



CITY COUNCIL AGENDA REPORT

MEETING DATE: MARCH 15, 2005

ITEM NUMBER:

SUBJECT: APPROVE THE PURCHASE OF TWO 2005 TWO-WHEEL DRIVE CHEVROLET TAHOE WITH POLICE PACKAGE THROUGH THE COUNTY OF LOS ANGELES PRICE AGREEMENT

DATE: FEBRUARY 28, 2005

FROM: FINANCE DEPARTMENT- FINANCIAL PLANNING DIVISION

PRESENTATION BY: MARC R. PUCKETT, DIRECTOR OF FINANCE

FOR FURTHER INFORMATION CONTACT: DEBBIE DOBROTT AT 714/754-5212

RECOMMENDATION:

Staff recommends the purchase of two (2) 2005 Chevrolet Tahoe 2-Wheel Drive with the police package from Wondries Fleet Group, 1247 W. Main Street, Alhambra, California, 91801, for \$60,680.75.

BACKGROUND:

On November 3, 2003, the City Council adopted a resolution to accept the FY 2002-03 California High Technology Grant for \$33,338. In addition, Council authorized staff to carry forward the remaining balance of the FY 2001-02 grant surplus plus the interest earned, for the purchase of one (1) Chevrolet Tahoe equipped with the police package and incident command post equipment.

On November 15, 2004, the City Council adopted a resolution to support the grant goals and wishes to participate in the "Remove the Aggressive and Impaired Driver" (RAID) Program. The City of Costa Mesa received \$468,178 grant funds from the State Office of Traffic Safety (OTS) for this program. One of the project objectives was to purchase one (1) Chevrolet Tahoe to be used for enforcement of DUI (Driving under the Influence) and aggressive driving.

The purchase of these vehicles was intentionally delayed as the police package Chevrolet Tahoe was not made available for sale until December 2004. The police package vehicle is highly desirable as it is pursuit rated and equipped for severe duty application. The police package includes heavy-duty brakes, tires and suspension.

ANALYSIS:

The City Council approved participation in other public agencies' purchasing bids and contracts with the adoption of Resolution 94-11 on March 7, 1994. The City's Purchasing Policies & Procedures Manual Section 3.3 I. states: "City Council will be advised by the Purchasing Officer or City Manager of procurements over \$25,000 which were exempt from the formal bid process". Section 3.3 D. also states that a purchase may be exempt

from the bidding process when the City is participating in an established governmental cooperative purchasing agreement.

In order to take advantage of volume discount pricing and save administration time, purchasing staff contacted the County of Los Angeles to review their recent awarded contract for the purchase of seventy-five (75) 2005 Chevrolet Tahoe Two Wheel-Drive vehicles with the police package.

The County of Los Angeles went out for competitive bid and awarded purchase order 31058468 to the lowest responsive and responsible bidder, who met the required specifications. Wondries Fleet Group quoted the unit price of \$27,900 for each standard monotone color vehicle. The cost for a black and white unit is an additional \$500. The bid allows other agencies to "piggyback" off the contract and receive the same pricing. Purchasing staff has contacted Wondries Fleet Group to verify the price available to the City of Costa Mesa.

ALTERNATIVES CONSIDERED:

Purchasing staff could send out a formal bid for the purchase of two (2) 2005 Chevrolet Tahoe Two-Wheel Drive vehicles with the police package; however, staff anticipates that the pricing for two units would be substantially higher than purchasing through the Los Angeles County contract in which seventy five (75) units were purchased.

FISCAL REVIEW:

In October 2004, Finance processed Budget Adjustment 05-027 for \$66,032 to appropriate the funds for the purchase of one (1) black and white Chevrolet Tahoe with a police package and incident command post equipment. The cost for this unit is \$30,609.75.

In addition, at the November 15, 2004 Council meeting, the City Council approved Budget Adjustment 05-031 for \$468,178 to appropriate the OTS grant, which includes the purchase of one (1) white Chevrolet Tahoe. The cost of this unit is \$30,071.00.

The City will save \$9,319.25 from the budgeted amount by purchasing the vehicles through the County of Los Angeles contract.

LEGAL REVIEW:

There is no legal review required on this item.

CONCLUSION:

Staff recommends that City Council approve the purchase of the two (2) 2005 Chevrolet Tahoe Two-Wheel Drive vehicles with the police package from Wondries Fleet Group.

MARC R. PUCKETT
Director of Finance

DEBBIE DOBROTT
Purchasing Supervisor

Distribution: Police Chief
 Public Services Director
 Deputy City Clerk