

CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

R-39

333 West Ocean Boulevard 6th Floor • Long Beach, CA 90802 • (562) 570-6169 • Fax (562) 570-5836

September 19, 2006

HONORABLE MAYOR AND CITY COUNCIL

City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to execute a lease-purchase agreement and related financing documents with Bank of America Public Capital Corporation for the financing of ambulances, Fire rescue boats and a debris skimmer boat in an amount not to exceed \$2,495,000 including interest, payable over a seven-year period. (Citywide)

DISCUSSION

On July 11, 2006, the City Council approved by Resolution Number C-15 (attached) the purchase of one debris skimmer boat model MC-402, including trailer from Alpha Boat Unlimited, in an amount not to exceed \$290,924. Additionally, on August 22, 2006, the City Council approved by Resolution Numbers 06-789 and 06-790 (attached) the purchase of seven Advanced Life Support Paramedic Ambulances to replace the existing units that are past their useful life and/or mileage, for an amount not to exceed \$1,102,527, and two Fire rescue boats for an amount not to exceed \$797,171. The contract to purchase the vehicles is with Wheeled Coach Industries, Inc., while the contract for the Fire Rescue Boats is with the Seaway Boat Company.

The Department of Financial Management conducted a bid process to secure the most favorable financing terms for this acquisition. Requests for bids were solicited from 20 finance corporations. Of the 20 vendors, one firm was from Long Beach and two firms were Minority-owned Business Enterprises (MBEs). Three firms responded. After an evaluation of the proposals, Bank of America Public Capital Corporation offered the best terms with a rate of 3.76 percent for seven years and is, therefore, recommended to provide the required financing.

This matter was reviewed by Deputy City Attorney Donna F. Gwin and Budget Officer Wodynski on September 11, 2006.

TIMING CONSIDERATIONS

City Council action is requested on September 19, 2006 in order to complete the financing documents prior to the expiration of the rate commitment.

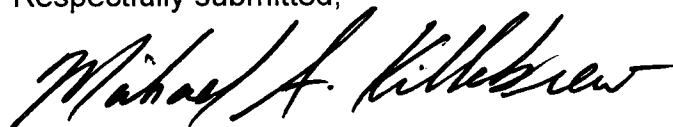
FISCAL IMPACT

The total principal amount to be financed under the Bank of America Public Capital Corporation agreement will not exceed \$2,190,622 and will be financed over a seven-year period. Total debt service (principal and interest) for the agreement totals approximately \$2,495,000. Of that amount, approximately \$279,000 of principal and interest will be paid in Fiscal Year 2007. Sufficient funds have been budgeted in the Fleet Services Fund (IS 386) in the Department of Public Works (PW), which will be supported through charges to the Tidelands Fund (TF) and the General Fund (GP) in the Department of Parks, Recreation and Marine (PR) and the Fire Department (FD).

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



MICHAEL A. KILLEBREW
DIRECTOR OF FINANCIAL MANAGEMENT

MK:DN:DT
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ATTACHMENTS

APPROVED:



GERALD R. MILLER
CITY MANAGER



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

333 West Ocean Boulevard 6th Floor • Long Beach, CA 90802 • (562) 570-5845 • Fax (562) 570-5838

~~C-15~~

July 11, 2006

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. PA-01806 and award a contract to Alpha Boats Unlimited for furnishing and delivering one debris skimmer boat model MC-402, including trailer model TLT-400E and pier conveyor model PC-6036E, in the amount of \$266,994 plus tax. (Citywide)

DISCUSSION

City Council approval is being requested to enter into a contract for the purchase of one debris skimmer boat, trailer and pier conveyor, which are needed for the 2007 winter storm season beach and water clean up program conducted by the Department of Parks, Recreation and Marine.

The Public Works Department, Fleet Services Bureau, has an immediate need to purchase one skimmer boat to replace the current boat that is eight years old. Although the budgeted replacement cycle of the debris skimmer boat is ten years, replacement of the existing boat has been accelerated due to extreme damage caused by constant exposure to salt water. It is not cost effective to repair the current boat due to excessive rusting. The purchase of the trailer will enable staff to remove the new boat from salt water and extend the life of the new boat. The pier conveyor will improve the method of disposing of the debris collected by the boat.

The bid was advertised on May 31, 2006, and 38 potential bidders were notified of the bid opportunity; none are Minority-owned Business Enterprises (MBEs), two are Women-owned Business Enterprises (WBEs), and seven are Long Beach businesses. The bid document was made available from the Purchasing Division located on the Plaza Level of City Hall and the Division's website at www.lbpurchasing.org. A bid announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 32 local, minority and women's business groups. Alpha Boats Unlimited of Weedsport, NY, is the lowest responsible bidder.

This matter was reviewed by Senior Deputy City Attorney Donna F. Gwin on May 31, 2006 and Budget Management Officer David Wodynski on June 28, 2006.

HONORABLE MAYOR AND CITY COUNCIL

July 11, 2006

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TIMING CONSIDERATIONS

City Council action to adopt Specifications No. PA-01806 and award a contract concurrently is requested on July 11, 2006 to expedite the replacement of the skimmer boat for the 2007 winter storm season.

