



November 10, 2011

**TO:** Honorable Mayor and City Council

**FROM:** Alan Tandy, City Manager *AT*

**SUBJECT:** General Information

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**Please Note:**

*City Hall will be closed tomorrow, November 11<sup>th</sup> in observance of Veteran's Day.*



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*If you are viewing the document online, you can click the blue underlined words throughout the text, which will take you directly to the background files referenced for each applicable topic.*

**Miscellaneous News**

- Mayor Hall cut the ribbon on 70 new units of very high-quality housing along South Mill Creek today. The project is beautifully designed and is already fully occupied! Some photos of the facility are enclosed.
- At the Council meeting of October 19, 2011, Councilmembers Johnson and Hanson requested that staff look into different issues surrounding local vendor preference. Both the City Attorney and the Financial Services Department provided memos addressing the subject, and they are enclosed.
- Good news! A recent analysis of park development fee balances shows the City should be able to construct most or all of Phase II of the Sports Village sooner than expected. The plan is to build the additional fields, but utilize at least a portion of them for youth football temporarily. Once the originally planned football fields are built in a future phase of the complex, the temporary fields in Phase II will be converted to regulation soccer fields per the original design. Some rough grading has begun on the site and we will send you more information as it becomes available. Details will be discussed by the Community Services Committee.
- Also parks related – We have scheduled the ribbon cutting for the new playground at Central Park for November 16<sup>th</sup> at 4:00 p.m. This is a Council Meeting evening, so the ceremony will be brief – but your presence is requested if your schedule allows! A press release is attached.

## **Redevelopment News**

- Today, the California Supreme Court began hearing oral arguments in *California Redevelopment Association, et al (including the League) v. Matosantos*. The lawsuit challenges the constitutionality of the State's plan to eliminate redevelopment agencies unless they agree to pay \$1.7 billion for FY 2011-12 and \$400 million in subsequent budget years.

The initial petition, filed on July 18<sup>th</sup> by the California Redevelopment Association (CRA), the League, and the cities of San Jose and Union City, argues that AB 1x 26 and AB 1x 27 violate the California State Constitution, including Proposition 22. Prop. 22 was passed by 61 percent of California voters in November, 2010 to prevent State raids on local governments, including redevelopment agencies.

I will keep you informed as more detail becomes available. It's too soon to call.

## **Event Schedule**

There are multiple public events scheduled for the next week at City facilities:

- ☞ Monty Python's Spamalot  
November 16<sup>th</sup>; 7:30 p.m.  
Rabobank Theater - [Tickets: \\$26.50 – \\$54](#)
- ☞ Winter Jam 2011  
November 17<sup>th</sup>; 7 p.m.  
Rabobank Arena - Tickets: \$10 at the door
- ☞ Hot Fest 2011  
November 18<sup>th</sup>; 7:30 p.m.  
Rabobank Arena - [Tickets: \\$20 - \\$50](#)

## **Council Referrals**

- Councilmember Salas:
  - Tow Truck Rates
- Councilmember Johnson:
  - 2012 Healthcare Plans

## **Reports**

For your information, we enclose the following information:

- The Streets Division work schedule for the week beginning November 14<sup>th</sup>; and
- Directed Policing Unit Monthly Report.

AT:rs:ch

cc: Department Heads  
Roberta Gafford, City Clerk

# City Place Apartments





**MEMORANDUM**  
**CITY ATTORNEY'S OFFICE**

November 9, 2011

**TO: HONORABLE MAYOR AND CITY COUNCIL**

**FROM: JOSHUA H. RUDNICK, DEPUTY CITY ATTORNEY**

**SUBJECT: VEHICLE PREFERENCE ANALYSIS**  
**COUNCIL REFERRAL NO. 274**

Dual referral to the City Attorney and Financial Services

- 1) Councilmember Johnson requested that staff investigate how Kern County operates and legally justifies a 5% vehicle preference for local bidders, and bring back a report.
- 2) Councilmember Hanson requested that staff prepare a comparison of the total number of dollars spent on purchases put out to bid for each year, and what 3% and 5% would mean to the process. <sup>1</sup>

**1. KERN COUNTY'S LOCAL VENDOR PREFERENCE POLICY:**

The County of Kern has a Local Vendor Preference policy which applies to all competitive bids for equipment, materials supplies and contractual services in which the contractual services are procured using a bid solicitation process based solely on price. (See attached County policy as Exhibit 1)

It should be noted that:

**The County's local vendor preference does not apply to public works/construction projects, which must be awarded to the lowest responsive and responsible bidder to specification in accordance with the California Public Contract Code.**

The County defines a "Local Vendor" as any business which:

- A. Has had a fixed office or distribution point located in and having a street address within the county for at least six months immediately prior to the issuance of the request for competitive bids by the purchasing agent;
- B. Employs at least one full-time or two part-time employees whose primary residence is located within Kern County, or if the business has no employees, shall be at least fifty percent owned by one or more persons whose primary residence(s) is located within Kern County; and

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<sup>1</sup> Finance will respond to this referral in a separate report.

- C. Will credit all sales taxes generated pursuant to the contract awarded as a result of the application of this local vendor preference to its business location in Kern County.

The following is how the County's local vendor preference works:

**If the low bidder is not a local vendor, any local vendor that submitted a bid that is within five percent of the low bid shall have the option of submitting a new bid within 48 hours (not including weekends and holidays) of the time indicated in the bid documents of the bid opening. Such new bids must be in an amount less than or equal to the low bid announced by the Purchasing Agent.**

If the Purchasing Agent receives any new bids from local vendors who have the option of submitting new bids within said forty-eight (48) hour period, the Purchasing Agent shall award the contract to the local vendor submitting the lowest bid. If no new bids are received, the contract shall be awarded to the original low bidder as announced by the Purchasing Agent. If more than one new bid is received from local vendors, and there is a tie for the low bid, the contract shall be awarded to the local vendor whose original bid was the lowest.

## **2. LEGAL BASIS FOR KERN COUNTY'S LOCAL VENDOR PREFERENCE POLICY:**

Cities and Counties must, by ordinance, adopt policies and procedures, including bidding regulations, governing purchases of supplies and equipment by the City. Such purchases must be in accordance with such adopted policies and in accordance with all relevant provisions of law. No policy, procedure or regulation may be adopted which is inconsistent or in conflict with statute.

It appears that Kern County's local vendor policy is supported by a California Attorney General opinion that held that a general law county that employs a purchasing agent, may in accordance with Government Code section 54202, and subject to any provisions of law governing the purchase of particular goods or articles, adopt a procedure which provides to vendors within the county a five percent preference. (72 Ops. Cal. Atty. Gen. 86)

## **3. CONCLUSION:**

Although the Kern County's five percent local vendor preference policy appears to be valid under state law, the City of Bakersfield **would not** be able to implement the identical process because of language in our City Charter pertinent to low bids and anti-collusion provisions. See Charter Sections 136 and 140.

However, as a charter city, the City of Bakersfield has other options, including expanding its own 1% local vendor preference (see attached survey of other cities) in a manner that would not violate our Charter. Please see the accompanied memo by the Finance Director for a description and analysis of these options.

