

CITY OF OAKLAND
AGENDA REPORT

OFFICE OF THE CITY CLERK
CITY OF OAKLAND

2006 FEB - 2 PM 5: 59

TO: Office of the City Administrator
ATTN: Deborah A. Edgerly
FROM: Police Department
DATE: February 7, 2006

RE: A Supplemental Report to Agenda Report and Proposed Resolution Authorizing the City Administrator, on Behalf of the City of Oakland, to Enter into a Two-Year Professional Services Agreement for the Period July 1, 2005 through June 30, 2007 with Big Valley Aviation, Inc. in an Amount Not to Exceed Seven Hundred Thousand Dollars (\$700,000) for Maintenance of Police Department Helicopters

SUMMARY

This supplemental report is being generated at the request of the Public Safety Committee which met January 24, 2006, and received item number 8, S-8.1 Big Valley Aviation Agreement. The Committee requested clarification as to why the Police Department elected a sole source contract agreement with Big Valley Aviation. This report will address each issue and provide the necessary background information as appropriate.

BACKGROUND

The one criterion that a potential helicopter maintenance facility must meet is to be a factory authorized repair center for both McDonnell Douglas (MD) and Enstrom; McDonnell Douglas will only warranty replacement parts that are installed by a certified MD repair center. The insurance carrier for the Police Department also requires that service on the police helicopters be provided at a factory authorized dealership.

Research of various other agencies maintenance and service contracts was conducted to determine what types of helicopters are being used, and the service that is being provided.

Agency	Number of Crafts	Type of Crafts	Maintenance Company
California Highway Patrol (CHP) – Napa and San Jose	Four	Eurocopter	Subcontracts for on-site mechanics through Big Valley Aviation. They have one mechanic and one apprentice mechanic.
CHP – Valley Division	Two	Eurocopter	Subcontracts through Big Valley Aviation for one on-site mechanic.
Contra Costa	Two	Bell 407	Has own mechanic for day-to-day

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County Sheriff's Department		Bell 206	operations and minor maintenance. All large repairs are referred to Big Valley Aviation.
Drug Enforcement Agency	One	Eurocopter	Big Valley Aviation
East Bay Regional Parks Police Department	Two	Eurocopter	Private Mechanic
Fresno Police Department	Two One	Eurocopter Cessna	Two full-time mechanics – P.D. civilian employees
Fresno County Sheriff's Department	Two	MD 500E	Big Valley Aviation
Placer County Sheriff's Department	Two One	Bell OH-58 Piper	San Joaquin / Horizon Helicopter Maintenance in Rancho Murieta
Sacramento Police Department	Two	Eurocopter	San Joaquin / Horizon Helicopter Maintenance in Rancho Murieta
San Jose Police Department	One	Eurocopter	ARIUS Helicopter Service
Santa Clara County Sheriff's Department	One	Eurocopter	ARIUS Helicopter Service
Sonoma County Sheriff's Department	Two	Bell 407 Bell 206	Private Mechanic

As noted above, a number of agencies have an individual mechanic exclusively for its respective operation. In order to utilize a private mechanic, the respective agency must have its own secure indoor storage facility that can be used to both store, and work on the helicopter. The Oakland Police Department currently stores its helicopters outside; a factor that precludes us from having an on-site mechanic.

Police Department staff is currently negotiating with the Port of Oakland to obtain a hangar for the department's three helicopters. If an agreement is reached, the Police Department will explore hiring a private mechanic.

A private mechanic would only represent a small cost savings, but would make the overall operation much more efficient. A private mechanic would conduct routine duties that are currently conducted by sworn staff each day. In turn, the sworn staff would be available to fly more frequently.

Duties of a private mechanic would include, but may not be limited to the following:

- Daily inspections of each aircraft
- Analysis of fuel and oil samples
- Fueling of the aircraft before and after each flight
- Towing of aircraft to and from the hangar for daily flight operations
- Operation of tow, and fuel vehicles as required
- Performance of routine maintenance on helicopters (washing and cleaning)
- Performance of scheduled and unscheduled maintenance on the helicopters
- Performance of hangar maintenance
- *Maintenance of supply orders (parts and equipment, inventory parts and equipment)*
- Sign-off of all work and inspections conducted
- Maintenance of written documentation into helicopter logbooks (required by Federal Aviation Administration)
- Supervision of all work completed by outside vendors.

