



Memorandum

**TO: HONORABLE MAYOR AND
CITY COUNCIL**

FROM: Scott P. Johnson

SUBJECT: SEE BELOW

DATE: June 5, 2006

Approved

 Date 6/12/06

SUBJECT: REPORT ON BIDS FOR EIGHT (8) PATROL MOTORCYCLES

RECOMMENDATION

Report on bids and award the purchase of eight (8) Patrol Motorcycles to the low bidder, San Jose Harley Davidson (San Jose, CA), for a total amount not to exceed \$152,199.15, including tax, and authorize the Director of Finance to execute the purchase order and to purchase additional quantities on an as-required basis at the same unit price for a period of twelve (12) months after the initial award is placed without further Council action other than the appropriation of funding.

OUTCOME

With the purchase of these patrol motorcycles, the Police Department will be able to maintain existing service levels while enhancing operational capabilities using new technology available with this acquisition.

BACKGROUND

The General Services Department/Fleet Management Division has requested the purchase of eight (8) Patrol Motorcycles. The Police Department will utilize these units for patrol and traffic enforcement activities.

The procurement of these motorcycles is contingent upon the 5 Year Police Fleet Forecast produced semi-annually. The replacement guideline for patrol motorcycles is 4.5 years and 60,000 miles. The motorcycles requested are intended to replace units that have reached this replacement guideline. While the Auditor's Office has reviewed the replacement criteria for Police motorcycles, a formal audit was not performed nor deemed necessary. Requests for motorcycle replacements are approved by the General Services department and the City Manager's Office.

ANALYSIS

A notice inviting bids was published on May 10, 2006. In addition, bid packages were e-mailed to six (6) vendors. A pre-bid conference was held on May 17, 2006, to answer questions from prospective vendors regarding the motorcycle specifications. Three (3) bids were publicly opened on May 24, 2006 as listed below. The Local and Small Business Preference had no effect on the award of contract.

Vendors	Bid Total	Award Total (Incl. Tax)	LBE (2.5%)	SBE (2.5%)	LBE/SBE Adjusted Total
San Jose Harley Davidson (San Jose, CA)	\$140,599.68	\$152,199.15	Yes	No	\$148,394.17
San Jose BMW (San Jose, CA)	\$154,952.00	\$167,735.54	Yes	Yes	\$159,348.76
Santa Cruz Harley Davidson (Santa Cruz, CA)	\$166,800.00	\$180,561.00	No	No	\$180,561.00

Staff recommends the award to San Jose Harley Davidson, the low bidder in accordance with the formal bidding procedures of the San Jose Municipal Code, Section 4.12.030.

ALTERNATIVES

Not applicable.

PUBLIC OUTREACH

This bid was placed on the City of San Jose web site and on the DemandStar bid notification system.

COORDINATION

This memorandum has been coordinated with the City Attorney's Office, City Manager's Budget Office, General Services, and the Police Department.

COST IMPLICATION

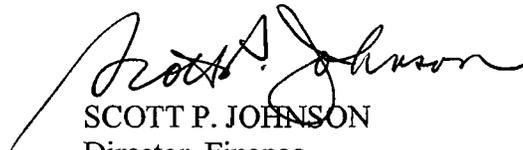
This Council item is consistent with Council approved Budget Strategy Memo, General Principle #2, "We must focus on protecting our vital core city services". This expenditure is funded from the General Fund Vehicle Replacement Appropriation.

BUDGET REFERENCE

Fund #	Appn. #	Appn. Name	RC #	Total Appn.	Amount for Contract	2004-2005 Annual Report	Last Budget Action (Date, Ord. No.)
552	0084	Vehicle Replacement	001104	\$5,024,148	N/A	Pg. III 88	10/18/05 Ord No. 27580

CEQA

Not a project.


SCOTT P. JOHNSON
Director, Finance

For questions, please contact Walter C. Rossmann, Chief Purchasing Officer, at 535-7051