JHR:vl

Attachments

cc: Alan Tandy, City Manager

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## Kern County Administrative Policy and Procedures Manual

### Chapter 5 - Purchasing Procedures

#### 531. Local Vendor Preference.

The Board of Supervisors has approved and supports a local vendor preference which applies to all competitive bids for equipment, materials, supplies and contractual services in which the contractual services are procured using a bid solicitation process based solely on price.

No consideration shall be given to any other factors such as qualifications, references or experience in determining contract award, provided the vendor whose price is determined to be the lowest has met all the bid specifications and requirements. The preference does not apply to public works/construction projects which must be awarded to the low responsive, responsible bidder to specification per Public Contract Code. A preference will apply to professional service contracts awarded by means of the RFP process as described in section 511 of this manual.

Local Vendor shall mean any business which:

1. Has had a fixed office or distribution point located in and having a street address within the county for at least six months immediately prior to the issuance of the request for competitive bids by the purchasing agent;
2. Employs at least one full-time or two part-time employees whose primary residence is located within Kern County, or if the business has no employees, shall be at least fifty percent owned by one or more persons whose primary residence(s) is located within Kern County; and
3. Will credit all sales taxes generated pursuant to the contract awarded as a result of the application of this local vendor preference to its business location in Kern County.

If the low bidder is not a local vendor, any local vendor that submitted a bid that is within five percent of the low bid shall have the option of submitting a new bid within 48 hours (not including weekends and holidays) of the time indicated in the bid documents of the bid opening. Such new bids must be in an amount less than or equal to the low bid announced by the Purchasing Agent.

If the Purchasing Agent receives any new bids from local vendors who have the option of submitting new bids within said forty-eight (48) hour period, the Purchasing Agent shall award the contract to the local vendor submitting the lowest bid. If no new bids are received, the contract shall be awarded to the original low bidder as announced by the Purchasing Agent. If more than one new bid is received from local vendors, and there is a tie for the low bid, the contract shall be awarded to the local vendor whose original bid was the lowest.

For telephone or facsimile quotes, it is the responsibility of the buyer to determine the low bidder and to implement the local vendor preference.

Departments using the Fast Track Bidding Process must be aware of the local vendor preference when making a recommendation of award to the Purchasing Division.

If the local vendor preference applies, the department shall notify the Purchasing Division of the situation and the Purchasing Division will make contact with the local vendor(s). The department shall submit a requisition with the attached quote sheet and the Purchasing Division will complete the bid process and make the award.

City	Vendor Preference
Fremont	2.5% local preference For the purpose of comparing bids between local and non-local businesses, the bid amount is calculated at 2.5% below the amount submitted for local businesses. The amount of the local preference shall not exceed five thousand dollars for any single purchase order or contract.
Fresno	Contracts in the amount of \$500,000 or more 5% local preference not to exceed \$25,000. Contracts of \$500,000 or less local business must also be "small" to receive preference. The local preference is applied when the low bidder is non-local and the second bidder is local. The rate of preference is calculated on the non-local bid and the resulting amount is deducted from the local bid. If the local bid is lower after the deduction, award may be made to the local bidder. If after application of the preference, the local bid remains higher than the non-local bid, award shall be made to the non-local bidder.
Glendale	Local given preference if quality and prices are equal.
Modesto	The lowest bid or quote submitted by a local business that is within 5% of the lowest bid or quote, whether or not that bidder is the second lowest bidder, may be deemed to be the lowest bidder if the bidder agrees to reduce its bid to match the bid or quote of the lowest bidder in writing within five business days after notification by City Purchasing staff, and providing that the Purchasing Manager, or designee, determines that said local bidder is a responsible bidder submitting a bid or quote that is responsive to the City's specifications, terms, and conditions and the application of this section is appropriate.
Ontario	1% discount off their bid price due to the ultimate receipt by the City of a proportionate amount of the sales tax.
Oxnard	No Local Preference at this time. Going to committee to consider what kind of preference to apply this month.
Pasadena	For contracts for the purchase of goods and materials of \$25,000 or more where it has been determined that the city will receive a return of sales tax, a preference to local businesses equal to the amount the city will receive in sales tax revenue shall be provided. The city manager may modify or eliminate this preference where it is in conflict with federal or state laws or regulations. For contracts of \$25,000.00 or more that are subject to competitive selection, local businesses shall receive a preference equal to 5% of the overall evaluation. In addition, small businesses and microbusinesses shall receive a preference equal to 5% of the overall evaluation.
Riverside	5% price preference may be applied to the total procurement price during evaluation of the supplier's response.
San Bernardino	Any formal or informal bid submitted by a local bidder for goods or materials pursuant to this Chapter shall receive a 1% credit for comparison purposes with other bidders.
Stockton	3% to local. The 3% preference shall be based on the amount of that portion of the bid which is subject to sales tax. This is intended to provide preference in the award of certain City contracts in order to encourage businesses to move into the City.





## MEMORANDUM

TO: Honorable Mayor and City Council

FROM: Nelson K. Smith, Finance Director

DATE: November 10, 2011

SUBJECT: Council Referral # 274 – Vendor Preference

Dual referral to the City Attorney and Financial Services:

1. Councilmember Johnson requested that staff investigate how Kern County operates and legally justifies a 5% vehicle preference for local bidders, and bring back a report; and
2. Councilmember Hanson requested that staff prepare a comparison of the total number of dollars spent on purchases put out to bid for each year, and what 3% and 5% would mean to the process.

In response to item # 2 City staff has reviewed all “non-construction” bids processed through the purchasing division for fiscal year 2010-11 and have determined the total dollars of bid awards during the 12 month period was \$20,392,784.

We also reviewed our bid files and vendor records for our top 100 vendors and have determined that approximately 25% of the above figure is related to local vendor purchases; thus the remaining 75% is attributable to vendors outside the city limits.

Therefore, if the general concept is that awarding bids to local vendors where the bid had previously gone to outside vendors, then the 3% and 5% “credits” should be applied to only 75% of the \$20.4 million amount (  $\$20.4 \text{ million} \times 75\% = \$15.3 \text{ million}$ ). Given those perimeters:

Three percent (3%) of \$15.3 million is equal to \$459,000.

Five percent (5%) of \$15.3 million is equal to \$765,000.

However, in conjunction with the first question regarding Kern County’s practices; their policy does not “cost” the County additional money as they require the local vendor to either match or beat the out of County vendor’s price. The City Attorney’s response to this issue further clarifies that our City Charter would not allow us to follow the County’s process. However, other options are available.

## **Additional information –**

Staff from both the Finance Department and the City Attorney's office gathered additional information on the topic of local vendor preference and found that many of our comparable cities have some sort of vendor preference policy. A survey prepared by the City Attorney's office is attached for your review.

Two of the cities surveyed have a policy similar to Bakersfield where they allow for a 1% preference based on the local sales tax dollars that return to the city.

One city (Modesto) has a policy very similar to Kern County where the local vendor is allowed to "match" the low bid after the bid opening has taken place.

