

**CITY OF SAN ANTONIO
INTERDEPARTMENTAL MEMORANDUM
POLICE DEPARTMENT**

TO: Mayor and City Council

FROM: Albert A. Ortiz, Chief of Police

THROUGH: Terry M. Brechtel, City Manager

COPIES: J. Rolando Bono, Deputy City Manager; File

SUBJECT: Ordinance Request to Accept a Bid from Express Video, Inc. for the Sale of Confiscated 8-liners

DATE: September 18, 2003

SUMMARY AND RECOMMENDATIONS

This ordinance authorizes the City Manager or her designated representative to accept a bid of \$124,818 from Express Video, Inc. for the sale of 293 criminal instruments (8-Liners) seized as a result of criminal investigations in San Antonio and awarded to the Police Department by rulings of Bexar County criminal courts. The agreement forbids the return of the devices to Texas.

Staff recommends approval.

BACKGROUND INFORMATION

As a result of criminal investigations initiated by citizen concerns, the Police Department has seized a total of 1,210 8-liners. By ruling of the Criminal Courts, 293 of these seized machines have been awarded to the Police Department. In an effort to recover costs associated with the seizure of these machines, the Police Department is selling them via the City's bid process.

On August 11, 2003, the Purchasing & General Services Department sent out twelve (12) bids for the sale of the 8-liners. Express Video, Inc., a North Carolina company, was the sole bidder with a total bid of \$124,818. The City had established a minimum bid price of \$300 per machine, and Express Video, Inc. bid \$426 per machine. The *Invitation for Bid* contains language stating that the successful bidder agrees to remove all machines from the State of Texas within thirty (30) days of notification of award and shall not bring the machines, nor allow the machines to be brought back to the State of Texas. Express Video, Inc. being the successful bidder agreed to the terms stated in the bid agreement.

Prior to the bidding process, an agreement had been made with the District Attorney's Office (DA) to split any revenue from the sale of the machines in half after all expenses were covered. The Police Department has expensed \$147,507.57 for the storage, utility charges, and moving of the machines to date. Because the expenses to date are more than the revenues received from the sale of these machines, the City will receive all \$124,818. All uncovered expenses will carry over to future sales.

To date, the Police Department has filed thirty-three (33) criminal cases involving illegal gambling establishments in San Antonio.

POLICY ANALYSIS

This Ordinance continues City Council's policy of liquidating seizures of illegally obtained assets in an effort to reduce the profitability of illegal gambling establishments and to help offset the costs incurred in the investigation of the illegal activity.

FISCAL IMPACT

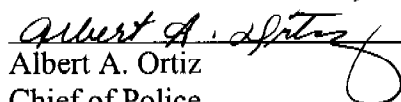
The \$124,818 will be deposited into the Confiscated Property Fund and will be used to offset the \$147,507.57 expensed by the Department to date.

COORDINATION

This ordinance request has been coordinated with the Finance Department, City Attorney's Office, the Office of Management & Budget and the Purchasing & General Services Department.

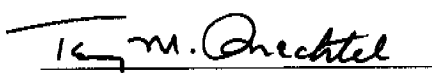
SUPPLEMENTAL COMMENTS

A Discretionary Contracts Disclosure Form is not required.


Albert A. Ortiz
Chief of Police


J. Rolando Bono
Deputy City Manager

Approved:


Terry M. Brechtel
City Manager