

**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: Christopher J. Brady, Assistant City Manager; File

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

DATE: December 18, 2003

SUMMARY AND RECOMMENDATIONS

This ordinance authorizes the City Manager or her designated representative to accept a bid of \$116,011 from Express Video, Inc. for the sale of and permanent removal from the State of Texas 273 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. It also authorizes payment in the amount of \$30,815.79 to the Bexar County District Attorney's Office.

Staff recommends approval.

BACKGROUND INFORMATION

As a result of criminal investigations initiated by citizen concerns, the Police Department has seized a total of 1,467 8-liners. Previous Criminal Court action awarded 293 seized 8-liners to the Police Department. They were sold on September 18, 2003 under the provisions of City Ordinance No. 98180, dated September 18, 2003. A new Criminal Court ruling awarded 273 seized machines 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 November 6, 2003, the Purchasing & General Services Department sent out six (6) bids for the sale of the 8-liners. Express Video, Inc. was the successful bidder with a total bid of \$116,011. The City established a minimum bid price of \$300 per machine, and Express Video, Inc. bid \$425 per machine. The *Invitation for Bid* contains language stating that the 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.

An agreement was made with the District Attorney's Office (DA) to split any revenue from the sale of the machines 50/50 after all expenses are covered. The Police Department has expensed \$179,197.41 for the storage, utility charges, and moving of the machines to date. Revenues received to date (including the current amount of \$116,011) total \$240,829. Since total revenues exceed expenses by \$61,631.59, the District Attorney's Office is entitled to \$30,815.79.

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 cost incurred in the investigation of the illegal activity.

FISCAL IMPACT

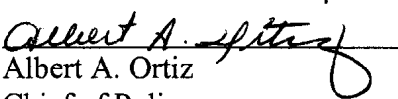
The funds from the sale of the 8-liners will be deposited into the Confiscated Property Fund.

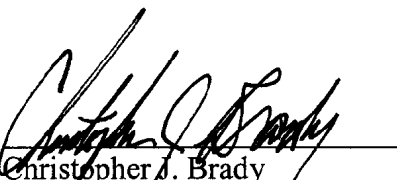
COORDINATION

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.

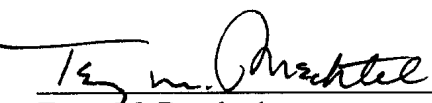
SUPPLEMENTAL COMMENTS

A Discretionary Contracts Disclosure Form is not required.


Albert A. Ortiz
Chief of Police


Christopher J. Brady
Assistant City Manager

Approved:


Terry M. Brechtel
City Manager