The remainder of the cities surveyed have a variety of preference policies that contain characteristics as follows:

- Local preference from 2.5% to 5.0%
- Some policies carry dollar (\$) caps from \$5,000 to \$25,000;
- Some cities do not cap the local preference financial impact;
- Some cities restrict the preference to the city limits; others use a countywide boundary; others use a radius from city hall as the boundary;
- Some cities require the local vendor to have been in business for a period of time; some others require a certain number of employees, etc.

In order to provide you with some options to consider we have outlined three different scenario policies for discussion purposes.

**Option # 1:** Status quo – retain the current 1% local vendor policy which continues to encourage maximum competition and provides the city with the lowest net cost for all products and services.

**Option # 2:** 3% local preference with no dollar cap. This would expand the current policy beyond the sales tax nexus, but as a charter city the Council could make a finding of general benefit to the community.

Staff reviewed our vendor files as referenced earlier and applying the overall \$20 million purchase of products and services we estimate the potential financial impact to the City could be in the neighborhood of \$600,000 per year in additional costs.

**Option # 3:** 5% local preference with a dollar cap of \$15,000. This would also expand our current policy with a finding of general benefit to the community, but would place limits on the financial impacts to our annual budget. We envision the "cap" would cover all bids and services up to \$300,000. A 5% preference applied to a bid of \$300,000 is equal to \$15,000.

For example, if an out of town vendor bid \$290,000 for the purchase of ten police cars and a local vendor bid \$300,000 for the ten police cars – a 5% credit would be applied to the local vendor's bid ( $\$300,000 \times 0.05 = \$15,000$ ) bringing their "bid plus credit" down from \$300,000 to \$285,000 ( $\$300,000 - \$15,000 = \$285,000$ ); then for award purposes the City would compare the local "bid plus credit" of \$285,000 to the out of town bid of \$290,000 and the bid would be awarded to the local vendor. The additional cost to the City in this example would be \$10,000; which is the difference between the out of town bid of \$290,000 and the \$300,000 price ultimately paid to the local vendor. Of course the true "net cost" to the City is only \$7,000 since the 1% sales tax on the \$300,000 purchase price ( $1\% \text{ of } \$300,000 = \$3,000$ ) would eventually be returned to the city in the form of sales tax revenues.

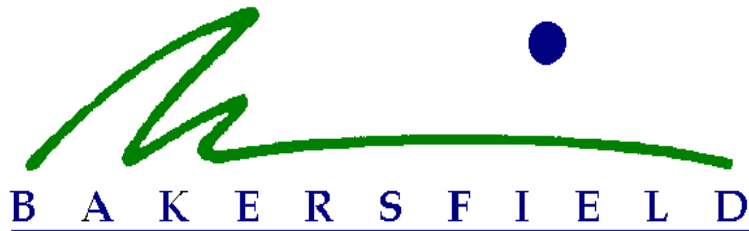
The example above is descriptive of how our current local preference policy works, except we currently apply a 1% "credit" instead of the 5% used in the example. We currently use the city limits as the determining boundary and we require all local vendors to be current on the payment of their local city business license tax.

You could of course consider some mix of the scenarios, such as applying some sort of cap to the 3% scenario. There are also some other factors that you may wish to consider as you discuss the pros and cons of a policy change, such as:

- The City of Bakersfield has very irregular boundaries. Using the City limits with a factor higher than 1% could generate challenges from some companies that are located in a county island or peninsula, where they could argue that their activities are of public benefit as well; employing our residents, paying our business tax, they may be a member of the Chamber of Commerce, etc.
- Retaining the city limits as the determining factor may encourage annexation of some areas into the city.
- Increasing the percentage beyond the 1% may eventually discourage competition from outside vendors and may reduce motivation of remaining bidders to sharpen their pencils, thus driving costs higher. We have routinely been questioned in the past when we only receive one bid proposal.

We hope you find this additional information helpful in your discussion of the topic.

cc: Alan Tandy  
Virginia Gennaro



**DEPARTMENT OF RECREATION & PARKS**

DIANNE HOOVER, DIRECTOR

**MEDIA ADVISORY**

**FOR IMMEDIATE RELEASE:  
November 10, 2011**

**CONTACT:  
Terry McCormick  
661.326.3415**

**Grand Opening Ceremony – Central Park at Mill Creek Playground**

Please join Mayor Harvey Hall, Councilmember Sue Benham, along with city officials and representatives from the project and community in opening the new playground at Central Park, on Wednesday, November 16th.

Central Park at Mill Creek now features the City of Bakersfield's first inclusive playground. The purpose of an inclusive playground is to allow children and adults of all abilities to play and learn together in a fun and welcoming environment. Rubberized safety surfacing covers the entire playground allowing full access to all of the ground level features such as low climbers, ground level play panels, interactive elements and small slides. An elevated access ramp, wide enough to allow two wheel chairs to pass side by side, provides access to raised features such as larger more complex slides and climbers, play panels, interactive zones, gyro spinner, tri-pods and a spiral traverse. The swing set features an inclusive swing seat with advanced restraints ideal for upper and lower body support. The rubberized surfacing can be used for play as well. It has an artistic element that reflects the Mill Creek water and wheel in the surfacing. Please enjoy the new playground and support the Recreation and Parks Department in our vision to ensure all children have the opportunity to gain the development and health benefits derived from unstructured play in an inclusive environment.

**When:** **Wednesday, November 16, 2011 at 4:00 p.m.**

**Location:** **Central Park at Mill Creek**

600 19<sup>th</sup> Street  
(North Side of Park)

**Directions:**

# # #





## DEPARTMENT OF RECREATION & PARKS

DIANNE HOOVER, DIRECTOR

# CENTRAL PARK AT MILL CREEK PLAYGROUND FACT SHEET

### Address

600 19<sup>th</sup> Street

### Installation Time

8 weeks

### Opening Date

November 16, 2011

### Contractor

Meyer Civil Engineering, Inc.  
Brown & Fowler Construction, Inc.

### Equipment Manufacturer

Playcraft Direct, Inc.

### Total Cost

\$240,000

### Funding Source

Community Development Block Grant Funds

### Amenities

- Fully Inclusive Playground
- Swings
- Sidewalk
- Gyro Spinner/Tri-Pod/Spiral Traverse Unit
- 2-5 year old composite structure with climbers, slides, panels & interactive elements
- 5-12 year old composite structure with climbers, slides, panels & interactive elements
- Safety Surfacing
- Benches
- Shade Tree



## MEMORANDUM

TO: Honorable Mayor and City Council

FROM: Nelson K. Smith, Finance Director

DATE: November 8, 2011

SUBJECT: Council Referral # 279 – Tow Truck Rates

Referral item:

1. Councilmember Salas requested that staff provide a financial analysis of data regarding the tow truck rates and meet with the tow truck operators.

Councilmember Salas indicated to staff that he had conducted a very informal inquiry into tow truck rates and found that several companies in Bakersfield charged much lower rates than are currently authorized by the City for police initiated tows. He requested staff investigate this issue further and meet with the tow companies to further justify the rate increase being requested.

