



MOUNTAINS RECREATION & CONSERVATION AUTHORITY

Los Angeles River Center & Gardens
570 West Avenue Twenty-six, Suite 100
Los Angeles, California 90065
Phone (323) 221-9944

MEMORANDUM

TO: The Governing Board

FROM:  Joseph T. Edmiston, FAICP, Hon. ASLA, Executive Officer

DATE: January 2, 2014

SUBJECT: **Agenda Item IV: Consideration of resolution authorizing vehicle leases.**

Staff Recommendation: That the Governing Board adopt the attached resolution authorizing fourteen vehicle leases with Fairview Ford Sales, Inc. in the amount of \$512,791.80 and authorize disposal of several vehicles through a public auction process.,

Background: In November, MRCA solicited bids for leases for fourteen replacement vehicles, including four sedans, four ½ ton trucks, two 3/4 ton trucks, and four 1-ton trucks. The lease parameters on all of the vehicles are identical, have a five-year term with no mileage restrictions, and a \$1 buyout option at the end. Bids were received from five dealers. Fairview Ford Sales, Inc. of San Bernardino was determined to be the lowest responsible and responsive bidder.

Some of the fourteen vehicles in this lease batch are replacing vehicles that have already been decommissioned. Others will replace existing vehicles that will subsequently need to be disposed of. Various public agencies use a public auction process to dispose of vehicles, mobile equipment and surplus property. Using an auction service is a common and convenient method and would ensure that MRCA receives the highest possible value for the vehicles sold. All vehicle purchases will continue to be made pursuant to the agency's Purchasing Policy.

MRCA vehicles are used for the express purpose of conducting MRCA business, and any other use is expressly prohibited by the Vehicle Usage Policy. Only employees with a valid California Driver's License may operate MRCA vehicles. To the extent that MRCA vehicles are used for commuting to and from an employee's home, such use is required to be reported by the driver as taxable income.

Consideration: The total cost for all fourteen leases over a 60 month term is \$512,791.80.