

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: JOHN CREGAN, CHIEF, POLICE DEPARTMENT
SUBJECT: APPROVAL OF SECOND AMENDMENT TO BLANKET
PURCHASE ORDER 172139 TO INCREASE COMPENSATION
WITH CREAM'S TOWING, INC.

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Police and Finance Departments that the Council, by resolution, approve the Second Amendment to Blanket Purchase Order (BPO) 172139 for abandoned vehicle abatement services, increasing compensation with Cream's Towing, Inc., Santa Rosa, California, in the amount of \$150,000, for a total cumulative amount not to exceed \$295,000.

EXECUTIVE SUMMARY

The Police Department requires abandoned vehicle abatement services for the City of Santa Rosa.

BACKGROUND

The Finance Department issued an Invitation for Bid (IFB) solicitation on November 13, 2023. There were no responsive bids received, therefore the bid was cancelled. Research was conducted to determine what vendor other agencies in Sonoma County were using for these services and found that they were using Cream's Dismantling, Inc., which at the time was the City's vendor. Cream's Dismantling, Inc. agreed to continue to provide these services, which are essential to the department and the City.

January 11, 2024, the City Manager, by signature, approved a waiver of competitive bid for abandoned vehicle abatement services and an issuance of General Services Agreement F002749 for abandoned vehicle abatement services with Cream's Dismantling, Inc.

In May of 2024, Cream's Dismantling, Inc. suddenly closed its business without notice. Staff reached out to Cream's Dismantling, Inc. by certified mail, phone, and email, but received no response.

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City staff was notified by Cream's Towing, Inc., Santa Rosa, California that they purchased equipment and acquired a storage lot in order to provide the essential abandoned vehicle abatement services needed by various Sonoma County agencies. Cream's Towing, Inc. and Cream's Dismantling, Inc. are separate companies which are not owned by the same people.

On May 21, 2024, the Purchasing Agent, by signature, approved a waiver of competitive bid and award of BPO 172139 with Cream's Towing, Inc., Santa Rosa, California in the amount not to exceed \$50,000. They were the only local vendor providing these services at the time.

On September 24, 2024, the City Council, by resolution, approved the First Amendment to increase compensation in the amount of \$95,000.

The contractor provides all qualified labor, equipment, and transportation necessary to perform abandoned vehicle abatement services.

PRIOR CITY COUNCIL REVIEW

On September 24, 2024, the City Council, by Resolution, No. RES-2024-158, approved adding funds to BPO 172139 in the amount of \$95,000.

ANALYSIS

Additional funds for this BPO are required to continue services through the end of the term for abandoned vehicle abatement, which are essential to the Police Department and the City. There has been an increase in the number of tows under this agreement, specifically towing motorhomes and other oversized vehicles. In the prior three years the average number of tows of this type were 35, and this year the average increased to 70 which requires the increase in the funding amount for this agreement. This is a request for additional funds only, there are no changes to current terms and conditions. This BPO expires May 31, 2026, with no extensions. At this time, Cream's Towing is currently the only local vendor providing these services.

Under the City's Purchasing Policy, City Code 3-08-110(A) Award Authority, this modification requires approval by the City Council.

FISCAL IMPACT

Funds for this expense are included in the Fiscal Year 2024-25 adopted budget within various Departments, and as a regular expenditure, will be included in subsequent years' budget requests when presented to the City Council.

ENVIRONMENTAL IMPACT

The Council finds that pursuant to CEQA Guidelines Section 15378, the proposed action is not a "project" subject to the California Environmental Quality Act (CEQA)

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because it does not have a potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. In the alternative, the proposed action is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) because it can be seen with certainty that there is no possibility that the project may have a significant effect on the environment.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Resolution

PRESENTER

John Cregan, Chief, Police Department