

411 West Ocean Boulevard, 6<sup>th</sup> Floor Long Beach, CA 90802 562-570-6425

March 21, 2023

C-15

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

#### **RECOMMENDATION:**

Adopt a Resolution authorizing the City Manager, or designee, to execute a contract, and any necessary documents including any necessary subsequent amendments, with Los Angeles Truck Centers, LLC, dba Velocity Truck Centers, an authorized distributor of Crane Carrier Company, LLC, of Whittier, CA, for the purchase of two battery electric vehicle (BEV) Crane Carrier LNT-26 trucks, with New Way rear loader refuse bodies, on the same terms and conditions afforded to Sourcewell, in a total amount not to exceed \$1,150,727, inclusive of taxes and fees. (Citywide)

### **DISCUSSION**

City Council approval is requested to enter into a contract with Los Angeles Truck Centers, LLC, dba Velocity Truck Centers, for the purchase of two BEV Crane Carrier LNT-26 trucks with New Way rear body loaders. The Department of Public Works, Refuse and Clean Team Divisions will use the proposed units for collecting refuse and removing litter and debris in public rights-of-way. One unit will replace a truck in the Clean Team that has exceeded its lifecycle, and one will be an additional asset assigned to the Public Works Environmental Services Bureau.

The all-electric refuse trucks will be the first in the Public Works fleet, and the first heavy-duty electric trucks in the City of Long Beach's (City) fleet as well. They support a long-term critical pilot program of this technology for refuse trucks, which are a particularly challenging application due to their range and payload requirements. Test plans include heavy use in refuse and debris collection to help determine the next steps for zero-emission technology in the City. Benefits of this technology include reduced harmful air emissions, fuel cost savings, anticipated maintenance savings, and quieter operation in Long Beach neighborhoods. The testing process enables Fleet Services to validate and quantify these benefits and determine overall suitability. Additionally, these trucks align with State and local regulations to transition to zero-emission electric trucks by 2027.

The units will not only be a crucial test of new technology but will also support the Refuse and Clean Team daily operations and several City programs such as litter abatement, removal of oversized trash, illegally dumped items, and special collection services. Sufficient funds have been collected through the regular Fleet Services Bureau Memorandum of Understanding (MOU) for the purchase of these units. Additionally, applications have been submitted to the VW Environmental Mitigation Trust Fund (VW

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Trust) which could result in award funding up to \$200,000 per unit. If awarded, the funds would be used to offset purchase costs of these zero emission refuse trucks.

The Fleet Services Bureau of the Department of Financial Management researched procurement options for all-electric refuse trucks and discovered other agencies had completed an open, fair, transparent, and competitive procurement process. The City reviewed the cooperative agreement options and determined that the contract between Sourcewell and Crane Carrier Company, LLC, through their local distributor, Los Angeles Truck Centers, LLC, dba Velocity Truck Centers, provided the best value to the City.

City Charter Section 1802 provides an alternative procurement method by permitting the City to purchase or otherwise obtain services, supplies, materials, equipment, and labor with other governmental agencies. This alternative procurement method can save time and reduce costs through economies of scale by purchasing under existing contracts from other government agencies on a voluntary and selective basis, when authorized by a Resolution adopted by the City Council.

This matter was reviewed by Deputy City Attorney Anita Lakhani on March 2, 2023, Purchasing Agent Michelle Wilson on February 17, 2023, and by Revenue Management Officer Geraldine Alejo on February 27, 2023.

### SUSTAINABILITY

The City has a long history of prioritizing sustainability and being an early adopter of new technology. The City is a recognized leader in the use of alternative fuels in its fleet and is embracing zero-emission vehicles (ZEV) as quickly as they become available (along with funding and infrastructure support). The Fleet Services Bureau currently includes 81 ZEVs (including its first EV pickup) and 90 plug-in hybrids. To date, 97 charge ports for electric vehicles have been installed for dedicated City use, and another 200 are planned in the near future.

The all-electric refuse trucks do not directly produce air toxins, greenhouse gases or particulate emissions and are fully compliant with the State of California and local district air quality regulations. Cleaner air is healthier for all residents, businesses, and visitors to the City of Long Beach.

### TIMING CONSIDERATIONS

City Council action to adopt a Resolution and award a contract concurrently is requested on March 21, 2023, to ensure that the contract is in place expeditiously.

### FISCAL IMPACT

The total amount of the contract will not exceed \$1,150,727, inclusive of taxes and fees. This purchase is budgeted in the Fleet Services Fund Group in the Department of Financial Management. If awarded, up to \$200,000 per unit will be available from the VW

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Trust to offset the current purchase price, with savings redirected to future unfunded fleet needs within the Department of Public Works. Replacement costs are collected through regular monthly charges and begin when the vehicles are delivered and placed into service. Ongoing maintenance and replacement costs for these units are estimated at \$200,000 annually and will be billed to the Department of Public Works through the Fleet Services Bureau MOU process. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with the City Council priorities. There is no local job impact associated with this recommendation.

#### SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

KEVIN RIPER

Kevin Ryes

**DIRECTOR OF FINANCIAL MANAGEMENT** 

ATTACHMENT - RESOLUTION

APPROVED:

THOMAS B. MODICA CITY MANAGER

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#### RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH LOS ANGELES TRUCK CENTERS, LLC DBA VELOCITY TRUCK CENTER OF WHITTIER, CA, FOR THE PURCHASE TWO BATTERY ELECTRIC VEHCILE CRANE CARRIER LNT-26 TRUCKS ON THE SAME TERMS AND CONDITIONS THROUGH THEIR CONTRACT WITH SOURCEWELL (FORMERLY THE NJPA), OF STAPLES, MN, WITH CRANE CARRIER COMPANY, LLC AND SCRANTON MANUFACTURING COMPANY, INC. TO BE PROVIDED BY LOCAL DEALER VELOCITY TRUCK CENTERS, TOTAL AMOUNT NOT TO EXCEED \$1,150,727, INCLUSIVE OF TAXES AND FEES

WHEREAS, the Charter of the City of Long Beach (the "City"), Section 1802, permits the City to purchase services, supplies, materials, equipment and labor with other government agencies by purchasing under their contracts on a voluntary and selective basis when authorized by resolution; and

WHEREAS, the City desires to purchase two (2) Battery Electric Vehicle Crane Carrier LNT-26 trucks with New Way rear loader refuse bodies, designated for collecting refuse and removing litter and debris in public rights-of-way; and

WHEREAS, collection and diversion of organic material was mandated in 2016 when Governor Brown signed into law California Senate Bill SB1383, effective January 1, 2022; and

WHEREAS, currently refuse and recycling are collected in their own separate

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bins, however, with the passage of SB1383, the City will now utilize a third bin to collect the organic material (yard debris and food scraps) from commercial accounts to be processed separately from municipal solid waste; and

WHEREAS, these two battery electric vehicles will be the first in the Public Works fleet, and the first heavy-duty electric trucks in the City; and

WHEREAS, the truck chassis and service bodies are similar to what is in the current refuse fleet, enabling more efficient and cost-effective service; and

WHEREAS, the Fleet Services Bureau and the Purchasing Division for the Department of Financial Management researched procurement options, for side loaders refuse trucks and discovered other agencies had completed an open, fair, transparent, and competitive procurement process; and

WHEREAS, the City reviewed Sourcewell agreement options and determined that Sourcewell's contract with Crane Carrier and Scranton Manufacturing through their local dealer, Velocity Truck Centers, who will assemble the trucks to meet the City's needs and specifications provided the best value to the City while allowing for timely acquisition and delivery; and

WHEREAS, there are currently no dealers or manufacturers of refuse trucks with these specifications; and

WHEREAS, Crane Carrier Company, LLC and Scranton Manufacturing Company were selected based on their competitive pricing, service level, and ability to deliver a produce that meets City quality standards and the Public Works Department's implementation timeline; and

WHEREAS, Sourcewell (formerly the NJPA) has a Contract for the purchase of the Roto-Pak side loader refuse trucks, Contract No. 060920-CRN with Crane Carrier Company, LLC and Contract No. 091219-NWY with Scranton Manufacturing Company/New Way Trucks (collectively "Sourcewell Contracts"); and

WHEREAS, the City's participation in these Sourcewell Contracts will facilitate the City's ability to purchase as well as provide considerable cost benefits to the

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1	City, and				
2	WHEREAS, if the City had to utilize a formal bid process rather than				
3	participate in these Sourcewell Contracts, considerably more funds would be required;				
4	NOW, THEREFORE, the City Council of the City of Long Beach resolves as				
5	follows:				
6	Section 1. The above recitals are true and correct and are incorporated				
7	herein by this reference.				
8	Section 2. The City Manager or designee is hereby authorized to enter an				
9	agreement with Scranton Manufacturing Company/New Way Trucks and Crane Carrier				
10	Company, LLC, via their local dealer, Los Angeles Truck Centers, LLC dba Velocity Truck				
11	Center to purchase two (2) battery electric vehicle Crane Carrier LNT-26 trucks with New				
12	Way rear loader refuse bodies, of the same type and kind identified in the Sourcewell				
13	Contracts except as modified by mutual agreement of the City and Los Angeles Truck				
14	Centers, LLC dba Velocity Truck Center, and the purchase by the City shall be on the same				
15	terms and conditions afforded to Sourcewell in an amount not to exceed One Million One				
16	Hundred Fifty Thousand Seven Hundred Twenty-Seven Dollars (\$1,150,727) including				
17	taxes and fees.				
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	Section	on 3. This resolution	on shall take effect immediately upo	n its adoptior
by the	City Council	, and the City Clerk s	hall certify the vote adopting this res	olution.
	l here	eby certify that the fore	egoing resolution was adopted by the	e City Counci
of the	City of Long	Beach at its meeting	g of	2022, by the
follow	ing vote:			
	Ayes:	Councilmembers:		
			APPENDING AND ANALYSIS CONTROL OF THE PROPERTY	
	Noes:	Councilmembers:		
	Absent:	Councilmembers:		
	Recusal(s):	Councilmembers:		
			City Clerk	
:				