

**MEMORANDUM  
COUNTY OF PLACER  
DEPARTMENT OF ADMINISTRATIVE SERVICES  
PROCUREMENT SERVICES DIVISION**

TO: Honorable Board of Supervisors

FROM: David Seward, Purchasing Manager 

DATE: April 3, 2007

SUBJECT: Approve the Award of Competitive Bid No. 9663 to Hoblit Motors for the Lease-Purchase of Thirteen (13) Patrol Sedans in the Amount of \$349,671.17

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**ACTION REQUESTED**

Approve the award of Competitive Bid No. 9663 to Hoblit Motors, Woodland CA, for the lease-purchase of thirteen (13) patrol sedans in the amount of \$349,671.17 and authorize the Purchasing Manager to sign the resulting documents.

**BACKGROUND**

The Sheriff's Department has submitted a request to acquire twelve (12) patrol sedans as a lease-purchase. Because these vehicles are not available under the County's master lease with Mike Albert Leasing, Competitive Bid No. 9663 was developed to solicit pricing for these vehicles. The bid requested pricing on the vehicles and desired options, as well as costs for various leasing options for 3-year and 4-year terms. Responsive bids were received from three (3) firms: Hoblit Motors of Woodland, Wondries Fleet Group of Alhambra, and Lease One of Rocklin. A bid from Municipal Services Group of Moorpark was rejected as incomplete because they offered a "finance only" bid.

Attachment A contains the evaluation of vehicle costs and related financing. The evaluation considered Local Vendor Preference; none of the bidders offered a prompt pay discount. Hoblit Motors submitted the lowest bid in terms of vehicle pricing, as well as total lease costs.

After the bid closed, the Sheriff requested that thirteen (13) patrol sedans be purchased under this bid. The bid included a provision to purchase additional quantities of vehicles at the same pricing.

**FISCAL IMPACT**

After considering the various leasing options offered, the Sheriff has requested that these vehicles be leased for a 3-year period, with quarterly payments. This leasing option provides the lowest total cost for this purchase. The total cost for the lease-purchase of thirteen (13) vehicles is \$349,671.17.

The original twelve (12) vehicles have been appropriately budgeted, and are listed on the Master Fixed Asset List for Fiscal Year 2006/2007. The Sheriff is seeking your Board's approval for a budget revision for the thirteenth (13<sup>th</sup>) vehicle in a separate action. The County will own the vehicles at the end of the lease term.

