

CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

R-28

333 West Ocean Boulevard • Long Beach, CA 90802

November 20, 2007

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt the attached Resolution authorizing the City Manager to amend Contract Number 29136 with Seagrave Fire Apparatus, LLC for the purchase of one (1) new and one (1) previously owned aerial ladder truck per quotes dated September 24, 2007, and October 25, 2007, respectively, on the same terms and conditions afforded to the Village of Ridgefield Park, in an amount not to exceed \$1,304,108 including tax, with a 10 percent contingency for additional equipment if necessary and if funds are available.

DISCUSSION

City Council approval is being requested to authorize the City Manager to amend contract # 29136 for the purchase of one (1) new and one (1) previously owned aerial ladder trucks for the Long Beach Fire Department.

The Long Beach Fire Department is currently utilizing one (1) aerial ladder truck that is sixteen (16) years old with a life expectancy of 18 years. The opportunity to purchase this previously owned aerial ladder truck now as a replacement that meets the City's needs will provide the City substantial financial savings of over \$308,000 and additional savings are expected with on-going maintenance costs.

The passage of Prop H raised the Oil Tax for the purpose of enhancing public safety needs. The City Council approved the addition of a truck company in the FY 08 budget, which includes a new ladder fire truck and staff. It is the Fire Department's intention to place this new company into service by January 1, 2008. This will increase the number of truck companies in the City to five (5).

The Fire Department (FD) has evaluated the condition of its ladder truck fleet, its back-up units and the most advantageous locations for the front line units based on response times. To this end, the FD proposes to purchase two (2) units at this time from Seagrave, Fire Apparatus, LLC.

One (1) unit has been previously owned, but rarely used, and is ready for immediate delivery. The unit has 2,500 in-service miles, with a life expectancy of 18 years. The unit has been greatly discounted and still carries the original warranties. The primary funding for this unit, at \$497,950, will be the capital replacement assets in the Fleet Fund from the current ladder truck. The current ladder truck still has a useful life and another agency is interested in its purchase, so it is anticipated that the proceeds will exceed the typical salvage value. Proceeds from the resale of the existing truck combined with accumulated replacement funding will offset the purchase of the replacement unit. Remaining proceeds will then be placed in the Fleet Fund and used for the outfitting of the newly acquired truck.

The second unit, which is new, will be built to specification and the build time is expected to be 10 – 12 months. The cost of \$806,158 will be funded from the FY 07 Oil Tax proceeds, as approved by the City Council.

The City Charter provides an alternative procurement method by permitting the City to purchase or otherwise obtain services, supplies, materials, equipment and labor with other governmental agencies by purchasing under their contracts on a voluntary and selective basis when authorized by a Resolution of the City Council.

In 2004, the Department of Public Works, Fleet Services Bureau, investigated procurement options and learned that the Village of Ridgefield Park had completed a competitive bid process for aerial ladder trucks and had a purchase order with Seagrave Fire Apparatus, LLC, that met the City's needs. On October 5, 2004 the City Council adopted resolution # C-28461 authorizing the City Manager to enter into an agreement to purchase one (1) aerial ladder truck with the option to purchase additional vehicles while the original vehicle is under warranty. To amend this cooperative purchase agreement will facilitate the timely acquisition of these aerial ladder trucks and provide cost benefits to the City.

Seagrave Fire Apparatus, LLC has agreed to sell one (1) previously owned and one (1) new aerial ladder trucks to the City of Long Beach under the same terms and conditions as are afforded to the Village of Ridgefield Park in an amount not to exceed \$1,304,108 including tax, with a 10 percent contingency if necessary and if funds are available. The Matrix Fleet Review Study also supports the use of cooperative purchase agreements and adherence to a long-term replacement plan.

This matter was reviewed by Deputy City Attorney Lori A. Conway on November 6, 2007 and Budget Management Officer Victoria Bell on November 7, 2007.

TIMING CONSIDERATIONS

City Council action is requested on November 20, 2007, to ensure the availability of the previously owned truck currently in stock ready for immediate delivery, and that the new truck is built and placed into service in 2008.

