

# CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

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333 West Ocean Boulevard 6th Floor • Long Beach, CA 90802 • (562) 570-5400 • Fax (562) 570 -5414

August 18, 2015

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

### RECOMMENDATION:

Adopt Specifications No. ITB FS15-125 and authorize the City Manager to execute a contract with Worthington Ford, of Long Beach, CA, for the purchase of 11 compressed natural gas-fueled, Ford F-250 service trucks, in a total amount not to exceed \$660,235 inclusive of taxes and fees. (Citywide)

# DISCUSSION

City Council approval is requested to enter into a contract with Worthington Ford for the purchase of 11 Ford F-250 service trucks. These trucks will support the operations of various departments, including the Long Beach Airport, Parks, Recreation and Marine, Long Beach Gas and Oil, and Public Works. The new units are powered by compressed natural gas (CNG), providing substantial savings over petroleum-based fuels in addition to providing air quality improvement for the community. Sufficient replacement funds have been collected to replace the 11 units. The cost of the CNG systems on these trucks is covered by AB2766 Motor Vehicle Subvention Program grant funding. This equipment is part of the approved replacement plan for FY15.

The bid was advertised in the Press-Telegram on June 27, 2015, and 1,037 potential bidders specializing in transportation, automotive parts and services were notified of the bid opportunity. Of those bidders, 23 downloaded the bid via our electronic bid system. The bid document was made available from the Purchasing Division, located on the seventh floor of City Hall, and the Purchasing Division's website at <a href="https://www.longbeach.gov/purchasing">www.longbeach.gov/purchasing</a>. A bid announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 30 local, minority and women-owned business groups. Three bids were received on July 16, 2015. Of those bidders, none were Minority-owned Business Enterprises (MBEs), none were Women-owned Business Enterprises (WBEs), one was a certified Small Business Enterprise (SBE), and one was a Long Beach business (Local). Worthington Ford, of Long Beach, CA (Local), was the lowest responsible bidder.

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#### **Local Business Outreach**

In an effort to align with our outreach goal, Long Beach businesses are encouraged to submit bids for City contracts. The Purchasing Division also assists businesses with registering on the Bids Online database to download bid specifications. Through outreach, 154 Long Beach vendors were notified to submit bids, of which two downloaded and one submitted a bid. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

This matter was reviewed by Deputy City Attorney Kendra L. Carney on July 28, 2015 and by Budget Management Officer Victoria Bell on July 31, 2015.

## **SUSTAINABILITY**

The new units are in compliance with California Air Resources Board regulations for mileage and emission standards, and will be fueled by cleaner burning, natural gas fuel.

## TIMING CONSIDERATIONS

City Council action to adopt Specifications No. ITB FS15-125 and award a contract concurrently is requested on August 18, 2015, to ensure that the contract is in place with sufficient lead time to procure the new units and outfit them with racks, lift gates and lighting accessories.

## FISCAL IMPACT

The total purchase amount will not exceed \$660,235 and is budgeted in the Fleet Services Fund (IS 386) in the Financial Management Department (FM). Contract costs have been collected through regular capital replacement charges to multiple departments and funds. The award of this contract will provide continued support to our local economy by assisting in the preservation of employment for 27 full-time employees residing in Long Beach.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:

IPATRICK H. WEST CITY MANAGER

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