Staff contacted the consultant for the towing coalition on October 21, 2011 and described the general issue needing further review. Staff requested assistance and input from the towing coalition to properly identify and explain the various factors that might explain the difference in rates between private tow services and city initiated tow services.

City staff conducted an informal survey of the tow coalition vendors and determined the average rate they would charge a private citizen to tow a car ten miles was about \$72. Comparing this rate to the current City rate of \$148 and the proposed increase for a light duty tow to \$165 is the focus of the remainder of this report.

Staff met with representatives from the towing coalition on November 1, 2011 and received information regarding several factors that they attribute to the differences in costs. The City contract for tow services places several conditions and/or requirements on the rotational tow companies, which are summarized below:

- Police tow rotation is an emergency response call and requires a 30 minute response time. Private tows have no such requirements and are subject to tow truck and staffing availability.

- City contract has tow truck equipment standards that exceed those required to perform a private tow service.
- City contract has employment standards requiring things like drug testing, driver background checks, training, certifications and uniform requirements that exceed any general state requirements to perform a private tow.
- City contract requires each tow company under contract to provide storage facilities of a certain size with specific security features in place that are not applicable to the costs or requirements of a private tow.
- City contract contains property and liability insurance requirements that exceed minimum state standards that would apply to a private tow operation.
- City contract also imposes specific reporting requirements that would not apply to a private tow service.
- City contract also requires a service response regardless of the vehicle owners ability to pay. The towing coalition group estimates that they only receive full payment on 60% to 65% of work they perform under the city contract. Payment for a private tow is normally verified prior to the work being done.

While it is difficult to assign a specific dollar value to any one of these factors, the cumulative effect of these items lends itself to a higher cost of service provided. The claim that 35% to 40% of costs for towing services are never recovered is especially supportive of a higher per unit charge when compared to a private tow service fee.

**Secondary Analysis** - Staff also gathered some information from some of our “comparable cities” to see how our “police initiated” tow rates compared to others in California. We found a wide variety of methodologies regarding police tow services.

Some cities treat the tow companies as franchises and share in the fees collected. Bakersfield does not provide franchises to tow companies and therefore does not collect a franchise fee. Many cities (including Bakersfield) charge administrative fees to each vehicle owner before their car can be released from impound.

The table below summarizes the data available from the survey cities. Some of the information was found by searching the various city web sites and other information was obtained by telephone inquiry. We apologize for the gaps in the table, but we did not want to hold up the report waiting for callbacks from the remaining agencies.

Local Agency	Light Duty Tow Rate charged to owner	City Share of Tow Rate (Franchise fee)	City Admin Fee for Impound Release
Bakersfield	\$148 (Current fee)	\$ - 0 -	\$175
Freemont	Not available	\$ - 0 -	\$196
Fresno	\$145	\$40	\$184
Glendale	Not available	\$ - 0 -	\$94
Modesto	\$180	\$50	\$160
Ontario	\$140	\$ - 0 -	\$123
Oxnard	\$90	\$ - 0 -	\$495
Pasadena	\$90	\$ - 0 -	\$107
Riverside	\$175	\$65	\$60
San Bernardino	Not available	\$70	\$349
Stockton	\$175	\$ - 0 -	\$185
Kern County	\$175	\$ - 0 -	Not available
Ca. Highway Patrol	\$200 (avg)	\$ - 0 -	Not available

In Summary, the range of light duty tow charges runs from a low of \$90 to a high of \$200. The proposed increase from \$148 to \$165 would take us just above the midpoint. The range of administrative fees runs from a low of \$60 to a high of \$495. Bakersfield is in the middle of the group with five cities higher and five cities lower.

cc: Alan Tandy  
Virginia Gennaro





**OFFICE OF THE CITY MANAGER  
MEMORANDUM**

November 10, 2011

**TO:** Alan Tandy, City Manager

**FROM:** Steven Teglia, Assistant to the City Manager

**SUBJECT: Response to Councilmember Johnson regarding inclusion of additional health plan option for the 2012 plan year.**

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**Background:** During the special Council meeting held on November 7, 2011, Councilmember Johnson requested staff look at the feasibility of adding an additional health plan to the City's health benefits package for the 2012 plan year.

**Response:** Based on the required process discussed below and the current deadlines which need to be met in preparation for the 2012 plan year, it is not possible for additional health plan options to be properly identified, vetted and contracted for next year. However, staff can initiate discussions with the Insurance Committee, early in 2012, on a potential RFP process to evaluate existing and or new health plan options for the 2013 Plan Year.

**Current City Open Enrollment Schedule:** With the approval of the final health care contract for the 2012 plan year, which occurred on November 7<sup>th</sup>, staff is now processing the necessary agreements and moving forward with an Open Enrollment period for employees.

- Open Enrollment is required by law
- Allows employees the opportunity to make plan changes, including selecting a new health plan or adding dependents
- Needs to be completed to allow for processing changes prior to new plan year
- New plan year begins on the pay period beginning December 19, 2011
- Open Enrollment scheduled for November 21<sup>st</sup> – December 9<sup>th</sup> to accommodate potential impacts related to the Thanksgiving Holiday

**Health Plan Review Process:** Due to collective bargaining requirements, the process by which the City annually reviews health benefits is a lengthy one, which includes the involvement of the City's Insurance Committee and the Council's Personnel Committee. The process typically begins in late spring or early summer and is concluded by late fall. The typical process includes detailed analysis of plan utilization, rate proposals and other plan structures which are then discussed over the course of multiple meetings with the Insurance and Personnel Committee's.

Adding a Request for Proposals (RFP) process to the annual evaluation described above will require additional time and process. The RFP process is utilized to properly evaluate existing and or new proposals from prospective providers and to determine the preferred course of action from both the City's perspective and the perspective of the employees as they are represented by the Insurance Committee. The RFP process, which is broadly discussed below, can take about four (4) months from start to finish. Some of the timeline can run concurrently with the normal annual process discussed above, but utilizing an RFP would require an earlier start to the process to allow for potential collective bargaining requirements to take place related to the results.

**Overview of RFP Timeline:** Attached to this memo is an overview of the RFP process that would typically be used to evaluate health plan proposals. The bullet points below provide a general overview of the timeline involved with the various steps.

- Release of RFP – Day 1
- Intent to Bid Form and Signed Confidentiality Agreement Due – Day 10
- Pre-Proposer Conference (optional) – Day 15
- Proposer Questions Due – Day 20
- Complete Proposal Due – Day 45
- Interviews – Day 60
- Best and Final Offers Due (optional if necessary) – Day 65
- Estimated Date for Award of Contract – Day 85
- Contract Effective Date – Day 120

Some of the typical evaluation criteria used to evaluate a response to an RFP would include the following:

- Fees/Rates/Network Discounts
- Adherence to RFP Instructions and Overall Responsiveness
- Network Disruption
- Ability to Perform Services Requested in RFP
- Experience Offering Services to Similar Sized Entities and References
- Performance Guarantees

Again, given the required processes previously discussed and the deadlines by which we have to work with it is not feasible to add any additional health plan options for 2012, beyond those that have been recommended as a result of the collective bargaining process.

