

August 4, 2020

R-31

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 72 Hour, LLC, dba National Auto Fleet Group, of Watsonville, CA, for the purchase of seven 2020 Ford E-450 ambulances, on the same terms and conditions afforded in the Sourcewell (formerly The National Joint Powers Alliance) contract, for a total contract amount not to exceed \$2,168,951, inclusive of taxes and fees. (Citywide)

DISCUSSION

City Council approval is requested to enter into a contract with 72 Hour, LLC, dba National Auto Fleet Group, for the purchase of seven Ford E-450 ambulances, for a total contract amount not to exceed \$2,168,951, inclusive of taxes and fees. The ambulances are for use by the Long Beach Fire Department's rescue operations. Purchase of these vehicles were approved by the City Manager in the FY 20 Fleet Replacement Plan.

Ambulances currently have a six-year useful life due to the heavy use and high mileage they accrue. The new ambulances will replace units that have exceeded their six-year useful life and several of the units will be used as spares to replace current spare ambulances that are 11 years old. To partially offset the cost of the new ambulances, an application for the Carl Moyer grant has been submitted. The Carl Moyer grant is provided when emissions are being reduced from these types of vehicles, given there is no incentive to reduce emissions since emergency response vehicles are exempt from emissions control regulations. Grant funds are allocated based on a formula for the amount of emissions that will be reduced by using the replacement units. The formula uses the annual mileage, type of fuel, age of the engine, and other factors for calculating the amount of funds that can be awarded.

The Fleet Services Bureau and the Purchasing Division in the Department of Financial Management investigated procurement options for the Ford E-450 ambulances, and found that Sourcewell had completed an open, fair, transparent, and competitive procurement process. The City reviewed the Sourcewell cooperative agreement and received a quote, detailed drawings, and pictures from National Auto Fleet Group's local distributor, Halcore Group (dba Leader Industries). After review of the agreement and quote, National Auto Fleet Group was chosen due to their ability to provide the configuration of the ambulances needed for the Long Beach Fire Department rescue operations.

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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 by purchasing under their contracts on a voluntary and selective basis when authorized by a Resolution of the City Council.

This matter was reviewed by Deputy City Attorney Taylor M. Anderson on July 20, 2020, Deputy Finance Director Sandy Tsang-Palmer on July 1, 2020, and by Budget Management Officer Rhutu Amin Gharib on July 17, 2020.

SUSTAINABILITY

These new ambulances are compliant with the State of California and local district air quality regulations for criteria and pollutant emissions.

TIMING CONSIDERATIONS

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

FISCAL IMPACT

The cost of the contract will not exceed \$2,168,951, inclusive of taxes and fees, and is budgeted in the Fleet Service Fund Group in the Financial Management Department. The Carl Moyer grant application has been submitted to partially offset the cost of the new ambulances, in the estimated amount of \$190,000. Ongoing maintenance expenses estimated at \$268,269 annually and capital replacement charges based on an asset life of approximately six years, estimated at \$336,000 annually, will be charged to the General Fund Group in the Fire Department through the regular Fleet Services Memorandum of Understanding (MOU) monthly billing process starting when the units are delivered and in use. 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

APPROVED:



THOMAS B. MODICA
CITY MANAGER

ATTACHMENT – RESOLUTION

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 PURCHASE SEVEN (7) 2020 FORD E-450 AMBULANCES, THROUGH THE AGREEMENT BETWEEN SOURCEWELL, FORMERLY THE NATIONAL JOINT POWERS ALLIANCE, AND 72 HOUR, LLC, DBA NATIONAL AUTO FLEET GROUP, FOR AN AMOUNT NOT TO EXCEED \$2,168,951

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 seven (7) 2020 Ford E-450 Ambulances ("Ambulances"); and

WHEREAS, SOURCEWELL, formerly NATIONAL JOINT POWERS ALLIANCE, ("SOURCEWELL") has an agreement with 72 HOUR, LLC, DBA NATIONAL AUTO FLEET GROUP ("72 HOUR"), for the purchase of these Ambulances, Agreement Number 120716-NAF ("Agreement"); and

WHEREAS, the City's participation in the Agreement will facilitate acquisition of these Ambulances as well as provide considerable cost benefits to the City; and

WHEREAS, if the City had to go to formal bid rather than participate in the Agreement considerably more funds would be required;

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

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
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Section 1. The above recitals are true and correct and are incorporated herein by this reference.

Section 2. The City Manager or designee of the City is hereby authorized to enter an agreement with 72 HOUR to purchase seven (7) Ambulances of substantially the same type and kind purchased by SOURCEWELL pursuant to the Agreement, except as modified by mutual agreement of the City and 72 HOUR, and the purchase by the City shall be on the same terms and conditions afforded to SOURCEWELL, unless mutually modified, in an amount not to exceed Two Million One Hundred Sixty-Eight Thousand Nine Hundred Fifty-One Dollars (\$2,168,951), inclusive of taxes and fees.

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

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

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

City Clerk