

CITY OF LONG BEACH



333 West Ocean Boulevard 6th Floor

Long Beach, CA 90802 •

(562) 570-6845

May 20, 2008

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

RECOMMENDATION:

Adopt Specifications No. PA-01308 and award a contract to Harbor Chevrolet Corporation and Worthington Ford, to furnish and deliver Ford and Chevrolet/GMC automotive parts and service, in an annual amount of \$375,000 plus a 10 percent contingency if necessary, for a period of one year, with the option to renew for two additional one-year periods, at the discretion of the City Manager. (Citywide)

DISCUSSION

City Council approval is requested to enter into annual contracts with Harbor Chevrolet Corporation and Worthington Ford to furnish and deliver Ford and Chevrolet/GMC automotive parts and service for the City's ongoing vehicle preventative maintenance and repair program. This contract provides parts for the City's Police black and white sedans, Fire command staff units, utility vehicles, light-duty pick up trucks as well as a variety of other light-duty vehicles.

The bid was advertised on February 18, 2008, and 18 potential bidders specializing in original equipment manufacture (OEM) Ford and Chevrolet/GMC parts and service were notified of the bid opportunity; three are Minority-owned Business Enterprises (MBEs), none are Women-owned Business Enterprises (WBEs), four are Long Beach businesses, and three 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 Purchasing Division's website at <u>www.longbeach.gov/purchasing</u>. 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 February 28, 2008. Harbor Chevrolet Corporation and Worthington Ford, both of Long Beach, CA (not a MBE, WBE, or SBE), were the lowest responsible bidders.

This item was reviewed by Principal Deputy Attorney J. Charles Parkin on February 15, 2008 and Budget Management Officer Victoria Bell on May 12, 2008.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. PA-01308 and award a contract concurrently is requested on May 20, 2008 to ensure that a new contract is in place expeditiously.

HONORABLE MAYOR AND CITY COUNCIL May 20, 2008 Page 2

FISCAL IMPACT

The cost of this contract is estimated to be \$375,000. Funding is budgeted in the Fleet Services Fund (IS 386) in the Department of Public Works (PW), in the Water Fund (EF 310) in the Water Department (WA) and in the Harbor Operations Fund (HR 430) in the Harbor Department (HA). The City will have the option of adding expenditures up to 10 percent (or \$37,500) above the contract amount, if necessary and if funding is available.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

 $\overline{\mathbf{w}}$ LORI ANN ARRELÍL DIRECTOR OF FINANØIAL MANAGEMENT/CFO

MIC P CON

DIRECTOR OF PUBLIC WORKS

LAF:ES K:\Exec\Council Letters\Purchasing\05-20-08 cci - PA-01308 -OEM Ford - Chevy - GMC Parts & Service.doc

APPROVED:

WEST