



# CITY OF LONG BEACH

# C-14

DEPARTMENT OF FINANCIAL MANAGEMENT

333 West Ocean Boulevard 6<sup>th</sup> Floor • Long Beach, CA 90802 • (562) 570-6845 • Fax (562) 570-5836

March 14, 2006

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Adopt Specifications No. PA-00606 and Award contracts to Ford West, Hertz Corporation and Villa Ford for the purchase of used undercover surveillance vehicles and other used cars, in the estimated amount of \$550,000 for the period of one year, with the option of renewing for two additional one-year periods, at the discretion of the City Manager. (Citywide)

## DISCUSSION

City Council approval is being requested to enter into contracts for the purchase of used undercover surveillance vehicles and other used cars as part of the City's multi-year vehicle replacement plan. The City awards multiple contracts to accommodate the Police Department who utilizes vehicles of various models and years for undercover and surveillance operations. Previously, the City had contracted separately for undercover surveillance vehicles and used car purchases. This recommendation will consolidate the previous contracts to encourage higher discount offerings and reduce administrative effort.

There are approximately 125 vehicles in the undercover fleet and about 16 percent of these vehicles are replaced on an annual basis. The replacement criterion is based on condition of the vehicle, mileage, or extensive exposure as a police vehicle. The City also occasionally purchases used cars for low mileage or low usage functions that do not require or warrant the purchase of a new vehicle.

The bid was advertised on December 30, 2005, and ten potential bidders specializing in the sales of automotive vehicles were notified; five of which are Long Beach businesses; two are Minority-owned Business Enterprises (MBEs), and one is Women-owned Business Enterprises (WBEs). The bid document was made available from the Purchasing Division located on the Plaza Level of City Hall and on the Division's website at [www.lbpurchasing.org](http://www.lbpurchasing.org). A bid announcement was also included in the Purchasing Division's weekly update on Open Bid Opportunities, which is sent to 32 local, minority and women's groups. Bids were opened on January 19, 2006. Hertz Corporation, a Long Beach business, Ford West of Bellflower, and Villa Ford of Orange were the lowest responsible bidders.

This matter was reviewed by Senior Deputy City Attorney Donna F. Gwin on December 29, 2005 and Budget Management Officer David Wodynski on March 3, 2006.

HONORABLE MAYOR AND CITY COUNCIL

March 14, 2006

Page 2

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. PA-00606 and award the contracts concurrently is requested on March 14, 2006 to ensure contracts are in place as soon as possible. The current contract expired on December 1, 2005.

FISCAL IMPACT

The cost of the contracts, in the total estimated amount of \$550,000 annually, is budgeted in the Fleet Services Fund (IS 386) Department of Public Works (PW) for \$490,000 and \$60,000 is budgeted in the Harbor (HR 431) and Water (EF 310) Funds in their respective departments. This amount is based on historical expenditures and reflects no increase from the amount awarded in the previous contracts. The term of the contract will be for one year with the option for two additional one-year periods. The City will have the option of adding expenditures up to 10 percent (or \$55,000) above the contract amount.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



CHRISTINE F. ANDERSEN  
DIRECTOR OF PUBLIC WORKS



MICHAEL A. KILLEBREW  
DIRECTOR OF FINANCIAL MANAGEMENT

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APPROVED:

*for*   
GERALD R. MILLER  
CITY MANAGER