



CITY COUNCIL AGENDA REPORT

MEETING DATE: APRIL 1, 2008

ITEM NUMBER:

SUBJECT: AWARD OF FORMAL BID # 1121 FOR THE PURCHASE OF FOUR (4) HONDA POLICE MOTORCYCLES

DATE: MARCH 17, 2008

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 award of formal bid #1121 for the purchase of four (4) 2006 Honda motorcycles from Huntington Beach Honda; 17555 Beach Boulevard, Huntington Beach, California, 92647, for a total of \$103,336.04.

BACKGROUND:

The current "Remove the Aggressive and Impaired Driver" (RAID) grant funded BMW motorcycles (622, 626, 627, 629A) are all 2005 models with between 21,000 and 32,000 miles. Fleet Maintenance recommends the replacement of the four (4) current grant funded BMW motorcycles with four (4) Honda motorcycles. The maintenance cost for the existing BMW motorcycle fleet has been extremely high. Research with neighboring cities has shown that critical maintenance parts and down time have been substantially lower for the Honda motorcycles.

Purchasing staff determined that it would be in the best interest of the City of Costa Mesa to send out a formal bid for the purchase of the Honda motorcycles. The bid document contained cooperative language that will allow other government agencies to purchase off of the City of Costa Mesa formal bid pricing contract and the prices will remain in effect for one year.

As required by the City's Municipal Code, staff solicited "Notice Inviting Bids" from five prospective bidders including qualified vendors whose names were on the bidders' list, and other vendors requesting information. A "Notice Inviting Bids" was published in the Daily Pilot, posted on the public bulletin board in City Hall and a downloadable version of the bid document was posted on the City's web site. On March 17, 2008, one submittal was received, opened and read by the Deputy City Clerk.

The bid tabulation is provided in Attachment I.

Huntington Beach Honda advised that they are one of the largest suppliers of the Honda police motorcycles in the area; therefore they are able to get the best pricing on the

motorcycles and other dealers cannot compete with their pricing. Purchasing staff confirmed that the 2006 model Honda motorcycle is the latest police model available.

As part of the formal bid, purchasing staff requested information in consideration of establishing an annual price agreement for Honda motorcycle parts. Huntington Beach Honda will offer a 20% discount off list price on Honda motorcycle parts. There is no discount offered for BMW motorcycle parts and the parts are substantially higher in cost compared to the Honda parts.

ANALYSIS:

The City currently maintains a fleet of 16 Police motorcycles. In 2000, the City of Costa Mesa made the decision to change the on-duty Kawasaki motorcycles to BMW motorcycles. Several reasons led to this change of equipment i.e., safety issues, technology advances and, operating and maintenance expenses. The BMW motorcycle has been a fairly reliable product; however maintenance costs have exceeded our expectation. The only authorized BMW motorcycle dealer/service center in Orange County is located in the City of Orange. When service or maintenance is required for the BMW motorcycles, an officer must drive the motorcycle to the authorized dealer in Orange, California.

The BMW police motorcycle has been an improvement, when compared to the Kawasaki police motorcycle. At the time of transition to BMW motorcycles, Honda had not fully developed the police motorcycle version and the availability of other products was very limited. Since that time, Honda has developed a police motorcycle that shares the same safety standards that the BMW offers, i.e., anti-lock brakes and increased safety lighting. Surrounding cities, such as Newport Beach and Huntington Beach have made the transition and report that the Honda product is durable, reliable, and less expensive to maintain. Other cities also report that proximity of an authorized repair shop has reduced employee down time when repairs and service are required.

Several cities throughout Orange County have changed their motorcycle service vehicle to the Honda police motorcycle. The common reason for the change is lower cost of operating and maintenance. Huntington Beach Honda regularly sells to and services the Honda motorcycles of the surrounding cities.

In 2007, all officers assigned to motorcycle duty field tested the Honda motorcycle and reported that the handling and safety equipment was superior to that of the current BMW motorcycle.

The transition to the Honda Motorcycle would allow warranty work to be conducted at a certified Honda dealer located in the City of Costa Mesa (Champion Motorcycles), thus reducing the down time of the officer(s). Warranty work could also be performed at Huntington Beach Honda. All regular scheduled preventative maintenance work on the motorcycles would be done by City staff.

ALTERNATIVES CONSIDERED:

An alternative to purchasing the new Honda Motorcycles is to keep BMW motorcycles in the fleet. Fleet staff is concerned that maintenance costs on the BMW motorcycles will continue to increase and therefore doesn't recommend this option.

FISCAL REVIEW:

The purchase, if approved, will be made with Vehicle Impound Fees that have been set aside to continue the service and support of the OTS RAID grant. The total price of \$103,336.04 includes the cost of the four motorcycles per the Costa Mesa Police Department's specifications, installation of equipment, delivery and freight costs, sales tax, and a tire fee.

LEGAL REVIEW:

There is no legal review required on this item.

CONCLUSION:

Staff recommends City Council approve the purchase of the four (4) new Honda motorcycles from Huntington Beach Honda for the total cost of \$103,336.04.

MARC R. PUCKETT
Director of Finance

DEBBIE DOBROTT, C.P.M., CPPB
Purchasing Supervisor

Distribution: Police Chief
 Public Services Director

Attachment: [Attachment 1](#)