

October 18, 2022

C-9

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute contract amendments, including a term extension to January 4, 2029, to Contract ML16017 for Local Government Match Program funding with the Mobile Source Air Pollution Reduction Review Committee through the South Coast Air Quality Management District. (Citywide)

DISCUSSION

On November 17, 2015, the City Council approved a contract with the Mobile Source Air Pollution Reduction Review Committee (MSRC), in association with the South Coast Air Quality Management District (SCAQMD), for grant funding in the amount of \$1,445,400 to construct a slow-fill compressed natural gas (CNG) fuel station and to purchase 64 CNG-fueled medium- and heavy-duty vehicles.

On March 17, 2018, the first amendment to the contract was executed to extend the term of the contract to August 5, 2023. This extension was needed due to delays in the approval of new CNG-fueled engines.

On January 14, 2020, the City Council was requested to approve an amendment to extend the term of the contract to January 4, 2026. The first amendment to extend the contract did not allow for the requirement for the MSRC to monitor the vehicle purchases for five years after being placed into service.

The onset of the COVID-19 pandemic had the impact of further delaying the acquisition of the final three CNG-fueled vehicles needed to fulfill the terms of the contract. The MSRC requested that the City of Long Beach (City) submit a detailed account of the delays experienced, the actions that were taken, and how the remaining acquisitions would be handled in order to be afforded the opportunity to extend the contract further. The City submitted this explanation on May 3, 2022 and was granted the opportunity to execute a contract extension.

Since that time, two of the remaining three vehicles have been purchased and placed into service. The final heavy-duty CNG-fueled vehicle has been ordered and is expected to be delivered in late 2023 or early 2024. Therefore, City Council authorization is requested to execute a contract amendment to extend the term to January 5, 2029, to ensure that the five-year monitoring period requirement is incorporated.

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This matter was reviewed by Deputy City Attorney Anita Lakhani on September 30, 2022 and by Revenue Management Officer Geraldine Alejo on September 23, 2022.

SUSTAINABILITY

All vehicles purchased with grant funds are in full compliance with State and federal regulations for mileage and emission standards, and are fueled by less expensive, cleaner burning, renewable natural gas fuel.

TIMING CONSIDERATIONS

City Council action is requested on October 18, 2022, to ensure that the third amendment to Contract ML16017 is processed expeditiously.

FISCAL IMPACT

The requested contract amendment will allow the City to extend the period of the contract with the MSRC and fulfill an appropriate monitoring period for vehicles purchased using grant funding. This amendment will not change the total grant award beyond what was previously approved by the City Council. Future maintenance and replacement costs for these vehicles are collected through the Fleet Services Memorandum of Understanding (MOU) monthly charges to multiple funds and departments. 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,



KEVIN RIPER
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:



THOMAS B. MODICA
CITY MANAGER