

**FINANCIAL IMPACT STATEMENT  
For Council Action Items**

(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator John Hunt, CityFleet Manager		2. Telephone No. (503) 823-4302	3. Bureau/Office/Dept. OMF/ Bureau of Internal Business Services/ CityFleet
4a. To be filed (date) February 10, 2011	4b. Calendar (Check One) Regular      Consent      4/5ths <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>		5. Date Submitted to FPD Budget Analyst: February 2, 2011

**1) Legislation Title:**

Authorize a contract with Landmark Ford to furnish police sedans for the City of Portland, Office of Management and Finance, Business Operations, Fleet Services, in the contractual amount of \$1,187,576.12. (Report)

**2) Purpose of the Proposed Legislation:**

The purpose of this ordinance is to authorize CityFleet to procure replacement vehicles in accordance with City Code 5.33. There are 52 patrol sedans that are scheduled for life-cycle replacement by CityFleet for Police Bureau. The estimated cost to replace the 52 vehicles is \$1,187,576 (\$22,838 per unit).

**3) Revenue:**

**Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If new revenue is generated please identify the source.**

This request does not impact City revenues.

**4) Expense:**

**What are the costs to the City as a result of this legislation? What is the source of funding for the expense?** *(Please include costs in the current fiscal year as well as costs in future years) (If the action is related to a grant or contract please include the local contribution or match required)*

This action is estimated to cost the CityFleet replacement fund \$1,187,576 in FY 2010-11. The Police Bureau pays for future vehicle replacement in the Interagency Agreement with CityFleet and the funds for this purchase do not affect the present year Police Bureau budget. CityFleet has budgeted in FY 2010-11 capital replacement budget for the procurement of these 52 vehicles. There is no estimated increase in ongoing operations or maintenance for these replacement vehicles for the Police Bureau.

The cost to delay this purchase could be significant. Retaining vehicles beyond the economic life-cycle leads to costly repairs and lowers salvage values. This would affect the Police Bureau expenses for regular repairs and maintenance and could be outside the FY 2011 Adopted Budget amounts.

**Staffing Requirements:**

**5) Will any positions be created, eliminated or re-classified in the current year as a result of this legislation?** *(If new positions are created please include whether they will be part-time, full-time, limited term or permanent positions. If the position is limited term please indicate the end of the term.)*

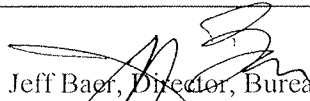
No additional staffing is required for this request.

**6) Will positions be created or eliminated in *future years* as a result of this legislation?**

This action does not impact future staffing levels.

**Complete the following section only if an amendment to the budget is proposed.**

**7) Change in Appropriations** *(If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Center Code column if new center needs to be created. Use additional space if needed.)*

  
Jeff Baer, Director, Bureau of Internal Business Services

APPROPRIATION UNIT HEAD (Typed name and signature)



# CITY OF PORTLAND

OFFICE OF MANAGEMENT AND FINANCE

Sam Adams, Mayor  
Kenneth L. Rust, Chief Administrative Officer  
Jeffrey B. Baer, Director, Bureau of Internal Business Services

Christine Moody  
Chief Procurement Officer  
Procurement Services  
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Portland, Oregon 97204-1912  
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**Date:** February 2, 2011

**To:** Mayor Sam Adams

**From:** Christine Moody, Chief Procurement Officer *CM*

**FOR MAYOR'S OFFICE USE ONLY**

Reviewed by Bureau Liaison \_\_\_\_\_

**RE:** Authorize a contract with Landmark Ford to furnish police sedans for the City of Portland, Office of Management and Finance, Business Operations, Fleet Services, in the contractual amount of \$1,187,576.12. (Report)

1. **INTENDED THURSDAY FILING DATE:** February 10, 2011
2. **REQUESTED COUNCIL AGENDA DATE:** February 16, 2011
3. **CONTACT NAME & NUMBER:** Christine Moody, (503)823-1095
4. **PLACE ON X CONSENT \_\_\_\_\_ REGULAR**
5. **BUDGET IMPACT STATEMENT ATTACHED: X YES \_\_\_\_\_ NO \_\_\_\_\_ N/A**
6. **ONE ORIGINAL COPY OF CONTRACT APPROVED AS TO FORM BY CITY ATTORNEY ATTACHED: \_\_\_\_\_ YES \_\_\_\_\_ NO X N/A**

## 7. BACKGROUND/ANALYSIS

The Office of Management and Finance, Business Operations, Fleet Services division is responsible for replacing all City-used vehicles based upon an annual replacement plan. Fleet Services has reviewed the current replacement schedule and the condition of the Bureau of Environmental Services vehicles and determined that 52 police sedans need to be replaced. On September 15, 2010, Council passed Ordinance 184121 authorizing the purchase of these vehicles.

A thorough procurement analysis was completed on January 12, 2011, with the recommendation that it is in the City's best interest to procure these vehicles utilizing the State of Oregon Contract No. 9767 via Landmark Ford. The key factors influencing this decision were: manufacturer's established cut-off date, the manufacturer's extended production lead time and current order backlog and the state contract pricing that is significantly less than that which the City could obtain through its own bidding process.

The State of Oregon issued a joint solicitation for Police Sedans and awarded Contract No. 9767 to Landmark Ford as the lowest responsive and responsible offeror. The solicitation by the State of Oregon was on behalf of the State government as well as other governmental entities and included intergovernmental cooperative procurement language. The City is authorized under Portland City Code 5.33.150, Joint Cooperative Procurements to place orders against contracts issued by other governmental entities. The estimated total for the City's order against the State of Oregon Price Agreement is \$1,187,576.12.

*An Equal Opportunity Employer*

*To help ensure equal access to programs, services and activities, the Office of Management & Finance will reasonably modify policies/procedures and provide auxiliary aids/services to persons with disabilities upon request.*

Landmark Ford is located in Tigard, Oregon, has a current City of Portland Business License, EEO certified through March 31, 2011 and they are in Full Compliance with the City's Equal Benefits Ordinance. They are not an Oregon state certified M/W/ESB contractor. At this time, there are no Oregon state certified M/W/ESB contractors that are authorized distributors for the vehicles.

Fleet Services' level of confidence is high to optimal provided that the procurement is completed within 30 days from the date of Council approval.

**8. FINANCIAL IMPACT**

This action will cost the CityFleet replacement fund \$1,187,576.12 in FY 2010-11. The Police Bureau pays for future vehicle replacement in the Interagency Agreement with CityFleet and the funds for this purchase do not affect the present year Police Bureau budget. CityFleet has budgeted in FY 2010-11 capital replacement budget for the procurement of these 52 vehicles. There is no estimated increase in ongoing operations or maintenance for these replacement vehicles for the Police Bureau.

**9. RECOMMENDATION/ACTION REQUESTED**

The Chief Procurement Officer recommends that a purchase order be issued to Landmark Ford using the State of Oregon Price Agreement #9767 for the purchase of 52 Ford Crown Victoria police sedans for a contractual total of \$1,187,576.12.