

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: DEBORAH LAUCHNER, CHIEF FINANCIAL OFFICER,
FINANCE DEPARTMENT
ZAC BRAND, FLEET SUPERINTENDENT, TRANSPORTATION &
PUBLIC WORKS DEPARTMENT
JENNIFER MYLES, SENIOR BUYER, FINANCE DEPARTMENT
SUBJECT: CANCEL PURCHASE ORDER, AND APPROVE AWARD OF
SOLE MANUFACTURER PURCHASE ORDER FOR 2017 FORD
POLICE INTERCEPTOR UTILITY SUV'S TO NEXT LOWEST BID

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Finance, Transportation & Public Works, and Police Departments that the Council, by resolution, approve 1) cancellation of Purchase Order 153772 to Wondries Fleet Group, Alhambra, CA in the amount of \$98,590.94, and 2) award a new sole manufacturer Purchase Order for the purchase of three (3) 2017 Ford Police Interceptor Utility SUVs to the next lowest responsive and responsible bidder of Invitation for Bids 17-18 to Towne Ford, Redwood, CA, in the total amount not to exceed \$100,900.86.

EXECUTIVE SUMMARY

On March 28, 2017, Council approved a sole manufacturer bid award as a result of Invitation for Bid 17-18 and issuance of a purchase order for the purchase of three Ford Interceptor patrol vehicles for the Roseland annexation to Wondries Fleet Group, Alhambra, CA, and appropriation of funds. The City received a request from Wondries Fleet Group April 12, 2017 to withdraw their bid and cancel the purchase order issued on April 4, 2017. The next lowest responsive and responsible bid provided by Towne Ford, Redwood, CA has confirmed compliance to original specifications as quoted in their original offer.

BACKGROUND

On March 15, 2017, the Purchasing Division issued an Invitation for Bid (IFB 17-18) for three additional Police Department vehicles to address department needs upon annexation of the Roseland area.

AWARD 2017 FORD POLICE INTERCEPTOR SUV
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On March 28, 2017, Council awarded sole manufacture Invitation for Bid 17-18 bid award to Wondries Fleet Group, Alhambra, CA in the amount of \$98,590.94.

On April 12, 2017, the City received a request from Wondries Fleet Group to withdraw their bid and cancel Purchase Order 153772. Wondries Fleet Group claimed they made an error on marking compliance to the Setina Partition specification, which they omitted from the cost of this specification in their original quote.

The Purchasing Agent issued a notice to Wondries Fleet Group on April 18, 2017, stating their request was unwarranted and untimely, requesting they honor their original bid response, or the City would be forced to take this request to legal.

A second request to withdraw was received by the National Sales Manager with Wondries Fleet Group expressing disappointment in their inability to provide accurate pricing, stating the original fleet salesman omitted the Setina Partition specification in the original bid response, and they cannot absorb the excess loss per vehicle.

After further review by the City Manager and City Attorney's offices, and in light of the urgent need to order these vehicles, it was the determined staff would go back to Council to approve award and issuance of a new Purchase Order to the next lowest bidder Towne Ford Sales, Redwood City, CA.

PRIOR CITY COUNCIL REVIEW

Sole Manufacture Award for Invitation for Bids 17-18 to Wondries Fleet Group, Alhambra, CA in the amount of \$98,613.43.

ANALYSIS

Staff contacted Town Ford Sales on March 22, 2017 to confirm compliance to their original bid response, and confirm Towne Ford Sales will honor their response to Invitation for Bid 17-18 as the next lowest responsive bid.

It is in the best interest of the City to award to the next lowest bidder due to costs associated with rebidding this request, along with delays due to additional order and delivery time. The City Manager's office issued final direction on May 10, 2017 to go forward with an award recommendation to next lowest bid.

When comparing the cost of Wondries Fleet Group bid amount of \$98,613.43, to Towne Ford Sales amount of \$100,900.86, and the adjusted cost proposed by Wondries Fleet Group of \$108,066.00 to include the Setina partitions, staff has determined that the next lowest bid submitted by Town Ford Sales is fair and reasonable.

Staff is working on updating our service delivery model for the future which will include reviewing policies and procedures regarding local preference.

FISCAL IMPACT

On March 28, 2017, funds for this purchase were appropriated from the General Fund unassigned fund balance. Per the pre-annexation agreement, upon annexation, the City will receive funding from the County as part of the annexation start-up costs which includes this expenditure. Upon receipt of the funding from the County, funds used for this purchase will be returned to the General Fund unassigned fund balance.

ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable

NOTIFICATION

Not applicable

ATTACHMENTS

- Resolution

CONTACT

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