

C-11

August 4, 2020

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 amendments, with Los Angeles Truck Centers, LLC, dba Velocity Truck Centers, of Whittier, CA, for purchase of two CNG-fueled 2021 Freightliner M2112 pothole patch trucks, for a total contract amount not to exceed \$539,331, 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 Vehicle Group, for the purchase of two 2021 Freightliner M2112 pothole patch trucks for a total contract amount not to exceed \$539,331, inclusive of taxes and fees. The new units will be used by the Street Maintenance Division in the Public Works Department to repair potholes throughout the city. The existing units have over 100,000 miles each and exceeded their useful life. Delay in replacement of the existing units would require extensive monthly service to ensure safety and operability. Purchase of these vehicles were approved by the City Manager in the FY 20 Fleet Replacement Plan.

Los Angeles Truck Centers, in conjunction with PB Loader Corporation, is the sole source provider of CNG-fueled pothole patch trucks, with PB Loader Corporation acting as the only authorized dealer in the Southern California, Nevada, and Arizona region. The City solicited a Request for Proposals (RFP) in FY 17 for a design/build of CNG-fueled pothole patch trucks. As such, trucks were specifically designed and built for the City. The recommended contract will allow for a continuity of maintenance, parts, and service, minimizing costs. Additionally, if the contract is approved, the City will receive a negotiated price hold directly from the manufacturer. If rebid, the City would be forced to pay current pricing, causing significant price increases.

City Charter Section 1801 requires that contracts for City purchases be awarded to the lowest responsible bidder after a competitive bid process, but allows for awards without a competitive bid process if accompanied by a Resolution adopted by the City Council.

This matter was reviewed by Deputy City Attorney Monica J. Kilaita on July 20, 2020, Deputy Finance Director Sandy Tsang-Palmer on July 2, 2020, and by Budget Management Officer Rhutu Amin Gharib on July 17, 2020.

SUSTAINABILITY

The new pothole patch trucks are compliant with the State of California and local district air quality regulations and use clean burning renewable natural gas fuel to reduce air toxic and criteria pollutant emissions.

TIMING CONSIDERATIONS

City Council action to adopt a Resolution and execute a contract is requested on August 4, 2020, to ensure a contract is in place expeditiously.

FISCAL IMPACT

The contract amount will not exceed \$539,331, inclusive of taxes and fees. Sufficient funding for the contract is budgeted in the Fleet Service Fund Group in the Financial Management Department. Starting when the assets are delivered and in use, on-going maintenance expenses are estimated at \$68,108 annually and capital replacement charges based on an asset life of approximately 10 years is estimated at \$72,000 annually, which will be charged to the General Fund Group in the Public Works Department through the regular Fleet Services Memorandum of Understanding (MOU) monthly billing process. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS

DIRECTOR OF FINANCIAL MANAGEMENT

ATTACHMENT - RESOLUTION

APPROVED:



THOMAS B. MODICA
CITY MANAGER

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
411 West Ocean Boulevard, 9th Floor
Long Beach, CA 90802-4664

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RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH LOS ANGELES TRUCK CENTERS, LLC, DBA VELOCITY TRUCK CENTERS, WITHOUT ADVERTISING FOR BIDS, FOR THE PURCHASE OF TWO (2) CNG-FUELED 2021 FREIGHTLINER M2112 POTHOLE PATCH TRUCKS IN A TOTAL AMOUNT NOT TO EXCEED \$539,331

WHEREAS, there City desires to purchase two (2) CNG-fueled 2021 Freightliner M2112 pothole patch trucks ("Trucks"); and

WHEREAS, LOS ANGELES TRUCK CENTERS, LLC, DBA VELOCITY TRUCK CENTERS, in conjunction with PB Loader Corporation, is the sole source provider of CNG-fueled pothole patch trucks, with PB Loader Corporation acting as the only authorized dealer in the Southern California, Nevada and Arizona region; and

WHEREAS, additionally, if the City were to advertise for bids, the City would not receive a negotiated price hold directly from the manufacturer, but would instead have to pay current pricing, which would cause a significant price increase; and

WHEREAS, therefore, no useful purpose would be served by advertising for bids and to do so would constitute an idle and useless act and an unnecessary expenditure of public funds because LOS ANGELES TRUCK CENTERS, LLC is the only corporation, firm or individual that could or would bid for the CNG-fueled pothole patch trucks;

NOW, THEREFORE, the City Council of the City of Long Beach resolves as follows:

Section 1. The City Manager is hereby authorized to enter a contract

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
411 West Ocean Boulevard, 9th Floor
Long Beach, CA 90802-4664

1 with LOS ANGELES TRUCK CENTERS, LLC, DBA VELOCITY TRUCK CENTERS
2 without advertising for bids to provide CNG-fueled pothole patch trucks in a total amount
3 not to exceed Five Hundred Thirty-Nine Thousand Three Hundred Thirty-One Dollars
4 (\$539,331).

5 Section 2. This resolution shall take effect immediately upon its adoption
6 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

7 I hereby certify that the foregoing resolution was adopted by the City
8 Council of the City of Long Beach at its meeting of _____, 2020
9 by the following vote:

10
11 Ayes: Councilmembers: _____

12 _____

13 _____

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15 Noes: Councilmembers: _____

16 _____

17 Absent: Councilmembers: _____

18 _____

19 _____

20 _____

21 _____

City Clerk

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