



Agenda Item # _____

Staff Report

City of Manhattan Beach

TO Honorable Mayor Tell and Members of the City Council

THROUGH Geoff Dolan, City Manager

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

DATE: November 8, 2006

SUBJECT: Authorize the Purchase of Two Replacement Police Motorcycles from Huntington Beach Honda in the Amount of \$40,326.86

RECOMMENDATION:

Staff recommends that the City Council award RFB #698-07 to Huntington Beach Honda in the amount of \$40,326.86 for the budgeted replacement of two Police motorcycles.

FISCAL IMPLICATION:

Funds totaling \$39,000 were budgeted in Fiscal Year 2006-2007 Fleet Management Fund to purchase and equip these vehicles. Although there is a shortfall in this line item of \$1,326.86, there are sufficient funds available in the FY 06-07 Fleet Management Fund to outfit these vehicles with the necessary equipment.

BACKGROUND:

During the FY 2006-2007 Budget process, Council authorized the replacement of two Police motorcycles. The replacement of a police motorcycle is based on several factors including mileage (50,000 miles), age (between 4-6 years), reliability, current industry standards, and maintenance costs (annual average of \$3,200). The first vehicle is a replacement for unit #602, 1997 Kawasaki Police motorcycle. This unit is over 9 years old and with age, the motorcycle has become less reliable. The second vehicle will replace Unit #604, which is a 2002 BMW Police motorcycle and in the past 3 years, over \$12,800 have been expended on this vehicle for maintenance and repairs. The costs are expected to escalate in future years.

DISCUSSION

Staff sent bid requests to 6 vendors and 4 responses were received. The comparison below shows total price (including sales tax and other fees).

Bid Recaps

<u>Bidder</u>	<u>Total Bid</u>
1. Honda of Glendale	\$30,955.680
2. Laidlaw's Harley Davidson	\$36,794.18
3. Desert Cities Honda	\$40,189.03
4. Huntington Beach Honda	\$40,326.86

Bidders #1 and #2 did not meet specs as described in the next sentence; and are considered non-responsive. In reviewing the bid submittals, Honda of Glendale did not bid on a fully equipped motorcycle as requested, therefore, their bid is considered incomplete. Laidlaw's Harley Davidson obtained our bid package from our website and offered a different make and model than specified in the RFP, thus, their bid is considered non-responsive. The next bidder, Desert Cities Honda, employs a sub-contractor to perform the electronics installation and outfitting, and any electrical issues would need to be reviewed by both, Desert City Honda, and the subcontractor. This could potentially lead to shifting of responsibility between the dealer and the subcontractor; both located in Riverside County, and could lead to long downtimes and issues with problem resolution. Huntington Beach Honda performs all installations in-house and warranties their work, thus, staff would only need to contact one vendor for troubleshooting. In addition, they are conveniently located.

Based on these bids, staff recommends awarding an order to Huntington Beach Honda, for the purchase of two motorcycles. If this purchase is approved, the new vehicles will arrive in approximately 30 days.