

R-24

July 19, 2022

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Award a contract to Courtesy Chevrolet Center, of San Diego, CA, for the purchase of various Chevrolet sedans, utility vehicles and trucks, in a total annual amount not to exceed \$1,500,000 including taxes and fees, for a period of one year, with the option to renew for three additional one-year periods not to exceed the duration of the original contract period of ITB FS21-031, at the discretion of the City Manager; and, authorize the City Manager, or designee, to execute all documents necessary to enter into the contract, including any necessary subsequent amendments. (Citywide)

DISCUSSION

City Council approval is requested to enter into a contract with Courtesy Chevrolet Center to purchase various makes and models of Chevrolet vehicles as approved in Fleet Services Bureau annual replacement plans.

On June 15, 2021, the City Council adopted Specifications No. ITB FS21-031 and awarded contracts to several vendors, including Bob Wondries Motors, of Alhambra, CA, for the purchase of Chevrolet and other vehicle brands, for a period of two years with the option to renew for three one-year periods. The Fleet Services Bureau was informed on May 17, 2022 that the Chevrolet sales division of Bob Wondries Motors had been sold. Courtesy Chevrolet Center was the next lowest responsive bidder for Chevrolet vehicles from the original bid solicitation. Fleet Services is requesting award of a contract to Courtesy Chevrolet for the purchase of Chevrolet vehicles for the duration of the original contract period.

The bid was advertised in the Long Beach Press-Telegram on March 6, 2021, and 70 potential bidders specializing in medium and light-duty vehicle sales were notified of the bid opportunity. Of those bidders, 28 downloaded the bid via the City of Long Beach's (City) electronic bid system. The bid document was made available from the Purchasing Division, located on the 6th floor of City Hall, and the Division's website at 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 39 local, minority-owned, and women-owned business groups. Eight bids were received on April 21, 2021. Of those bidders, two were Minority-owned Business Enterprises (MBEs), none were Women-owned Business Enterprises (WBEs), none were certified Small Business Enterprises (SBEs), and none were Long Beach vendors (Local). Courtesy Chevrolet Center (not an MBE, WBE, SBE, or Local), was the next lowest responsible bidder.

Local Business Outreach

To align with the City's outreach goal, Long Beach businesses are encouraged to submit bids for City contracts. The Purchasing Division also assists businesses with registering on the PlanetBids database to download bid specifications. Through outreach, one Long Beach vendor was notified to submit a bid, of which one downloaded and none submitted a bid. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

This matter was reviewed by Deputy City Attorney Anita Lakhani on June 14, 2022, Purchasing Agent Michelle Wilson on June 8, 2022, and by Revenue Management Officer Geraldine Alejo on June 13, 2022.

SUSTAINABILITY

The new Chevrolet vehicles are compliant with the State of California and local district air quality regulations, and some are electric powered, hybrid, or have ultra low-emission engines for more efficient combustion of unleaded fuel.

TIMING CONSIDERATIONS

City Council action to award a contract is requested on July 19, 2022, to ensure the contract is in place and vehicle orders can be processed expeditiously.

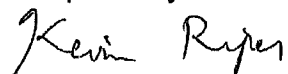
FISCAL IMPACT

The total annual amount of the contract will not exceed \$1,500,000, inclusive of taxes and fees. Sufficient appropriation to support vehicle replacement purchases is budgeted in the Fleet Services Fund Group in the Financial Management Department. Replacement purchases are offset by capital replacement charges collected from various departments and funds beginning when the vehicles are delivered and placed into service. Replacement charges, along with annual maintenance costs, are collected through the regular Fleet Services Memorandum of Understanding (MOU) monthly billing process. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with City Council priorities. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



KEVIN RIPER
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:



THOMAS B. MODICA
CITY MANAGER