



# Staff Report

## City of Manhattan Beach

**TO:** Honorable Mayor Powell and Members of the City Council

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

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

**DATE:** May 1, 2012

**SUBJECT:** Purchase of Four Ford Replacement Vehicles for Parks and Recreation, Community Development and Public Works Departments from Fairview Ford (\$28,280.49), South Bay Ford (\$35,395.30), and Villa Ford (\$47,006.16); Appropriate \$10,000 from the AB 2766 (Motor Vehicle Registration Fee) Subvention Fund, and \$26,503.58 from the Fleet Management Fund

---

### RECOMMENDATION:

Staff recommends that the City Council split the award of Bid #872-12 to Fairview Ford in the amount of \$28,280.49 for the purchase of one Fusion hybrid sedan; South Bay Ford in the amount of \$35,395.30 for the purchase of one CNG (compressed natural gas) E-250 cargo van; and Villa Ford in the amount of \$47,006.16 for two Escape compact SUV's (sport utility vehicle). Additionally, staff recommends that the City Council approve a supplemental appropriation of \$10,000 from AB 2766 Subvention Funds in order to finance the incremental cost of the alternative fuel system (CNG) for the van, and approve a supplemental appropriation of \$26,503.58 from the Fleet Management Fund to effect the purchase of an unscheduled vehicle replacement.

### FISCAL IMPLICATION:

Funds totaling \$78,159 are budgeted in the fiscal year (FY) 2011-2012 Fleet Management Fund to purchase three vehicles: a Fusion Hybrid sedan and E-250 CNG for Parks and Recreation, and an Escape SUV for Community Development. The total cost to purchase these three units is \$87,179.37. The \$9,020.37 shortfall will be offset by AB 2766 Subvention Fund monies, which can be applied to pay the difference between a gasoline-powered vehicle and an alternative (CNG) fueled vehicle, which in this case is \$10,000. By using these funds, the City takes advantage of grant monies and lessens the impact on the Fleet Management Fund. In addition, staff will be pursuing a Local Government Match Program offered by the Mobile Source Air Pollution Reduction Review Committee (MSRC) that will match AB 2766 funding towards the purchase of medium duty alternative fuel vehicles. This could result in an additional \$10,000 for the purchase of the CNG van (grant funding is not included in the fiscal implication at this time).

---

One of the vehicles, (Escape SUV) replaces unit #200, which was damaged beyond economical repair due to a traffic accident. Replacement of this vehicle was unanticipated in the current fiscal year. Therefore, the funds required for a replacement vehicle (\$23,503.58) and electronics (\$3,000) need to be appropriated from the Fleet Management Fund in the amount of \$26,503.58.

**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.

The recommended bid awards include the purchase of one Ford Fusion Hybrid, a Ford E-250 CNG cargo van, and two Ford Escape SUV’s. The first two vehicles are for Parks and Recreation; the van will be used for transporting materials and supplies while the hybrid sedan will be used in the department’s city-wide pool car fleet available for use by all departments. The third vehicle (Escape SUV) is a scheduled replacement of a Community Development Building Inspector’s vehicle. As previously described, the fourth vehicle replaces a unit which was involved in a traffic collision with damage so extensive that the car was considered a total loss (this has resulted in a shortage in the Public Works Department fleet and the need to purchase a replacement). The damaged vehicle was not scheduled for replacement for another year. As a result, an appropriation of \$26,503.58 from the Fleet Management Fund is needed to purchase and outfit this vehicle.

*Bid Recaps*

A total of ten bid responses were received. The comparison below shows the aggregate price, including sales tax, discounts and other fees. The lowest bid is in **bold**:

<u>Vendor</u>	<u>Fusion Hybrid</u>	<u>CNG Cargo Van</u>	<u>Escape (2)</u>
1. South Bay Ford	withdrawn	<b>\$35,395.30</b>	\$47,282.97
2. Villa Ford	No bid	\$37,159.09	<b>\$47,007.16</b>
3. Wondries Fleet Group	\$30,157.28	\$37,847.23	\$47,898.91
4. Frontier Ford	\$28,436.25	\$36,375.00	\$47,694.00
5. Raceway Ford	\$29,319.05	\$38,979.31	\$48,156.78
6. Power Ford	\$29,501.75	\$40,251.69	\$48,539.58
7. North County Ford	\$29,167.89	\$39,048.91	\$48,254.65
8. Jack Gosch Ford	\$28,901.22	\$37,493.31	\$47,755.36
9. Fairview Ford	<b>\$28,280.49</b>	No bid	\$47,197.60
10. Fritts Ford	\$29,323.92	\$35,961.88	\$48,340.36

Based on these bids, staff recommends that the City Council award orders to the lowest bidders, Fairview Ford (in the amount of \$28,280.49), South Bay Ford (in the amount of \$35,395.30), and Villa Ford (in the amount of \$47,007.16) for a total of four vehicles. If this purchase is approved, the existing units will be retired (or salvaged in the case of the damaged vehicle).