



Staff Report

City of Manhattan Beach

TO: Honorable Mayor Powell and Members of the City Council

THROUGH: *DC* David N. Carmany, City Manager

FROM: Bruce Moe, Finance Director
Jim Arndt, Public Works Director
Gwen Eng, General Services Manager *GC*

DATE: May 1, 2012

SUBJECT: Purchase of Three Honda Replacement Vehicles for the Police and Parks and Recreation Departments from Honda of Hollywood in the Amount of \$78,255.56

RECOMMENDATION:

Staff recommends that the City Council award Bid #867-12 to Honda of Hollywood in the amount of \$78,255.56 for the budgeted replacement of three City vehicles.

FISCAL IMPLICATION:

Funds totaling \$90,284 are budgeted in the fiscal year (FY) 2011-2012 Fleet Management Fund for the purchase and equipping of these vehicles. The remaining budgeted Fleet Management funds of \$12,028.44 will be used to procure graphics and any other standard equipment necessary for these vehicles. The total cost is expected to be within the budgeted amount.

DISCUSSION:

The FY 2011-2012 budget includes the replacement of 62 vehicles in the City's fleet. The list, which was subsequently reduced by six (to 56 vehicles) through identification of efficiencies, includes a wide variety of vehicles that need to be replaced in order to maintain service levels, reduce repair costs and provide for cost-effective fleet operations. The list represents several "catch-up" years when the fleet was not actively replaced due to budget constraints. Where possible and practical, alternative fuel vehicles have been selected, with 15 such vehicles on the list replacing traditional fuel vehicles.

This purchase is for three vehicles: an Odyssey LX, an Accord sedan EX, and a Civic hybrid. The first two vehicles are for the Police Department detective bureau, while the third is for use in the Parks and Recreation Department's city-wide pool car fleet available for use by all departments.

Bid Recaps

A total of four bid responses were received. The comparison below shows the aggregate price, including sales tax and other fees:

<u>Vendor</u>	<u>Total Bid</u>
1. Honda of Hollywood	\$78,255.56
2. Fladeboe Automotive	\$82,894.29
3. Diamond Honda	\$83,904.88
4. Gardena Honda	\$84,839.29

Based on these bids, staff recommends awarding to the lowest bidder, Honda of Hollywood, for the purchase of three Honda vehicles, in the amount of \$78,255.56. If this purchase is approved, the existing units will be retired and sent to auction. The new vehicles will arrive in approximately two weeks.