
**CITY OF TEMPE
REQUEST FOR COUNCIL ACTION****Council Meeting Date: 12/08/2016
Agenda Item: 5B3**

ACTION: Approve the utilization of a one-year State of Arizona contract with LZ Delta, LLC for the purchase of police motorcycles.

FISCAL IMPACT: Total cost of this contract will not exceed \$115,000. Sufficient funds have been budgeted in the General Fund – cost center 3261 (Fleet Management) – for the anticipated expenditures.

RECOMMENDATION: Approve the utilization of the contract.

BACKGROUND INFORMATION: (ADSP013-038704 State of Arizona) The State of Arizona solicited and awarded contracts for the purchase of police motorcycles which contain cooperative language allowing their use by other governmental agencies.

The State of Arizona utilized a competitive bid process that established pricing based on purchase volumes anticipated for the State and other utilizing governmental agencies. The quantity of equipment purchased under the State contract far exceeds the number of vehicles that would be purchased individually by any utilizing entity thereby leveraging cost savings for the city.

This request is for the purchase of three (3) BMW R1200RT-P Police Motorcycles with primary emergency equipment installed.

Vehicle Replacement Strategy

Fleet Services vehicle replacement strategy is centered on asset protection and lifecycle cost analysis of vehicles and equipment. This lifecycle analysis involves capital costs, depreciation costs, operating costs, maintenance costs, and residual value at auction. Fleet Services determines the lowest annualized cost of equipment to establish replacement guidelines that provides the lowest overall cost to the City. These units will replace units which have reached the point in their lifecycle where they have exhausted the ability to be efficient, effective and achieve the overall lowest cost of operation.

The replaced units will be sold at auction when new units are available to be utilized in the fleet.

ATTACHMENTS: None

STAFF CONTACT(S): Tony Miano, Deputy Public Works Director – Field Operations, (480) 350-8051

Department Director: Renie Broderick, Internal Services Director

Legal review by: David Park, Assistant City Attorney

Prepared by: Tony Allen, CPPB, Procurement Officer