



Staff Report

City of Manhattan Beach

TO: Honorable Mayor Montgomery and Members of the City Council

THROUGH: David N. Carmany, City Manager

FROM: Bruce Moe, Finance Director
Gwen Eng, General Services Manager

DATE: May 17, 2011

SUBJECT: Consideration of the Award of a One-Year Extension for Towing and Storage Services to Van Lingen Towing, Inc.

RECOMMENDATION:

Staff recommends that the City Council: a) waive formal bidding per Municipal Code Section 2.36.140 (waivers) and b) award a one-year extension for Towing and Storage Services to Van Lingen Towing, Inc.

FISCAL IMPLICATION:

The City spends approximately \$3,575 annually on City vehicle towing. This 5% reduction is estimated to save the City \$180 annually.

DISCUSSION:

In March 2011, the City Manager sent letters to City suppliers to consider reducing contract fees by 5% while maintaining existing service levels. As an incentive, the City would consider extending their contracts.

The City currently contracts with Van Lingen Towing, Inc. to provide towing and storage for vehicles impounded due to illegal parking, traffic accidents, arrest, stolen vehicles, and other assorted reasons (the fees are paid by the owners of the vehicles directly to Van Lingen). As part of this contract, this vendor also tows City vehicles that are not operational to various repair facilities including the City Yard. This vendor has consistently performed well, is responsive, and has provided excellent support during the past five years.

Van Lingen's existing contract will expire on September 30, 2011 with no option years remaining. As a result of the City Manager's letter, this vendor has agreed to the 5% reduction effective June 1, 2011, if the City will in turn extend the contract for an additional year. Based on last fiscal year's costs and the remaining contract period, this would equate to approximately \$240 in savings to the City.

Staff recommends that the City Council waive formal bidding and approve a one-year extension to Van Lingen Towing, Inc for Towing and Storage Services.