Overview of Request for Proposal Process:

The attached is a sample timetable and suggested evaluation criteria which Segal typically uses for conducting a Request for Proposal, RFP for a public entity for an HMO Medical Plan. The timetable anticipates a sufficient amount of time to allow for the internal evaluation of the bids and recommendations for award of contract to the elected body.

This timetable also anticipates sufficient time for vetting of the proposal by the Insurance Committee and the Personnel Committee of the City, prior to a final recommendation to the Council.

The City and the Insurance Committee would work with Segal to develop the weighting of each category that is listed and modify the descriptive language for each of the categories. The weighting of the evaluation categories allows for a defensible public procurement and also allows the evaluation committee to assign as more important certain categories on which the recommendation will be made.

In addition to the RFP release date, an additional 15 to 20 days of RFP preparation and data collection time should be added onto the project plan, for the Consultant and the City to gather the information and edit the RFP prior to the release date.

<b>RFP Proposal Timeline</b>	
<b>Action</b>	<b>Due Date</b>
RFP Released	<i>Day 1</i>
Intent to Bid Form and Signed Confidentiality Agreement Due	<i>Day 10</i>
<i>Pre-Proposer Conference</i>	<i>Optional Day 15</i>
Proposer Questions due	<i>Day 20</i>
Complete Proposal Due	<i>Day 45</i>
PRIORITY-LISTED OFFEROR Interviews	<i>Day 60</i>
Best and Final Offers Due (optional if necessary)	<i>Day 65</i>
Estimated Date for Award of Contract	<i>Day 85</i>
Contract Effective Date	<i>Day 120</i>

**PROPOSAL EVALUATION**

1. **INTRODUCTION:** The City of Bakersfield seeks the highest quality organization to provide medical service benefits through an HMO plan offering to its employees and retirees. Throughout the selection process, the The City reserves the right, in its sole discretion:
  - a. To not award the contract to the lowest cost OFFEROR.
  - b. To not award the contract at all.

2. **EVALUATION PROCESS:** An Evaluation Committee selected by the City will review and evaluate all proposals submitted by the deadline specified in this RFP. The evaluation process will be conducted in six phases:

- Phase 1 – Evaluation of Mandatory Requirements
- Phase 2 – Establishment of PRIORITY-LISTED OFFERORS
- Phase 3 – Discussions with PRIORITY-LISTED OFFERORS, if any
- Phase 4 – Best and Final Offers (Optional)
- Phase 5 – Final Evaluation of Proposals
- Phase 6 – Award

3. **EVALUATION CRITERIA AND POINTS:** The evaluation criteria listed below will be used to evaluate and rank OFFERORS’ proposals.

<b>Criteria</b>	<b>Points</b>
Fees/Rates/Network Discounts	
Adherence to RFP Instructions and Overall Responsiveness	
Network Disruption	
Ability to Perform Services Requested in RFP (Including the Special Conditions in Section I)	
Experience offering services to similar sized Entities and References	
Performance Guarantees	
<b>Total</b>	<b>100</b>

**Description of Evaluation Criteria:**

- **Fees/Rates/Network Discounts:** For the fully insured options the cost will be calculated as the rates times the annual estimated enrollment for plan of benefits for which a proposal sheet is submitted using the enrollment that is contained in the appendix of this RFP and the extent of any future rate guarantees.
- **Adherence to RFP Instructions and Overall Responsiveness:** This category reflects the OFFERORS thoroughness of response contained in the proposal submission, adherence to the instructions contained in this Request for Proposal and inclusion of all requested information in its proposal.
- **Network Disruption:** Network disruption will be evaluated based upon the information that is submitted in this Request for Proposal and will be measured upon the providers, facilities, and sources of care and services used by the active and retired participants in the plans for which a



proposal is being submitted, as measured from the experience of the plan over the past 3 years (or the existence of the plan if less than 3 years) The census files submitted to OFFERORS include residence zip code locations. Network disruption will be analyzed on this basis:

- The overall percent of the plan enrolled population that will be not be required to change providers from those that had been used over the past three years or from inception of the plan
  
- **Ability to Perform Services Requested in RFP (including special conditions in Appendix D):** This category will be evaluated based upon the responses contained in the proposal with respect to the OFFERORS agreement to perform all of the services required in a manner and to the specifications outlined in this RFP. The OFFERORS thorough explanation of how it will complete the required tasks outlined in the RFP will be evaluated based upon its understanding of the tasks, the demonstrated ability to perform the tasks and agreement to dedicate the necessary resources to perform the tasks.
  
- **Experience offering services to similar sized Entities and References:** The analysis of this category will be the result of reviewing the list of referred Entities for which the OFFEROR is providing identical or very similar services that are comparable is number of enrolled participants, benefit plan comparability, complexity of administration and a similar sized city and geographic dispersion of participant population. Each supplied reference will be interview for an evaluation of the performance of the OFFERORS with respect to the contracted services performed for the referenced Entity.
  
- **Performance Guarantees:** This category will be evaluated upon the agreement of the OFFEROR to be held accountable for each of the category of performance guarantee as stipulated in this RFP and the overall penalty agreed to for each category of performance that is being guaranteed.

**STREETS DIVISION – WORK SCHEDULE**

**Week of Nov. 14, 2011 – Nov. 18, 2011**

**Resurfacing/Reconstructing streets in the following areas:**

Resurfacing Streets in the area north of 21<sup>st</sup> St between “B” St & Elm St (weather permitting)

Blade Sealing in the area north of Brundage between “H” St and Chester Ave also between “H” St and Oleander (weather permitting)

Reconstructing streets in the area south of Planz Rd and west of Wible Rd (weather permitting)

**Miscellaneous Streets Division projects:**

Video inspection of City owned Sewer & Storm lines to evaluate condition of pipes

Repairing Curb & Gutters at Bus Stops in various areas

Placing Grindings on the Kelso Peak access road

Preparing for Crack Sealing program

THIS SPACE INTENTIONALLY LEFT BLANK

**STREETS SWEEPING SCHEDULE**

**Monday, Nov. 14, 2011**

Between So. "H" St. & Union Avenue – Pacheco Rd. & Hosking Rd.

Between Stockdale Hwy. & Truxtun Ave. (ext.) – Coffee Rd & Partridge Ave.

**Tuesday, Nov. 15, 2011**

Between Panama Lane & Woodmere Dr. – Ashe Rd. & Stine Rd.

Between District Blvd. & Panama Ln. -- Gosford Rd. & Ashe Rd.

Between Akers Rd. & Phyllis St. – Harris Rd. & Panama Ln.

City areas between Akers Rd. & Stine Rd. – Harris Rd. & Panama Ln.

Cul-De-Sacs on the north side of Angela Wy., between Manely Ct. & Cris Ct.

Between Oswell Park Dr. & Brundage Ln. – Oswell St. & Leeta St.

**Wednesday, Nov. 16, 2011**

City areas between Workman St. & Sterling Rd. – 58 Hwy. & Baja Dr.

