

June 15, 2021

**R-29**

HONORABLE MAYOR AND CITY COUNCIL

City of Long Beach

California

**RECOMMENDATION:**

Adopt Specifications No. ITB FS21-031 and award contracts to Bob Wondries Motors, dba Wondries Fleet Group, of Alhambra, CA; Fleet Vehicle Source, of Covina, CA; and FFBH Motors, LLC, dba Frontier Ford, of Santa Clara, CA, for the purchase and delivery of light and medium-duty vehicles, in an annual aggregate amount of \$7,000,000, with a 10 percent contingency of \$700,000, for a total annual aggregate amount not to exceed \$7,700,000, for a period of two years, with the option to renew for three additional one-year periods; and, authorize the City Manager, or designee, to execute all documents necessary to enter into the contracts, including any necessary amendments. (Citywide)

**DISCUSSION**

City Council approval is requested to enter into contracts with Bob Wondries Motors, dba Wondries Fleet Group, Fleet Vehicle Source, and FFBH Motors, LLC, dba Frontier Ford, for the purchase and delivery of light and medium-duty vehicles at fixed pricing, for an annual aggregate amount not to exceed \$7,700,000, in accordance with approved vehicle replacement plans. It is projected that the annual aggregate amount will be sufficient to cover the acquisition costs for standardized light and medium vehicles such as hybrid, plug-in hybrid, compressed natural gas (CNG), and electric vehicles including trucks, police patrol vehicles, and other units as defined in the 53 various bid specifications. These contracts will significantly reduce the time and expense for the Fleet Services Bureau and Purchasing Division staff to secure needed vehicle replacements. Fleet vehicle and equipment needs not covered under this bid specification will be procured independently under the City's procurement guidelines when required.

The fleet vehicle and equipment replacement program is based upon an economic lifecycle analysis, usage, and unit's overall condition. During the budget process, the Fleet Services Bureau submits a list of vehicles that need replacing in the coming fiscal year to the City Manager. There is an average of 145 units that need to be replaced annually under these contracts. The Fleet Services Bureau works with customer departments to standardize light and medium-duty service vehicles, sedans, and utility vehicles to minimize replacement costs. Multi-year vehicle purchase contracts for different makes and models of standardized units will enable replacements to be secured quickly at sustained competitive bid pricing. The last multi-vehicle, multi-year contract was used for the past four years and has been very successful for the City. Procurement time has been reduced, overhead staff time minimized, and pricing has been most competitive due to the quantities involved.

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's electronic bid system. The bid document was made available from the Purchasing Division, located on the sixth floor of City Hall, and the Division's website at [www.longbeach.gov/purchasing](http://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 35 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) and none were Women-Owned Business Enterprises (WBEs), certified Small Business Enterprises (SBE), or Long Beach businesses (Local). Bob Wondries Motors, of Alhambra, CA (MBE), FFBH Motors, LLC, of Santa Clara, CA (not a MBE, WBE, SBE, or Local), and Fleet Vehicle Source, of Covina, CA (not a MBE, WBE, SBE, or Local), were the lowest responsible bidders.

### **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 the bid specifications. Through outreach, 38 Long Beach vendors were notified to submit bids, of which two downloaded and none submitted bids. 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 Taylor M. Anderson on May 26, 2021, Business Services Bureau Manager Tara Mortensen on May 24, 2011, and by Revenue Management Officer Geraldine Alejo on May 26, 2021.

### **SUSTAINABILITY**

The new vehicles are compliant with the State of California and local district air quality regulations. In addition, Fleet strives to purchase alternative fueled vehicles such as CNG, electric, and hybrid to reduce the emission of greenhouse gases and particulate matter.

### **TIMING CONSIDERATIONS**

City Council action is requested on June 15, 2021, to ensure these contracts are in place expeditiously.

### **FISCAL IMPACT**

The total annual aggregate contract amount will not exceed \$7,700,000, inclusive of a 10 percent contingency budgeted in the Fleet Services Fund Group in the Financial Management Department. Funding for vehicle replacement purchases is collected through regular monthly charges to multiple funds and departments and begins when the vehicles are delivered and placed into service. Ongoing maintenance costs and capital replacement charges are based on the new vehicle's asset life, which is determined through total lifecycle cost analysis. These costs will be collected monthly through the Fleet Services Memorandum of Understanding (MOU) regular billing process. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS  
INTERIM DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:



THOMAS B. MODICA  
CITY MANAGER