

CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

R-19

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March 6, 2012

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. PA-01212 and PA-01312 and authorize the sale of one 2002 Eurocopter EC-130B4, serial number 3514, for an amount of \$726,999 and one 2002 Eurocopter EC-130B4, serial number 3560, for an amount of \$826,999, to Gord Lindsay, an individual of Penticton, British Columbia, Canada (not an MBE, WBE, SBE or Local), for a total amount of \$1,553,998. (Citywide)

DISCUSSION

City Council approval is requested to authorize the sale of two Eurocopter EC-130B4 helicopters to Gord Lindsay, an individual from Penticton, British Columbia, Canada. Eurocopter EC-130B4 helicopters were purchased by the Long Beach Police Department (PD) in 2002 with asset forfeiture proceeds, and served as the primary police helicopters until they were replaced by the purchase of two used 2003 Eurocopter AS350B-2 A-Star helicopters from the Los Angeles County Sheriff's Department (LASD). The Resolution for the acquisition of two helicopters was approved by City Council on February 1, 2011.

After undergoing two comprehensive competitive bid processes to sell PD's two Eurocopter EC-130B4 helicopters, the highest offer came from Gord Lindsay for both helicopters. He has agreed to purchase two Eurocopter EC-130B4 helicopters for a total amount of \$1,553,998. All PD equipment have been removed from these helicopters and installed on the newly purchased Eurocopter AS350-B2 helicopters.

The bids for the sale of the helicopters were advertised in the Press-Telegram, Controller.com, Eurocopter.com, and other various aircraft websites on August 16, 2011, and 55 potential bidders specializing in aircraft, airport and equipment were notified of the bid opportunities. Bid announcements were also included in the Purchasing Division's weekly update on Open Bid Opportunities, which is sent to 30 local, minority and women's business groups. The bid documents were made available from the Purchasing Division, located on the seventh floor of City Hall, and the Division's website at www.longbeach.gov/purchasing. Of those bidders, eight downloaded the bid via our

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electronic bid system. Three bids were received on September 28, 2011; however, after thorough review, the City rejected all bids due to the low sale amounts bid. In an effort to maximize the City's return on investment, a new bid process was conducted. The bids were advertised for a second time on November 3, 2011. One bid was received on December 8, 2011. Gord Lindsay, of Penticton, British Columbia, Canada (not an MBE, WBE, SBE or Local) provided the highest purchase price.

This matter was reviewed by Deputy City Attorney Amy R. Webber on February 16, 2012 and Budget Management Officer Victoria Bell on February 10, 2012.

TIMING CONSIDERATIONS

City Council action to approve this sale is requested on March 6, 2012, to ensure that the equipment is sold in a timely manner.

FISCAL IMPACT

In accordance with Federal asset forfeiture guidelines, proceeds from the sale of both helicopters must be returned to the PD's General Fund (GP) Asset Forfeiture account in the aggregate amount of \$1,553,998. The account was reduced by \$3,521,150 when two used 2003 Eurocopter AS350B-2 A-Star helicopters were purchased in February 2011. There is no local job impact associated with this recommendation.


SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT



JIM McDONNELL
CHIEF OF POLICE

APPROVED:



PATRICK H. WEST
CITY MANAGER