Even with a private mechanic, some work would be referred to an outside vendor for completion.

A question of whether or not the Police Department could share a mechanic with an outside agency [the East Bay Regional Parks Police Department (EBRPPD) was specifically noted by Councilmember Quan]. The following information outlines specific reasons why sharing a private mechanic is not a viable option.

The EBRPPD Helicopter Unit uses two Eurocopter helicopters that are operated from its hangar located at the Hayward Airport. The helicopters fly a combined total of approximately 1,200 hours per year. There is one aviation mechanic who is employed full-time by the District and represented by local union #248; an additional mechanic is subcontracted for major repairs as needed.

The salary range for the full-time mechanic is \$5,238-\$5,730 a month, with a 7% incentive for being an Inspector Authorized Mechanic, certified by the FAA. The average yearly salary would be \$65,808. The mechanics total burden including benefits is approximately \$130,000.

The table below represents the 2005 budget for the EBRPPD Helicopter Unit.

Service	Amount
Services *(Power by the hour program, paid to Eurocopter)	\$180,000
Supplies	\$57,000
Specialized Tools for the Helicopter	\$1,500
Additional Mechanic as needed for Major Overhauls and Repairs	\$16,000
Technical Manuals and Factory Update Materials	\$2,000
Miscellaneous Expenses	\$10,000

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Total Parts Cost	\$266,500
Labor	
Mechanic Salary / Benefits	\$130,000
Totals	
Total Labor	\$130,000
Total Parts Cost	\$266,500
Total Cost for EBRPPD Helicopter Unit	\$396,500

* The 'Power by the hour program' is an optional program offered by Eurocopter to its customers. Participating clients pay a set amount for each hour flown in the respective helicopter. The hourly charge is based on the number of yearly flight hours. As major components come due for replacement, Eurocopter sends the respective owner the replacement(s). This program ensures that maintenance costs are consistent from year to year based on the total number of flight hours.

The California Highway Patrol (CHP) - Napa Helicopter Unit - employs two full-time aviation mechanics to service four helicopters. CHP - Sacramento Helicopter Unit - employs one aviation mechanic full-time to service two helicopters. All CHP on-site aviation mechanics are employees of Big Valley Aviation. The CHP pays approximately \$90 an hour for each Big Valley Aviation mechanic, not including overtime.

FISCAL IMPACT

The Police Department's requested funds in the amount of \$350,000 per year, for a total of \$700,000 for two years, are included in the Department's FY 2005-07 baseline budget. All parts and labor are included in this total. No additional funding will be necessary for maintenance.

From January 1, 2005, through January 1, 2006, the Police Department Air Support Unit spent approximately \$234,067.86 on maintenance. The labor portion of that total was \$82,573.69. The parts portion of that total was \$151,494.17.

KEY ISSUES AND IMPACTS

The Police Department has had an eighteen-year business relationship with Big Valley Aviation. Big Valley Aviation is the only aviation maintenance company within fifty miles of the Police Department that can perform all of our maintenance needs in accordance with the manufacturer and insurance carrier specifications.

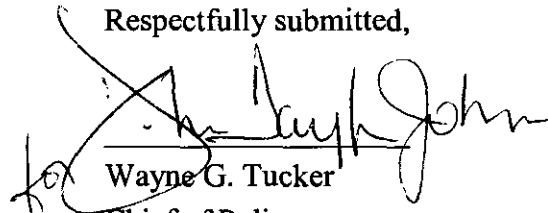
RECOMMENDATION

The Oakland Police Department recommends that the City Council authorize the City Administrator to enter into a two-year professional services agreement in the amount not to exceed \$700,000 with Big Valley Aviation, Inc. for helicopter maintenance on behalf of the Police Department.

ACTION REQUESTED BY THE CITY COUNCIL


Staff recommends that the City Council approve the resolution.

Respectfully submitted,


Wayne G. Tucker
Chief of Police

Prepared by: Lt. E. Poulson,
Airport Security Section
Bureau of Field Operations

APPROVED AND FORWARDED TO
THE PUBLIC SAFETY COMMITTEE:


Office of the City Administrator

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