Between Morning Dr. & Park Dr. – College Ave. & Willis Ave.

Between Buena Vista Rd. & Old River Rd. – White Ln. & Panama Ln.

Between Old River Rd. & Gosford Rd. – White Ln. & Pacheco Rd.

**Thursday, Nov. 17, 2011**

City areas between Stockdale Hwy. & Ming Ave. – Ashe Rd. & Gosford Rd.

Between El Portal/Laurelglen Blvd. & Ashe Rd. – Ming Ave. & So. Halfmoon/Olympia Dr.

Between Ashe Rd. & Stine Rd. – Ming Ave. & So. Halfmoon/Edgemount Dr.

Between Coffee Rd. & Wilson Rd. (ext.) – White Ln. & So. Halfmoon/Olympia Dr.

**Friday, Nov. 18, 2011**

Between Stockdale Hwy. & Ming Ave. – Allen Rd. & Old River Rd.

Between Old River Rd. & Coffee Rd. – Ming Ave. & Ridge Oak/Westwold Dr.

Between Ridge Oak/Westwold Dr. & White Ln. – Old River Rd., east to the PG&E easement.

Between White Ln. & Asperata Dr. – Gosford Rd., west to the PG&E easement.

Between White Ln. & Cederwood Dr. – Stine Rd. & Wilson Rd. (ext.)

**NOTE:** If raining, there will be no street sweeping service and all street cleaning personnel will be assigned to cleaning plugged drains and part circle culverts.



## BAKERSFIELD POLICE MEMORANDUM



Date: November 7, 2011  
To: Alan Tandy, City Manager  
From: Greg Williamson, Chief of Police  
Subject: Directed Policing Unit/Gang Violence Report

I have enclosed the Directed Policing Unit's monthly gang statistics report for October, 2011. Please call if you have any questions.

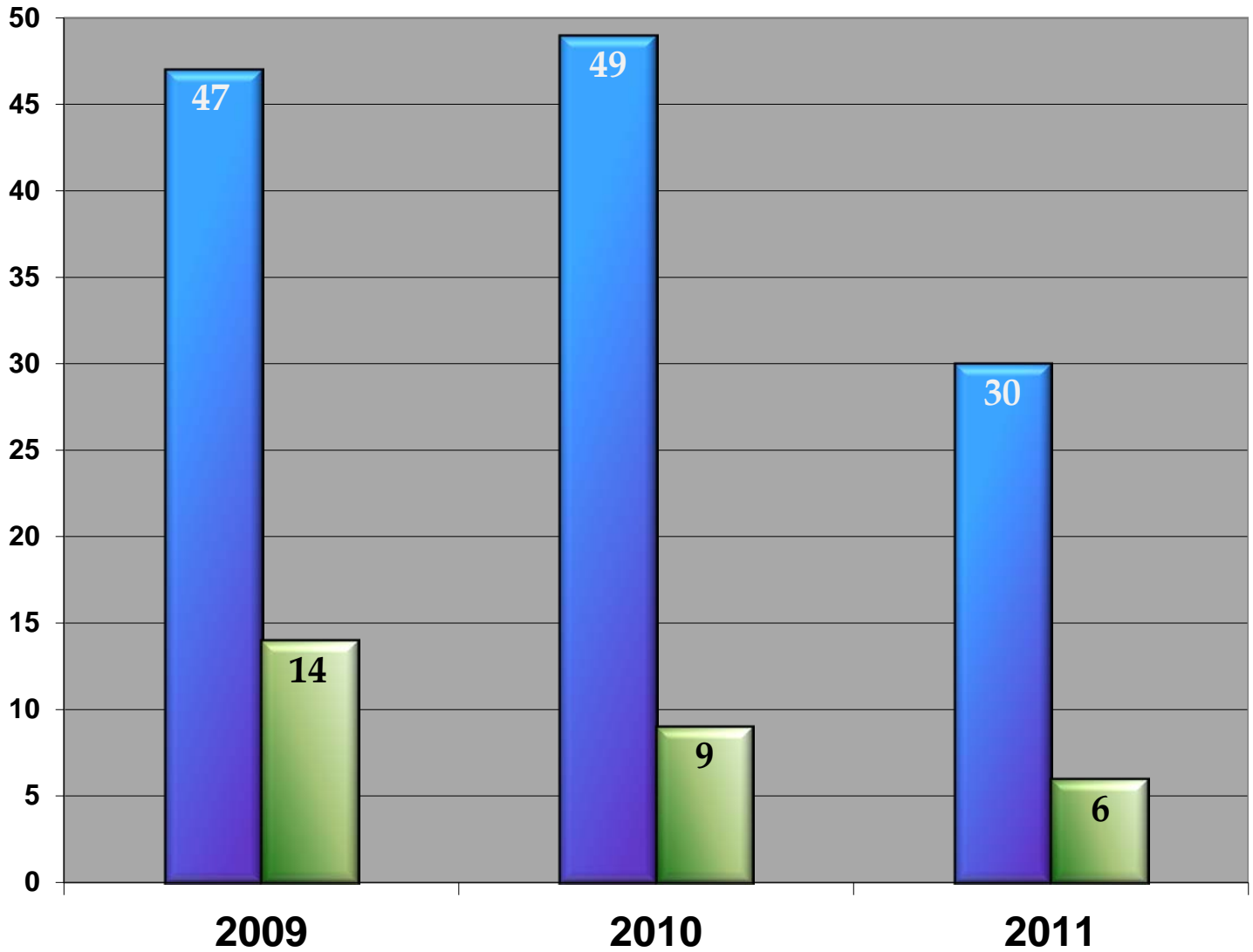
GSW/vrf





BAKERSFIELD POLICE DEPARTMENT  
DIRECTED POLICING UNIT  
MONTHLY REPORT  
OCTOBER 2011

YEAR TO DATE GANG VIOLENCE INDEX 2009-2011



■ SHOOTINGS ■ HOMICIDES\*

\*Please note that the homicide stats include all gang related homicides, including but not limited to shootings and stabbings.



