

Council Meeting of
March 25, 2008

Honorable Mayor and Members
 Of the City Council
 City Hall
 Torrance, California

Members of the City Council:

SUBJECT: General Services - Approve Replacement of Five (5) Vehicles Through Cooperative Purchase with the State of California

Ref. State Contracts #1-08-23-11 and #1-08-23-20

Expenditure: \$113,761.74 (includes Sales Tax, Tire Fees, Delivery, and State Contract Service Charge)

RECOMMENDATION

Recommendation of the General Services Director that City Council authorize purchase of five (5) vehicles totaling \$111,430.68 as cooperative purchases with the State of California, plus a 2.27% service charge payable to the State in the amount of \$2,331.06 for participation in these contracts.

Purchase orders will be issued to vendors for each vehicle type as follows:

Vendor	Number and Type of Vehicles With Unit Cost	Total Costs (Incl. Sales Tax, Tire Fees and Delivery Charge)
Hoblit Dodge Chrysler Jeep Woodland, CA	(2) - 2008 Dodge Caravan Mini-Cargo Vans @ \$17,190 each. <i>Fleet Manager's Note: Minivans are not available in alternative fuel or hybrid versions.</i>	\$37,293.85
Cardinale Way Toyota South Lake Tahoe, CA	(3) - 2008 Toyota Prius Hybrid Mid-Size Sedans @ \$22,770 each	\$74,136.83
State of California Sacramento, CA	2.27% Service Charge (before tax, tire fees or delivery charges)	\$2,331.06
	Grand Total – Incl. Sales Tax, Tire Fees and Delivery, and State Service Charge	\$113,761.74

Funding

Funding is available in the FY 2007-2008 Fleet Services Vehicle and Equipment Revolving Fund.

BACKGROUND / ANALYSIS

For the past several years, the City of Torrance has participated in cooperative purchase agreements with the State of California. Participation in these agreements

enables the City to take advantage of pricing and discounts negotiated by the State with various vehicle dealerships throughout the State of California. Also, if the City makes payment within 20 days, a \$500.00 discount is applied to the cost of each vehicle purchased (not factored into the prices stated herein). Staff will ensure timely payment of the invoices so that these discounts are received.

The vehicles to be purchased on the State contract are budgeted replacement vehicles. All meet the City's criteria for replacement eligibility.

In order to determine which vehicles are to be replaced, Fleet Services consulted with assigned vehicle users and conducted a thorough inspection of each vehicle to determine its overall condition and roadworthiness as compared to similar vehicles in its class.

The following is a listing of vehicles to be replaced:

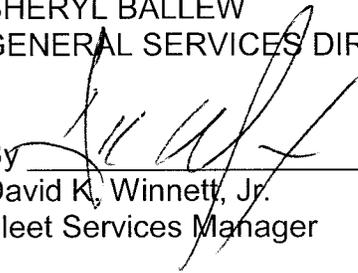
Veh #	Year	Make/Model	Mileage	Vehicle Condition Highlights
7586	2003	Ford Taurus (Transit)	134,543	Excessive mileage. Chassis electrical, brake problems, engine problems.
7589	2003	Ford Taurus (Transit)	142,723	Excessive mileage. Chassis electrical and ABS brake system problems.
7592	2003	Ford Taurus (Transit)	93,387	Collision 10/28/06, non-repairable. Sold at auction 11/17/07.
8171	1988	Chevy Astro Minivan (CIT)	30,928	Repeat electrical and fuel system failures.
8200	1996	Ford Aerostar Minivan (CIT)	17,838	Repetitive charging system problems.

Torrance Municipal Code, SECTION 22.3.15. EXCEPTION; COOPERATIVE PURCHASES, states:

- "a) The provisions of this Article will not apply to purchases made pursuant to any cooperative governmental purchase program, which purchases will be made in accordance with such procedures and regulations as will be established by the City Manager.
- b) For the purposes of this Section, the term cooperative governmental purchase program means any combination between the City of Torrance and any other public agency or public agencies for the joint purchase of property or services."

Respectfully submitted,

SHERYL BALLEW
GENERAL SERVICES DIRECTOR

By 
David K. Winnett, Jr.
Fleet Services Manager

CONCUR:


Sheryl Ballew
General Services Director


LeRoy J. Jackson
City Manager