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**Title:** Award a purchase contract in the amount of \$356,060.25 to Herwaldt Automotive for the purchase of OEM police motorcycles - City-wide bid file 9340

**Sponsors:** Department of Transportation

**Indexes:**

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**Attachments:** 1. Purchase Contract for OEM Police Motorcycles 030316 021716.pdf

Date	Ver.	Action By	Action	Result
3/17/2016	1	City Council	approved	Pass

**REPORT TO THE CITY COUNCIL**

**March 17, 2016**

**FROM:** BRIAN R. MARSHALL, Director  
Department of Transportation

**BY:** TIM OLDAY, Fleet Manager (Prov.)  
Department of Transportation/Fleet Management

**SUBJECT**

Award a purchase contract in the amount of \$356,060.25 to Herwaldt Automotive for the purchase of OEM police motorcycles - City-wide bid file 9340

**RECOMMENDATION**

Staff recommends Council award a purchase contract in the amount of \$356,060.25 for the purchase of 14 OEM police motorcycles.

**EXECUTIVE SUMMARY**

The Police Department is in need of 14 replacement motorcycles. Several motorcycles have reached the end of their economic lifecycle. Replacement of these motorcycles is critical for the Police Department to effectively and efficiently provide traffic safety services within the City of Fresno. The fully assembled motorcycles will be delivered to the City; after delivery they will be

upfitted with police radio, radar gun holder, and Fresno decals.

## **BACKGROUND**

The Police Department is in need of 14 replacement motorcycles. Over the last few years budget constraints have required the life span of the motorcycles to be extended from 5 years up to 7 years. Though improvements in motorcycle technology have helped with the need to lengthen the lifespan, it does not negate the requirement of mileage-based maintenance. For example, at the 60,000 mile mark, clutch replacement is needed, which is approximately one-fifth the cost of a new motorcycle. Additionally, several BMW motorcycles are in the 8th year of their lifespan and have accrued well over the 60,000 mile replacement mileage target, surpassing the end of their economic life.

A competitive bid was prepared and distributed to perspective proposers, and twelve (12) perspective proposers opened and reviewed the bid file. One response was received in a public opening on December 1, 2015. The proposal from Herwaldt Automotive was deemed responsive and responsible, and staff recommends Council award the contract to Herwaldt Automotive.

Council may award a purchase contract to Herwaldt Automotive located in Fresno, California, for the amount of \$356,060.25 or Council may reject the proposal. If the proposal is rejected, the project will be re-bid resulting in a delay of approximately sixty days (60).

## **ENVIRONMENTAL FINDINGS**

By the definition provided in the California Environmental Quality Act Guidelines Section 15378, the award of this contract does not qualify as a "project"; therefore, it is exempt from the California Environmental Quality Act requirements.

## **LOCAL PREFERENCE**

Herwaldt Automotive is a local business.

## **FISCAL IMPACT**

The funding to cover the purchase cost of the motorcycles has been approved as part of the City's current approved Lease Financing Agreement part C with Kansas State Bank. The City will make an initial lease payment in FY16. Beginning in FY17, lease payments will be made twice per year at \$42,300 each, or \$84,600 annually. The interest rate for this financing is 3.389 percent. At the end of the 5-year lease agreement, the motorcycles will be owned by the City.

Attachment:  
Purchase Contract for OEM Police Motorcycles