



Legislation Details (With Text)

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Title: Reject all bids for Armored Car Transport Services (Bid File 9529)
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REPORT TO THE CITY COUNCIL

September 24, 2020

FROM: MICHAEL LIMA, Controller/Finance Director/(ex-officio) Treasurer
Finance Department

BY: CORRINA BARBARITE, Treasury Officer
Finance Department

SUBJECT:
Reject all bids for Armored Car Transport Services (Bid File 9529)

RECOMMENDATION

Staff recommends Council reject all bids received for armored car transport services.

EXECUTIVE SUMMARY

The City has been using Loomis to provide armored courier services to various City facilities. While the City’s contract with Loomis renews annually until one of the parties chooses to terminate, staff believed that due to the length of time with which the City has been using Loomis, it would be prudent to issue a Request for Proposal (RFP) for armored courier services to determine if the current contract was still competitive. The City received two responses to the RFP. Both respondents’ bids

were higher than what the City is paying their current provider. Thus, staff is recommending that the bids from this RFP be rejected.

BACKGROUND

Many departments in the City receive payments in the form of cash, coin and checks. Those deposits are transported to the appropriate bank vault via armored courier. The City has several locations that utilize this service, including City Hall, FAX, UB&C Manchester, and various PARCS facilities. The Convention Center has service as well. However, the invoice for the Convention Center's armored courier service is sent directly to ASM Global for payment. The service received by each location is tailored to their needs with different pickup schedules and liability limits. Additionally, the armored courier service delivers change orders from the bank vault to the locations that request the orders from the bank vault.

The City has been utilizing Loomis, under the current contract, for armored courier services since June, 2014. The average monthly fee charged by Loomis is \$3,600. Even though the contract for this service allows both the City and Loomis to extend the contract on an annual basis, staff believed it would be prudent to explore other options to insure that the City was receiving the service at the best value for the City.

An RFP was issued on January 15, 2020 where it was posted to the City's Planet Bids Online site and advertised in the Business Journal. Two companies submitted sealed bids to this RFP. The two bids were unsealed in a public opening on March 03, 2020. In reviewing the responses, staff determined that the cost proposed by the two respondents was significantly higher than that charged by the current provider. Staff also determined that there was no significant difference in the level of service proposed by the respondents when compared to the level of service provided by the current provider. In fact, both proposers offered a shorter "pick-up window" of time to obtain the deposit. The shorter period of time increased the chance that the City would have to pay additional charges for late pickup. Given the proposed increase in price and the lack of additional/enhanced service, staff made the recommendation to reject all bids. If the recommended action is approved, the City will continue to have armored courier services provided by Loomis at an average cost of \$3,600 per month.

ENVIRONMENTAL FINDINGS

By the definition provided in the California Environmental Quality Act Guidelines Section 15378 this item does not qualify as a "project" and is therefore exempt from the California Environmental Quality Act requirements.

LOCAL PREFERENCE

Local preference was not considered as staff is recommending rejecting all bids.

FISCAL IMPACT

There is no fiscal impact to the General Fund from this recommended action. However, if one of the other respondents is chosen, there will be additional cost to the General Fund for this service.

Attachment: Signed Bid Evaluation