**BAKERSFIELD POLICE DEPARTMENT  
DIRECTED POLICING UNIT  
MONTHLY REPORT  
OCTOBER 2011**

**DPU Monthly Stats for October 2011**

60	Felony Arrests	22	Citations	7	Search Warrants
39	Misdemeanor Arrests	763	Probation and Parole Searches	136	Court Prep
24	Felony Warrant Arrests	244	Hrs. Assisting Other Department Sections	14	Community Contacts
44	Misdemeanor Warrant Arrests	42	Supplemental Reports	59	Project Logs Worked
18	Hours In Training	92	General Offense Reports	100	Hours Assisting Investigations
4	Guns Seized	5	Vehicle Reports	3	2011 Shootings
				6	2010 Shootings
456	FI's	140	Patrol Call Response	1	2009 Shootings
				4	2008 Shootings

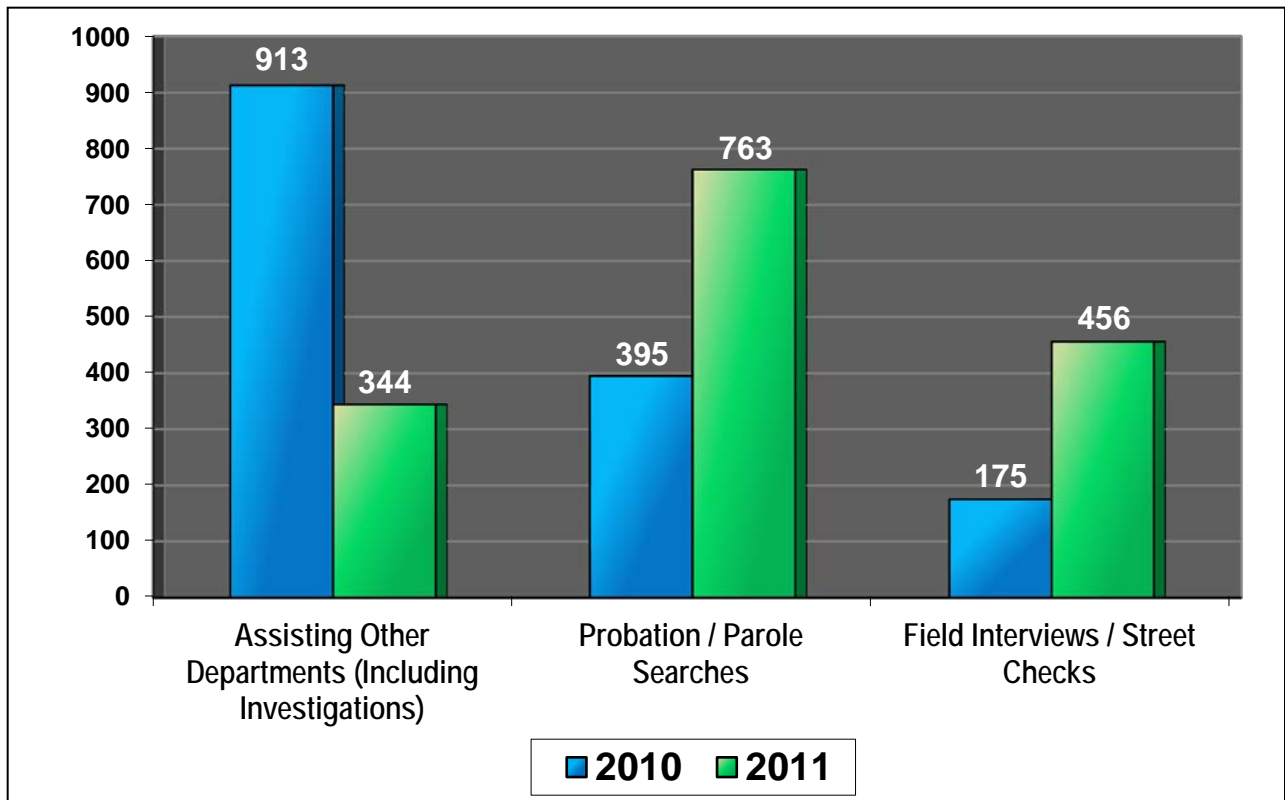
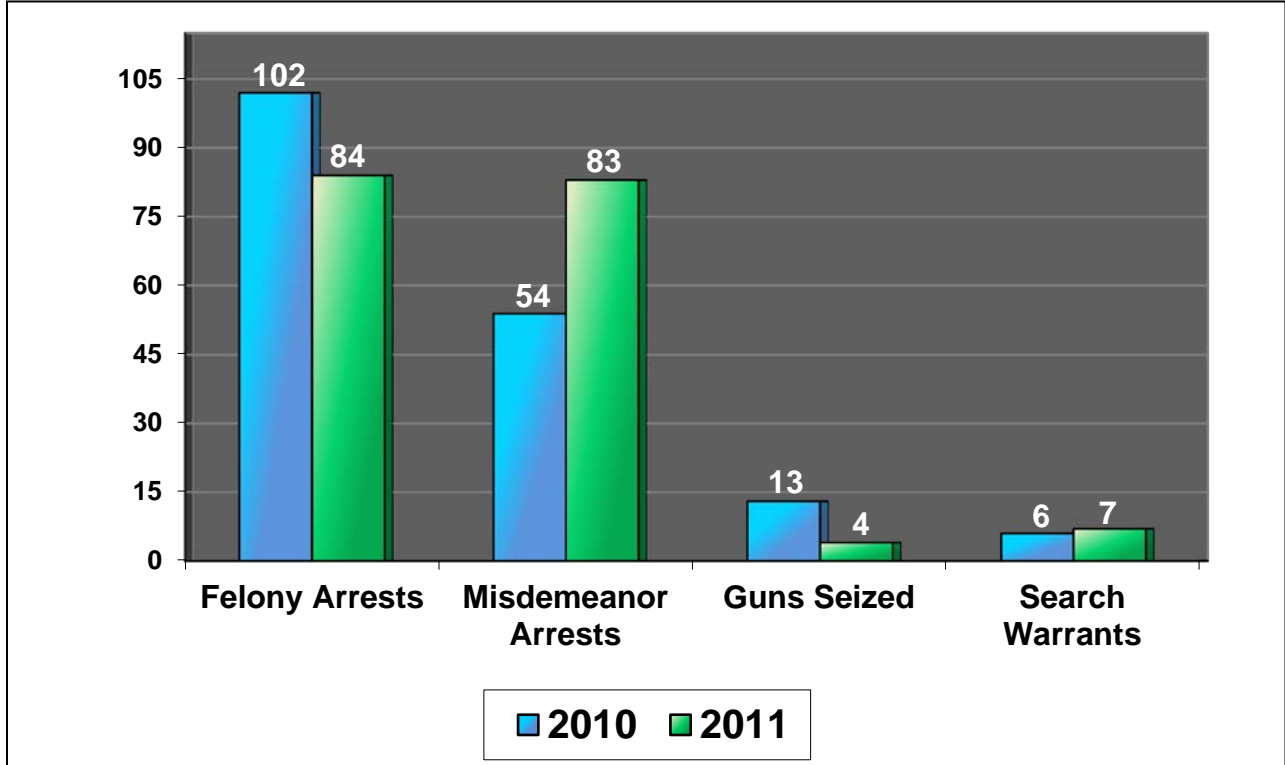
**Year to Date DPU Statistics  
January - October 2011**

554	Felony Arrests	174	Citations	73	Search Warrants
230	Misdemeanor Arrests	5103	Probation and Parole Searches	1972	Court Prep
119	Felony Warrant Arrests	1923	Hrs. Assisting Other Department Sections	572	Community Contacts
306	Misdemeanor Warrant Arrests	553	Supplemental Reports	370	Project Logs Worked
998	Hours In Training	677	General Offense Reports	2330	Hours Assisting Investigations
100	Guns Seized	64	Vehicle Reports	30	2011 Shootings
				49	2010 Shootings
2835	FI's	1167	Patrol Call Response	47	2009 Shootings
				50	2008 Shootings



