



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

R-16

333 West Ocean Boulevard • Long Beach, CA 90802

February 1, 2011

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt the attached Resolution authorizing the 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 Departments (PD) by \$3,521,150. (Citywide)

DISCUSSION

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 LBPB and the Department of Public Works, Fleet Services Bureau, investigated procurement options and discovered that LASD provides the best units that meet the LBPB's operational needs and Fleet Services technical and service requirements. The helicopter specifications have been reviewed and meet the City's fleet and LBPB 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 LBPB 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 LBPB 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.

TIMING CONSIDERATIONS

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.

FISCAL IMPACT

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.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



WILLIAM YEOMANS
INTERIM DIRECTOR OF FINANCIAL MANAGEMENT



JIM MCDONNELL
CHIEF OF POLICE

BY:JM:ES:PH
K:\EXEC\COUNCIL LETTERS\PURCHASING\02-01-11 CCL - PURCHASE HELICOPTERS FROM LASD.DOC

ATTACHMENTS - A - HELICOPTER PHOTOS
- RESOLUTION

APPROVED:



PATRICK H. WEST
CITY MANAGER



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ROBERT E. SHANNON, City Attorney
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Long Beach, CA 90802-4664

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RESOLUTION NO.

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

WHEREAS, the Los Angeles County Sheriff Department ("LASD") owns two 2003 Eurocopter AS350B-2 Astar helicopters; and

WHEREAS, the Long Beach Police Department ("LBPD") is seeking to acquire helicopters for the Field Support Division; and

WHEREAS, the purchase of the LASD helicopters will allow the LBPD to acquire helicopters that are proven effective law enforcement aircrafts that are used by police departments within Los Angeles County and southern California; and

WHEREAS, the used LASD 2003 Eurocopter AS350B-2 helicopters are specially equipped to support police operations, with features such as moving maps, law enforcement inter-operability communications equipment, Nightsun search light, public address system, accident avoidance radar, wire strike safety system, Night Vision compatible instrumentation, high visibility rotor blades and landing safety light system; and

WHEREAS, the purchase of used helicopters will allow LBPD to place them into service within weeks of receiving the aircraft; and

WHEREAS, ordering new fully-equipped police helicopters would require approximately twelve to eighteen months to receive and cost approximately \$3 million per helicopter; and

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1 WHEREAS, LASD is the only local agency that is currently selling this
2 aircraft and LBPB is familiar with their aircraft maintenance; and

3 WHEREAS, as a result, no useful purpose would be served by advertising
4 for bids and to do so would constitute an idle and useless act and an unnecessary
5 expenditure of public funds because the Los Angeles County Sheriff Department is the
6 only entity that could or would bid for the furnishing of these used helicopters to the City
7 on the terms specified;

8 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
9 follows:

10 Section 1. The City Manager is hereby authorized to enter a contract
11 with the Los Angeles County Sheriff Department without advertising for bids for the
12 purchase of two 2003 Eurocopter AS350B-2 Astar helicopters in an amount not to
13 exceed \$3,446,150, including tax, with the additional expenditure amount of \$75,000 for
14 outfitting costs.

15 Section 2. This resolution shall take effect immediately upon its adoption
16 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

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I hereby certify that the foregoing resolution was adopted by the City Council of the City of Long Beach at its meeting of _____, 20__ by the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

City Clerk

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