FISCAL IMPACT

The cost of this contract, in the amount of \$1,304,108 (including tax of \$99,390), is included in the Fleet Services Fund (IS 386) in the Department of Public Works (PW). No additional expense or debt will be incurred by the General Fund in acquiring these apparatuses.

SUGGESTED ACTION:

Approve recommendation.

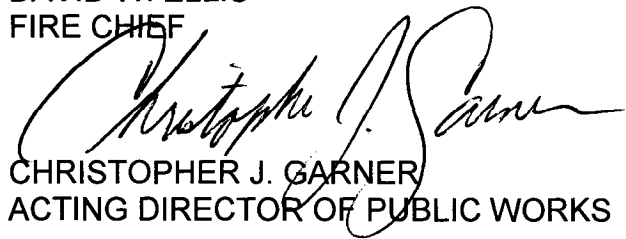
Respectfully submitted,



LORI ANN FARRELL
ACTING DIRECTOR OF FINANCIAL MANAGEMENT

 *For*

DAVID W. ELLIS
FIRE CHIEF



CHRISTOPHER J. GARNER
ACTING DIRECTOR OF PUBLIC WORKS

LAF:CJG:ES

Attachment

11-20-07 Adopt Reso – Amend C# 29136 Aerial Ladder Trucks

APPROVED:



PATRICK H. WEST
CITY MANAGER

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

1 RESOLUTION NO.

2
3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH AUTHORIZING THE CITY
5 MANAGER TO PURCHASE ONE (1) NEW AND ONE (1)
6 PREVIOUSLY OWNED AERIAL LADDER TRUCK
7 THROUGH THE CONTRACT BETWEEN THE VILLAGE OF
8 RIDGEFIELD PARK AND SEAGRAVE FIRE APPARATUS,
9 LLC

10
11 WHEREAS, the Charter of the City of Long Beach, Section 1802, permits
12 the City to purchase services, supplies, materials, equipment and labor with other
13 government agencies by purchasing under their contracts on a voluntary and selective
14 basis when authorized by resolution; and

15 WHEREAS, the Village of Ridgefield Park has a contract for the purchase
16 of aerial ladder trucks through its Contract dated as of December 17, 2003 ("Ridgefield
17 Park Contract"); and

18 WHEREAS, the City's participation in the Ridgefield Park Contract will
19 facilitate acquisition of these trucks as well as provide considerable costs benefits to the
20 City; and

21 WHEREAS, if the City had to go to formal bid rather than participate in the
22 Ridgefield Park Contract considerably more funds would be required; and

23 WHEREAS, Resolution C-28461 was adopted by the City Council of the
24 City of Long Beach at its meeting held on October 5, 2004 authorizing the City Manager
25 to enter into an agreement to purchase one (1) aerial ladder truck with the option to
26 amend the agreement for the purchase of additional vehicles while the original vehicle is
27 still under warranty; and

28 WHEREAS, the City entered into Agreement No. 29136 with Seagrave Fire

1 Apparatus, LLC to purchase the aerial ladder truck; and

2 WHEREAS, the City of Long Beach now desires to amend Agreement No.
3 29136 for the purchase of one (1) new and one (1) previously owned aerial ladder truck;

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 of the City of Long Beach is hereby
9 authorized to amend Agreement No. 29136 with Seagrave Fire Apparatus, LLC. to
10 purchase one (1) new and one (1) previously owned aerial ladder truck of substantially
11 the same type and kind purchased by the City of Ridgefield Park pursuant to the
12 Ridgefield Park Contract except as modified by mutual agreement of the City of Long
13 Beach and Seagrave Fire Apparatus LLC, and the purchase by the City of Long Beach
14 shall be on the same terms and conditions afforded to the City of Ridgefield Park in an
15 amount not to exceed \$1,304,108.00 including tax, plus a 10% contingency for additional
16 equipment if necessary.

17 Section 3. This resolution shall take effect immediately upon its adoption
18 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

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I hereby certify that the foregoing resolution was adopted by the City Council of the City of Long Beach at its meeting of _____, 20__ by the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

City Clerk

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664