purchasing Division has designated a primary and secondary supplier category as referenced in the Recommendation. These designations were determined based on unit cost, delivery time and proposed vehicle specifications. The primary supplier will be utilized for a majority of the orders, but the City of Long Beach will utilize the secondary suppliers on an as-needed basis for vehicles that represent the above-mentioned benefits.

The bid was advertised on September 24, 2007 and 161 potential bidders specializing in new vehicles were notified of the bid opportunity; 14 are Minority-owned Business Enterprises (MBEs), eight are Women-owned Business Enterprises (WBEs), 32 are Long Beach businesses, and six are certified Small Business Enterprises (SBEs). The bid document was made available from the Purchasing Division located on the Plaza Level of City Hall and the Division's website at [www.longbeach.gov/purchasing](http://www.longbeach.gov/purchasing). A bid announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 30 local, minority and women's business groups. Bids were opened on October 16, 2007. Ford West of Bellflower, CA, Wondries Fleet Group of Alhambra, CA, Pasadena Ford of Pasadena, CA, Longo Toyota of El Monte, CA and Unicars Honda of Indio, CA, were the lowest responsible bidders.

This matter was reviewed by Deputy City Attorney Lori A. Conway and Budget Management Officer Victoria Bell on December 11, 2007.

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TIMING CONSIDERATIONS

City Council action to adopt Specifications No. PA-00208 and award contracts concurrently is requested on December 18, 2007 to ensure that contracts are in place expeditiously to meet manufacturer production cut-off points and minimize delivery turnaround time.

FISCAL IMPACT

According to the current fleet replacement schedule, the cost of the requested contract for FY 08 is in the estimated not-to-exceed amount of \$5,125,200. Based on the competitive bidding process, an approximately \$155,000 in costs savings are expected to be achieved in the first year of the requested contract. Sufficient funds for these purchases are budgeted in the Fleet Services Fund (IS 386) in the Department of Public Works (PW). Appropriation for the second year of the contract will be included as part of the FY 09 proposed budget and based upon the updated fleet replacement schedule.

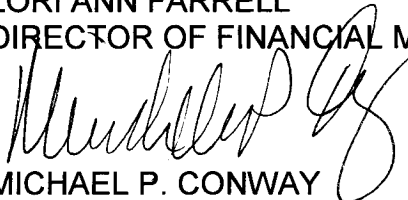
SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



LORI ANN FARRELL  
DIRECTOR OF FINANCIAL MANAGEMENT/CFO



MICHAEL P. CONWAY  
DIRECTOR OF PUBLIC WORKS

LAF:MPC:ES

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APPROVED:

  
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PATRICK H. WEST  
CITY MANAGER