

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date	March 23, 2009
	Agenda Item No. 30 Roll Call No. <u>09-</u> Communication No. <u>09-186</u> Submitted by: Richard A. Clark, City Manager	

AGENDA HEADING:

Approving Bid for Junk Vehicle Towing Services Contract with Swifts Auto Salvage.

SYNOPSIS:

Recommend approval of bid from Swifts Auto Salvage for an annual contract to furnish junk vehicle towing services to be used by the Neighborhood Inspection Division and authorizing the Procurement Administrator to enter into annual agreements renewable for two (2) additional twelve (12) month periods.

At the March 9, 2009 City Council meeting, action was deferred until March 23, 2009 and referred to the City Manager for additional information regarding details of the bid.

FISCAL IMPACT:

Amount: \$126,500 estimated revenue to the City

Funding Source: Clean-up efforts are funded by Community Development Block Grant. Revenue income generated will be shown as program income in Operating Budget, SP020, CDD049900, CDBG2008005, page 106.

ADDITIONAL INFORMATION

On May 21, 2007, City Council approved a contract with Swifts Auto Salvage for junk vehicle towing services to be used by the Neighborhood Inspection Division. The City entered into a contract with Swifts Auto Salvage on June 3, 2007 and the contract allows for two annual renewals. The City and Swifts Auto Salvage agreed to extend this contract for the first renewal in June 2008. The current contract is due to expire on June 3, 2009.

In January 2009, Swifts Auto Salvage met with City staff regarding the downturn in the metals market. They expressed concerns over their per vehicle bid of \$250 for each car removed. Swifts Auto Salvage, at this rate, indicated they would be unable to continue the contract. City staff research supports a downturn in the scrap metal market, and suggested rebidding the contract to redefine the current market. This contract was rebid and three responses were received. The high bid received was \$125, which was submitted by Swifts Auto Salvage.

PREVIOUS COUNCIL ACTION(S):

Date: March 9, 2009

Roll Call Number: 09-392

Action: Swifts Auto Salvage for annual contract with two (2) additional one-year renewal options to furnish junk vehicle towing services to be used by the Neighborhood Inspection Division, \$126,500. (Eights bids mailed, three received). Moved by Hensley to defer to the March 23, 2009 meeting; refer to the City Manager for additional information regarding details of the bid. Motion Carried 7-0.

Date: May 21, 2007

Roll Call Number: 07-987

Action: Bid from Swifts Auto Salvage for an annual contract with two (2) additional one-year renewal options to furnish junk vehicle towing services to be used by the Neighborhood Inspection Division of the Community Development Department. (Nine bids mailed, three received). (Council Communication No. 07-285) Moved by Vlassis to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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