**BAKERSFIELD POLICE DEPARTMENT  
DIRECTED POLICING UNIT  
MONTHLY REPORT  
OCTOBER 2011**

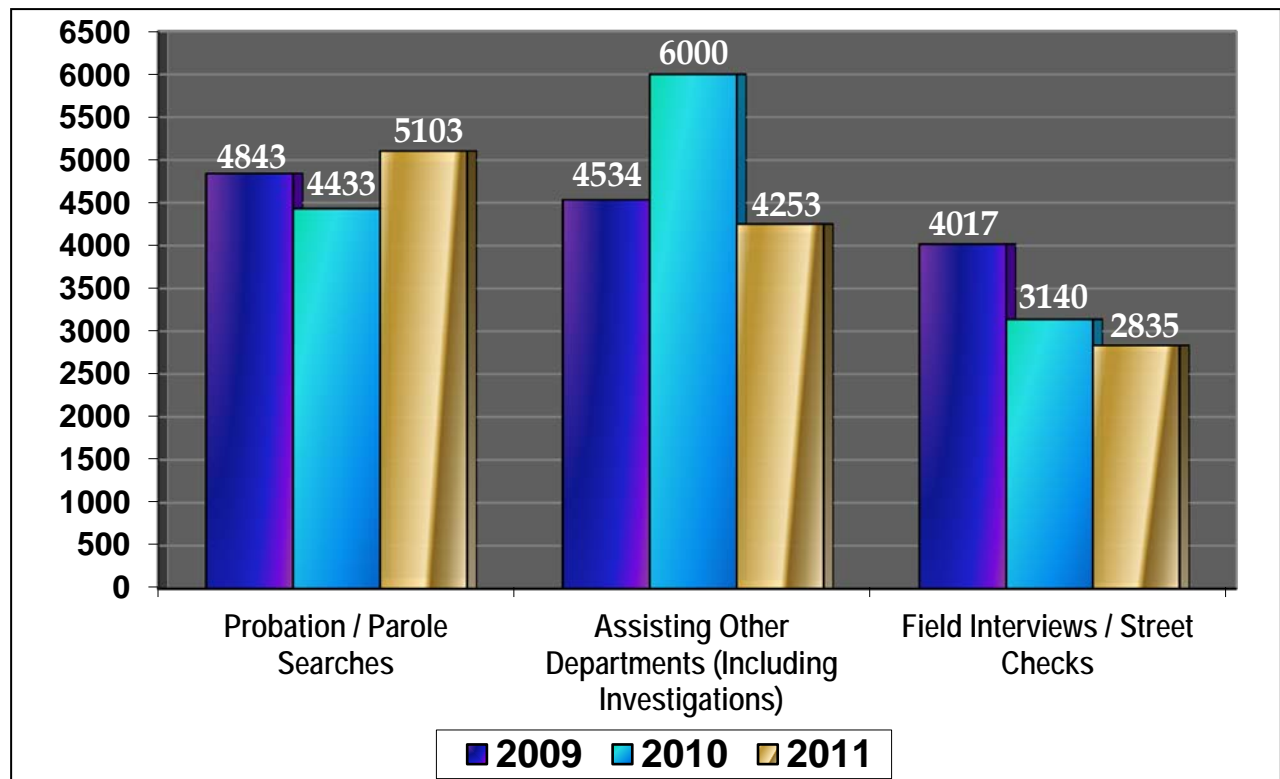
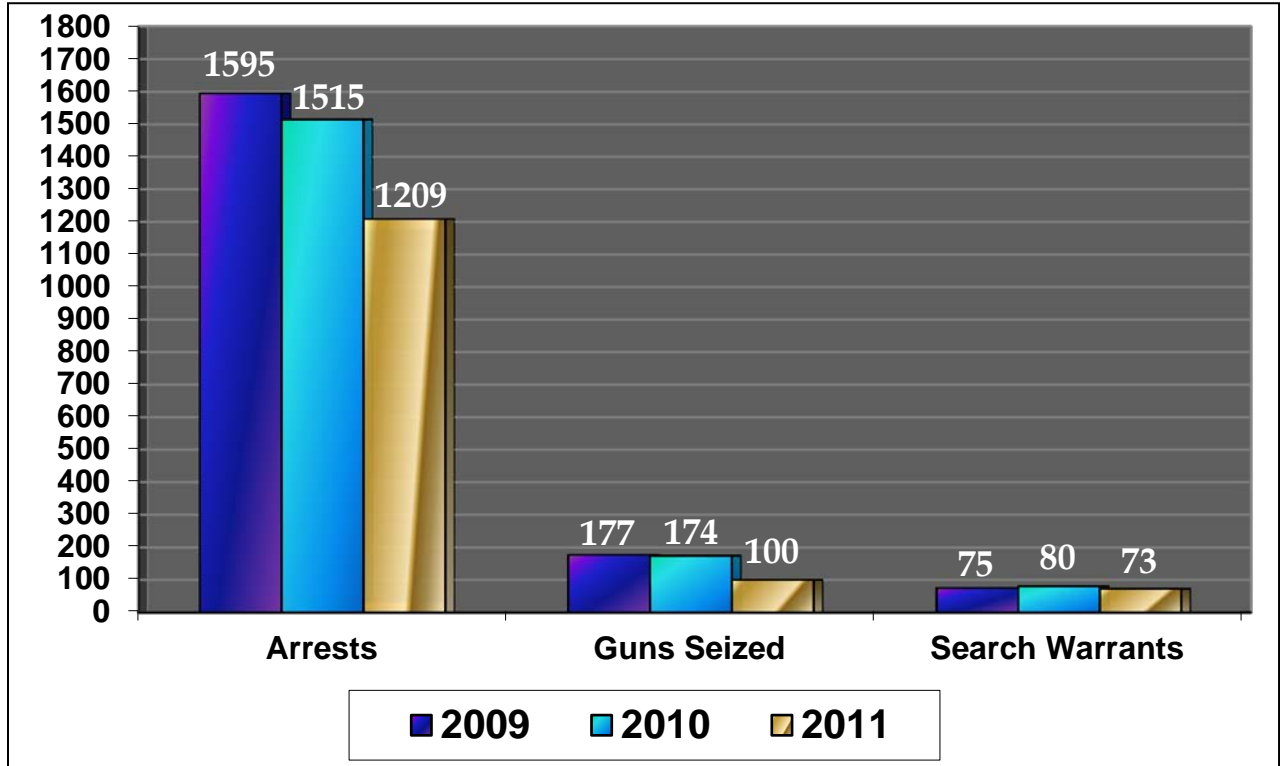
**October 2010-2011 COMPARISON**





# BAKERSFIELD POLICE DEPARTMENT DIRECTED POLICING UNIT MONTHLY REPORT OCTOBER 2011

## 2009-2011 YEAR TO DATE COMPARISON





BAKERSFIELD POLICE DEPARTMENT  
DIRECTED POLICING UNIT  
MONTHLY REPORT  
OCTOBER 2010

GANG RELATED SHOOTINGS – 2009-2011 (YEAR TO DATE ONLY)

