



CITY COUNCIL AGENDA REPORT

MEETING DATE: OCTOBER 17, 2006

ITEM NUMBER:

SUBJECT: APPROVE THE BUDGET ADJUSTMENT TO APPROPRIATE AVAILABLE FUND BALANCE IN THE EQUIPMENT REPLACEMENT FUND TO REPLACE A VEHICLE INVOLVED IN A TRAFFIC COLLISION

DATE: AUGUST 1, 2006

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:

1. Approve the attached budget adjustment BA# 07-029 for \$24,404.00 to appropriate funding from the Equipment Replacement Fund for the replacement of a vehicle that was involved in a traffic collision.
2. Staff recommends the purchase of a 2006 Honda Accord LX V6, from Power Honda, 2888 Harbor Boulevard, Costa Mesa, California, 92626, for \$24,403.35.

BACKGROUND:

On August 10, 2006, Unit 795B (2004 Honda Accord with 51,087 miles) was involved in a traffic collision. The vehicle was determined to be a total loss. The driver responsible for the accident was under insured and therefore the City will not be able to fully recover the costs of replacing this vehicle. Public Services staff recommends replacing this unit, which was not included in the FY 06-07 adopted budget.

On September 20, 2006, Purchasing staff requested quotations from six Orange County Honda dealers. Upon the closing of the bid on September 27, 2006, staff had received two bids.

ANALYSIS:

Bids were evaluated in adherence to Section 2-166 of the City of Costa Mesa Municipal Code, to the lowest, responsive, responsible bidder and in accordance with Section 2-171 (e) and Resolution 03-69 in which the City Council established a Costa Mesa vendor preference allowing for a 5% preferential discount for local vendors.

With the Costa Mesa vendor concession, Power Honda was lower than Norm Reeves Honda by \$312.58 as shown in the attached bid tabulation.

ALTERNATIVES CONSIDERED:

No alternatives were considered.

FISCAL REVIEW:

The attached budget adjustment BA 07-029 appropriates \$24,404.00 of the available balance in the Equipment Replacement Fund to cover the cost of the unbudgeted vehicle.

LEGAL REVIEW:

There is no legal review required on this item.

CONCLUSION:

Staff recommends that City Council approve the budget adjustment BA 07-029 for the purchase of a new 2006 Honda Accord LX V6 from Power Honda in Costa Mesa for the cost of \$24,403.35.

MARC R. PUCKETT
Director of Finance

DEBBIE DOBROTT
Purchasing Supervisor

Distribution: Police Chief
 Public Services Director
 Deputy City Clerk

Attachments: [Attachment 1 - Budget Adjustment 07-029](#)
 [Attachment 2 - Bid Tabulation](#)