

Council Meeting of
July 18, 2006

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

Members of the Council:

**SUBJECT: Recommendation to approve the Purchase of Eleven (11)
Light-duty Vehicles as Cooperative Purchases with the State
of California**

Ref. State Contracts # 1-06-23-10 and # 1-06-23-20

**Expenditure: \$154,121.02 (includes Sales Tax, Tire and
Delivery Fees, and State Contract Service Charge)**

RECOMMENDATION

The General Services Director recommends that the City Council authorize the purchase of eleven (11) vehicles as cooperative purchases with the State of California. Total purchase price including sales tax, tire fees and delivery charges is \$150,681.43. In addition, a 2.48 % service charge in the amount of \$3,439.59 is payable to the State for participation in these contracts.

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

Vendors	Number and Types of Vehicles With Unit Cost	Total Costs (Including Sales Tax, Delivery & Tire Fees)
Hoblit Haynes Dodge- Chrysler Woodland, CA	2 - 2007 Dodge Caravan Passenger Vans @ \$14,846.00 each 1 - 2007 Dodge Caravan Mini-Cargo Vans @ \$14,886.00 each 15 Tire Fees @ \$1.75 per tire (non-taxed) Delivery Charge: \$90.00	\$48,371.94
Hoblit Motors Colusa, CA	3 - 2007 Ford Focus Sedan @ \$11,130.00 each 15 Tire Fees @ \$1.75 per tire (non-taxed) Delivery Charge: \$135.00	\$36,305.93
Coalinga Motors Coalinga, CA	5 - 2007 Chevrolet Regular Cab ¾ Ton P/ups @ \$12,145.00 each 25 Tire Fees @ \$1.75 per tire (non-taxed) Delivery Charge: \$225.00	\$66,003.56
State of California Sacramento, CA	2.48% Service Charge (before Sales Tax, Tire Fees or Delivery Charges)	\$ 3,439.59
	Grand Total – Incl. Sales Tax, Tire Fees, Delivery Charges and State Contract Service Charge	\$154,121.02

Funding

Funding is available in the FY 2006-2007 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 of vehicle delivery, 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 has conducted a thorough physical inspection of each vehicle to determine its overall condition and roadworthiness as compared to similar vehicles in its class.

The following is a list of existing vehicles to be replaced:

Veh #	Year	Make	Model	Mileage	Vehicle Condition
7564	1996	Chevrolet	Corsica	74,643	Body Damage Due to Collisions
7566	1996	Chevrolet	Corsica	34,768	Charging System Problems
7569	1996	Chevrolet	Corsica	53,743	Braking System Problems
224	1996	Ford	Aerostar Minivan - Pass.	121,132	Elect. System/Transmission Problems
8185	1990	Ford	Aerostar Minivan - Cargo	43,406	Substantial Overall Wear and Tear
8188	1992	Dodge	Caravan Minivan - Cargo	71,659	Body Damage Due to Collisions
8444	1996	Ford	F250 Pickup	63,781	Starting System Problems
8445	1996	Ford	F250 Pickup	102,446	Electronic Engine Control Problems
8453	1996	Ford	F250 Pickup	75,002	Charging System Problems
8455	1996	Ford	F250 Pickup	97,129	Broken Motor Mounts & Trans. Problem
8456	1996	Ford	F250 Pickup	62,554	Frequent Elect. Engine Control Probs.

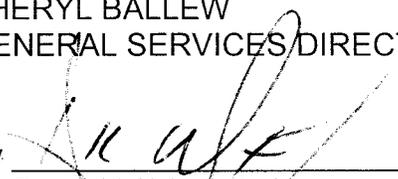
Torrance Municipal Code, SECTION 22.3.15. EXCEPTION; COOPERATIVE PURCHASES, states:

- "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.”

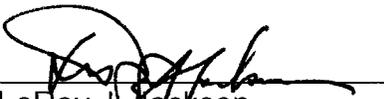
Respectfully submitted,

SHERYL BALLEW
GENERAL SERVICES DIRECTOR

By 
David K. Winnett, Jr.
Fleet Services Manager

CONCUR:


Sheryl Ballew
General Services Director


LeRoy J. Jackson
City Manager