Attachment A: Bid Evaluation

Cc: Barbara Besana, Administrative Services Officer, Sheriff's Department



COUNTY OF PLACER, AUBURN, CA

**BID EVALUATION & AWARD RECOMMENDATION**

**Bid No.:** 9663  
**Title:** Lease Patrol Sedans  
**Due Date:** 2/20/07

**Buyer Name:** April Pay  
**Phone:** 530-889-4253  
**Estimated Award Date:** 3/20/07

	Name of Firm City/State Telephone Fax Number	Hoblit Motors Woodland, CA 530-886-7931 530-886-7992	Wondries Fleet Group Alhambra, CA 626-457-5590 626-457-5593	Lease One Rocklin, CA 916-952-6308 916-624-3304
	FOB Delivery Time Order Cutoff Date:	Destination 90 days 3/14/2007	Destination 20-120 days (see Comments) 3/31/2007	Destination 8-10 weeks 3/21/2007
	LVP Certified? <sup>11)</sup> Invoice Terms <sup>12)</sup>	No N/A - Lease Purchase Financing	No N/A - Lease Purchase Financing	Yes N/A - Lease Purchase Financing
	<b>Item Description</b>			
	<b>Lease Costs:</b> Total Amount Financed (total vehicle cost) Interest Rate Lease Rate Factor	331,211.82 5.40% 0.068920	335,416.72 5.10 - 5.15% .02991 - .089321	336,473.62 5.49% 0.080953
	Three-Year Lease, Quarterly payments	Qtrly Payment 26,897.67 Total all Pymts 322,773.39  Total Principal 300,145.88 Total Interest <u>22,627.51</u> 322,773.39	Qtrly Payment 27,464.57 Total all Pymts 329,574.06  Total Principal 307,481.72 Total Interest <u>22,092.34</u> 329,574.06	Qtrly Payment 30,544.89 Total all Pymts 366,538.68  Total Principal 335,830.00 Total Interest <u>30,708.68</u> 366,538.68
	Three-Year Lease, Monthly payments	Monthly Pymt 9,009.18 Total all Pymts 324,327.50  Total Principal 300,145.88 Total Interest <u>24,181.62</u> 324,327.50	Monthly Pymt 9,196.78 Total all Pymts 331,083.15  Total Principal 307,481.72 Total Interest <u>23,601.43</u> 331,083.15	Monthly Pymt 10,151.30 Total all Pymts 365,446.80  Total Principal 335,830.00 Total Interest <u>29,616.80</u> 365,446.80
	Four-Year Lease, Quarterly payments	Qtrly Payment 20,686.05 Total all Pymts 330,974.26  Total Principal 300,145.88 Total Interest <u>30,828.38</u> 330,974.26	Qtrly Payment 21,097.24 Total all Pymts 337,555.95  Total Principal 307,481.72 Total Interest <u>30,074.23</u> 337,555.95	Qtrly Payment 23,402.53 Total all Pymts 374,440.48  Total Principal 335,830.00 Total Interest <u>38,610.48</u> 374,440.48
	(1) Local Vendor Preference is granted to those firms who file an LVP Affidavit with the County prior to the close of the bid.	<b>Summary:</b>  3-year, Qtrly 322,773.39  3-year, Monthly 324,327.50  4-year, Qtrly 330,974.26	<b>Summary:</b>  3-year, Qtrly 329,574.06  3-year, Monthly 331,083.15  4-year, Qtrly 337,555.95	<b>Summary:</b> 3-year, Qtrly 366,538.68 LVP <u>-18,326.93</u> Ref Total 348,211.75  3-year, Monthly 365,446.80 LVP <u>-16,272.34</u> Ref Total 347,174.46  4-year, Qtrly: 374,440.48 LVP <u>-18,722.02</u> Ref Total 355,718.46

**AMENDED CALCULATIONS TO INCLUDE A 13th VEHICLE:**

<b>Lease Costs:</b> Total Amount Financed (total vehicle cost) Interest Rate Lease Rate Factor	358,812.81 5.40% 0.068920
Three-Year Lease, Quarterly payments	Qtrly Payment 29,139.26 Total all Pymts 349,671.17  Total Principal 325,158.04 Total Interest <u>24,513.14</u> 349,671.17



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**BID EVALUATION & AWARD RECOMMENDATION**

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LVP Certified? <sup>(1)</sup> Invoice Terms <sup>(2)</sup>		No N/A - Lease Purchase Financing		No N/A - Lease Purchase Financing		Yes N/A - Lease Purchase Financing	
Item Description		Unit Price	Extension	Bid Price	Unit Price	Extension	
<b>Vehicle Pricing:</b>							
Patrol Sedans	12	23,286.00	279,432.00	23,856.00	286,272.00	24,420.25	293,043.00
State of Calif. Tire tax (\$1.75 per tire)	(3) 60	1.75	105.00	1.75	105.00	1.75	105.00
Warranty upgrade, minimum 4 yrs/60,000 mi	12	2,618.00	31,416.00	2,380.00	28,560.00	1,840.00	22,080.00
(1) Local Vendor Preference is granted to those firms who file an LVP Affidavit with the County prior to the close of the		Subtotal		Subtotal		Subtotal	
(2) Invoice Terms of less than 20 days cannot be considered.		7.25% Sales Tax		7.25% Sales Tax		7.25% Sales Tax	
(3) Tire Tax and Warranty Upgrades are not subject to Sales Tax		Freight		Freight		Freight	
		Bid Total		Bid Total		Bid Total	
		LVP		LVP		LVP	
		Prompt Pay Disc		Prompt Pay Disc		Prompt Pay Disc	
		Ref. Price		Ref. Price		Ref. Price	
		\$331,211.82		\$335,416.72		\$336,473.62	
<b>Comments:</b>		Vehicles with charcoal interior are in stock, delivery time 15-20 days. Delivery time for Tan interior is 120 days.					

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**AMENDED CALCULATIONS TO INCLUDE ONE ADDITIONAL VEHICLE:**

<p><b>Vehicle Pricing:</b>                  Patrol Sedans                  State of Calif. Tire tax (\$1.75 per tire)                  Warranty upgrade, minimum 4 yrs/60,000 mi</p>	<p>13                  65                  13</p>	<p>23,286.00                  1.75                  2,618.00</p> <p>302,718.00                  113.75                  34,034.00</p>
		<p>Subtotal 336,865.75                  7.25% Sales Tax 21,947.06                  Freight 0.00                  Bid Total 358,812.81                  LVP 0.00                  Prompt Pay Disc 0.00  <b>Ref. Price \$358,812.81</b></p>

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