



REPORT TO COUNCIL

City of Sacramento

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915 I Street, Sacramento, CA 95814-2604

www.CityofSacramento.org

CONSENT

February 16, 2010

**Honorable Mayor and
Members of the City Council**

Title: Contract: Purchase of Used Vehicles

Location/Council District: Citywide

Recommendation: Adopt a **Resolution:** 1) awarding a one-year contract with two one-year renewal options to Downtown Ford Sales for the purchase of used vehicles in an amount not to exceed \$1,575,575; and 2) authorizing the City Manager or the City Manager's designee to execute the necessary contract and renewal options specified above provided that sufficient funds are available in the budget adopted for the applicable fiscal year(s).

Contacts: Marc Robles, Program Analyst, Procurement Services, 808-6343;
Chris Stewart, Procurement Services Manager, 808-6202;
Keith Leech, Fleet Manager, 808-5869

Presenters: Not applicable

Department: General Services

Divisions: Procurement Services; Fleet Management

Organization Nos. : 13001061; 13001311

Description/Analysis:

Issue: The Police Department has an ongoing need to purchase used vehicles for undercover and other operations. Fleet Management is also considering providing used vehicles in good condition, instead of new vehicles, to City departments, in an effort to save money when suitable.

Policy Considerations: The recommendations in this report are in accordance with the provisions of City Code Section 3.56.

Committee/Commission Action: Not applicable

Environmental Considerations:

California Environmental Quality Act (CEQA): The current proposal involves the purchase of used vehicles. The proposal is not a 'project' in accordance with Section 15378 of the CEQA guidelines. The proposal does not have a potential for resulting in either direct or indirect physical changes in the environment. Therefore, as determined by the City's Environmental Services Planning Manager, no environmental review is necessary.

Sustainability Considerations: This purchase is consistent with the City's Fleet Sustainability Policy (Resolution No. 2009-045).

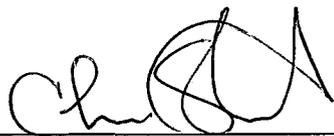
Rationale for Recommendation: The Police Department has a need to purchase used vehicles for undercover and other operations. Fleet Management is also considering providing used vehicles in good condition to internal customers where suitable.

In December 2009, Procurement Services, in accordance with City Code Section 3.56, issued Invitation for Bid No. B10131061011 for the purchase of used vehicles. Two responses were received. The lowest responsive and responsible bidder was determined to be Downtown Ford Sales.

Financial Considerations: Sufficient funding is available in the Department of General Services, Fleet Management, FY2009/10 operating budget (Fleet Fund, Fund 6501) for the purchase of used vehicles through June 30, 2010. Purchases after June 30, 2010 are subject to funding availability in the adopted budget of the applicable fiscal year. The estimated annual amounts are as follows:

Vendor	Year 1	Year 2 Estimate	Year 3 Estimate	Total Contract Amount
Downtown Ford	\$650,000	\$451,500	\$474,075	\$1,575,575

Emerging Small Business Development (ESBD): Downtown Ford Sales is not certified as an emerging/small business firm.

Respectfully submitted by: 
 Chris Stewart
 Procurement Services Manager

Respectfully submitted by: 
Keith Leech
Fleet Manager

Approved by: 
Reina J. Schwartz
Director, Department of General Services

Recommendation Approved:

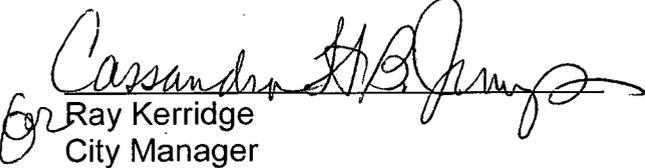

Ray Kerridge
City Manager

Table of Contents:

	Report	Pg 1
Attachments		
1	Bid Results	Pg 4
2	Resolution	Pg 5

BID RESULTS - BID NO. B10131061011

Bidder	Downtown Ford	Hansel Ford
Used Vehicles (incl. sales tax)	\$424,707.50 ¹	\$416,312.50
5% E/SBE Preference	None	None
1% City Limit Preference	(\$4,247.08)	None
Prompt Payment Discount	(\$8,494.15)	None
Total Bid Evaluation	\$411,966.27	\$416,312.50

Award of Contract To: Downtown Ford Sales
 525 North 16th St.
 Sacramento, CA 95811

Total Contract Amount: \$1,575,575

Using Department: Police Department

No. of Bids Received	No. of E/SBE Bids Solicited	No. of E/SBE Responses	Award to E/SBE Vendor?
2	0	0	No

⁽¹⁾ The lowest responsible bid amount of \$424,707.50 represents the total for the quantities selected for evaluation purposes only, which was calculated on annual historical usage. Authorization is requested to enter into contract in an amount not to exceed \$1,575,575 which anticipates a five percent annual cost and/or volume increase and more closely reflects the actual amount anticipated to be expended overall for this potential three year contract.

RESOLUTION NO. 2010-XXXX

Adopted by the Sacramento City Council

February 16, 2010

AWARD CONTRACT FOR THE PURCHASE OF USED VEHICLES

BACKGROUND

- A. The Police Department has an ongoing need to purchase used vehicles for undercover and other operations.
- B. In December 2009, Procurement Services, in accordance with City Code Section 3.56, issued Invitation for Bid No. B10131061011 for the purchase of used vehicles. Two responses were received. The lowest responsive and responsible bidder was determined to be Downtown Ford Sales.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. Downtown Ford Sales is awarded a one-year contract with two one-year renewal options for the purchase of used vehicles in an amount not to exceed \$1,575,575.
- Section 2. The City Manager or the City Manager's designee is authorized to execute the contract and renewal options specified above provided that sufficient funds are available in the budget adopted for the applicable fiscal year(s).