

August 15, 2023

R-18

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. ITB FD-23-219 and award a contract to Allstar Fire Equipment, Inc., of Arcadia, CA, for self-contained breathing apparatus, accessories, air tanks, repair services, and annual testing in a total amount not to exceed \$5,221,243 for a period of two years, with the option to renew for three additional one-year periods, at the discretion of the City Manager; and,

Authorize the City Manager, or designee, to execute a lease-purchase agreement and related financing documents, with Banc of America Public Capital Corp, of San Francisco, CA, for the financing of self-contained breathing apparatus, air tanks, and accessories, payable over a ten-year period at an interest rate to be determined when the agreement is executed. (Citywide)

DISCUSSION

City Council approval is requested to enter into a contract with Allstar Fire Equipment, Inc., for the purchase, furnishing and delivery of self-contained breathing apparatus (SCBAs), accessories, air tanks, repair services, and annual testing. SCBAs are mandatory air tanks issued to all sworn fire personnel. Sworn fire personnel rely on SCBAs and other critical pieces of Personal Protective Equipment (PPE) to breath safely in hazardous fire situations.

The current SCBAs used by sworn fire personnel are approximately 17 years old and were last purchased in 2005. Timely replacement of fire PPE equipment, and SCBAs, promotes occupational health and safety for the City of Long Beach (City) fire personnel and ensures compliance with the current California Code of Regulations. SCBA equipment is routinely used by staff who are deployed to structure fires within the Long Beach and wildland fire deployments as directed by the California Office of Emergency Management. Standards related to SCBAs are governed by the California Department of Industrial Relations, specifically the California Code of Regulations Title 8, 3409. This policy references national product specifications and standards set by the National Fire Protection Association and the National Institute of Occupational Safety and Health.

This equipment is requested ahead of formal Fiscal Year 2024 Budget adoption due to the lengthy timeline to execute lease purchasing contracts, to place the order, and receive the order with the manufacturer. These procurement timelines are outside the control of the City, and the manufacturer has communicated that there are delays on all large orders at the quantity to be placed by the Fire Department. In addition to these processes, the Fire Department must go through a multi-month implementation process of assembling

the equipment and deploying the equipment to all Fire apparatus. It is estimated that it will take 9 months, from the time of contract execution to equipment deployment. Accordingly, approving this contract will provide many benefits including confirming the interest rate and allowing the manufacturer to begin preparing the order.

Business Outreach

The bid was advertised in the Long Beach Press-Telegram on April 7, 2022, and seven potential bidders specializing in Self-Contained Breathing Apparatus were notified of the bid opportunity. Of those bidders, two downloaded the bid via the City's electronic bid system. The bid document was made available from the Purchasing Division, located on the sixth floor of City Hall, and the Division's website at www.longbeach.gov/purchasing. A bid announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 44 local, minority-owned, and women-owned business groups. One bid was received on May 9, 2023. The bidder was not a Minority-owned Business Enterprise (MBE), a Women-owned Business Enterprise (WBE), certified Small Business Enterprise (SBE), or Long Beach vendor (Local). Allstar Fire Equipment Inc., of Arcadia, CA (not a MBE, WBE, SBE, or Local), was the lowest responsible bidder.

This matter was reviewed by Deputy City Attorney Art Sanchez and Purchasing Agent Michelle Wilson on July 24, 2023, and by Budget Development Officer Jennifer Rodriguez on July 27, 2023.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. ITB FD-23-219 and award a contract concurrently is requested on August 15, 2023, to ensure the contract is in place expeditiously.

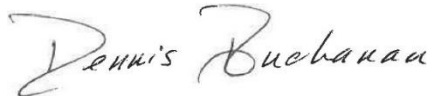
FISCAL IMPACT

The total amount of the contract will not exceed \$5,221,243. Based on an interest rate of 4.17 percent on July 13, 2023, the total amount for the lease-purchase agreement with Banc of America Public Capital Corp is estimated at \$5,047,123, which includes principal, interest, and escrow fees. This equates to \$504,712 in annual debt service costs for the ten-year life of the financing. Of this amount, \$480,000 is appropriated in the General Fund Group in the Fire Department as part of the FY 24 budget development process. The remaining balance of \$24,712 will be absorbed by the Fire Department's General Fund funds available. If additional appropriation is needed, the Department request a future budget adjustment from the City Council. In addition, it is estimated that there will be \$200,000 in annual contract authority over the term of the contract to replace damaged or broken cylinders, harnesses, and accessories, conduct repair services, and mandated annual testing services. These expenses are existing and ongoing and are currently budgeted in the General Fund Group within the Fire Department. 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,



DENNIS BUCHANAN
FIRE CHIEF

APPROVED:



THOMAS B. MODICA
CITY MANAGER