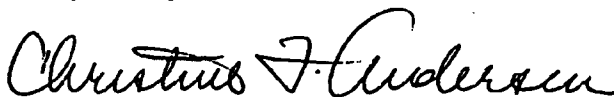
FISCAL IMPACT

The purchase price of the skimmer boat, trailer and pier conveyor is \$266,994 plus tax. It is expected that the purchase will be lease financed, with annual estimated payments of \$53,000 for seven years. Annual lease payments, which will begin in FY 07, will be included in the annual budgets of the Fleet Services Fund (IS 386) in the Department of Public Works (PW), which will be supported through charges to the Tidelands Fund (TF) in the Department of Parks, Recreation and Marine. The City will have the option of adding expenditures up to 10 percent (or \$26,699) above the contract amount if required and funds are available.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



CHRISTINE F. ANDERSEN
DIRECTOR OF PUBLIC WORKS



MICHAEL A. KILLEBREW
DIRECTOR OF FINANCIAL MANAGEMENT

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APPROVED:



GERALD R. MILLER
CITY MANAGER



CITY OF LONG BEACH

~~R-40~~

DEPARTMENT OF PUBLIC WORKS

333 West Ocean Boulevard • Long Beach, CA 90802

August 22, 2006

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt the attached Resolution authorizing the City Manager to execute a contract with Wheeled Coach Industries, Inc., for the purchase of seven Advanced Life Support Paramedic Ambulances per Quote No. 2007 on the same terms and conditions as are afforded to the City of Los Angeles Fire Department, Los Angeles, California in an amount not to exceed \$1,102,527 including tax, with an option for a 10 percent contingency if necessary and if funds are available. (Citywide)

DISCUSSION

City Council approval is being requested to enter into a contract for the purchase of seven Advanced Life Support Paramedic Ambulances for the Long Beach Fire Department.

Long Beach Fire Department has been utilizing ambulances that are past their scheduled replacement dates. During the pilot phase of the Basic Life Support program implemented in September 2005. The Basic Life Support program transports patients, by ambulance, for non-life threatening injuries/illnesses. A private contractor had provided this service for the previous 12 years.

The City Manager has approved the integration of the program as a permanent component of Emergency Response Services. The approval includes the purchase of seven ambulances. The new ambulances will be assigned as Advanced Life Support units and the replaced Advanced Life Support units will be transferred to the Basic Life Support program.

The new ambulances will result in the replacement of existing ambulances ranging in age from 9 to 10 years old. The budgeted replacement cycle of an ambulance is six years. The vehicles to be replaced are at such an advanced age that managing maintenance costs and repair downtime is creating excessive inefficiencies.

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HONORABLE MAYOR AND CITY COUNCIL

August 22, 2006

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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.

The Department of Public Works, Fleet Services Bureau, investigated procurement options and learned that the Los Angeles City Fire Department had completed a competitive bid process for Paramedic Ambulances and has a purchase order with Wheeled Coach Industries, Inc., that meets the City's needs. This cooperative purchase agreement will facilitate the timely acquisition of the Advanced Life Support Paramedic Ambulances and provide cost benefits to the City.

Wheeled Coach Industries, Inc., has agreed to sell seven Paramedic Ambulances to the City of Long Beach under the same terms and conditions as are afforded to the City of Los Angeles Fire Department in an amount not to exceed \$1,102,527, with an option for 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 Senior Deputy City Attorney Donna F. Gwin and by Budget Management Officer David Wodynski on August 11, 2006.

TIMING CONSIDERATIONS

City Council action is requested on August 22, 2006, to ensure that the Advanced Life Support Paramedic vehicles are built and placed into service in early 2007.

FISCAL IMPACT

The purchase price of seven ambulances is \$1,102,527 including tax. The source of funding for the purchase will be a lease financing, with annual estimated payments of \$230,419 for six years, or \$1,382,514 total. Final lease terms and cost will depend on market conditions and variability. Annual lease payments, which will begin in FY 07, will be included in the annual budget of the Fleet Services Fund (IS 386) in the Department of Public Works (PW), which will be supported through charges to the General Fund (GP) in the Fire Department (FD). The City will have the option of adding expenditures up to 10 percent (or \$110,253) above the contract amount if funds are available.

HONORABLE MAYOR AND CITY COUNCIL

August 22, 2006

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SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



CHRISTINE F. ANDERSEN
DIRECTOR OF PUBLIC WORKS

APPROVED:



GERALD R. MILLER
CITY MANAGER



CITY OF LONG BEACH

DEPARTMENT OF PUBLIC WORKS

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~~R-41~~

August 22, 2006

HONORABLE MAYOR AND CITY COUNCIL

City of Long Beach
California

RECOMMENDATION:

Adopt the attached Resolution authorizing the City Manager to execute a contract with Seaway Boat Company, for the purchase of two Fire Rescue Boats per quote dated May 23, 2006, on the same terms and conditions as are afforded to the County of Orange, California in an amount not to exceed \$797,171 including tax, with an option for a 10 percent contingency if necessary and if funds are available.

DISCUSSION

City Council approval is being requested to enter into a contract for the purchase of two Fire Rescue Boats for the Long Beach Fire Department. The Long Beach Fire Department Marine Safety Division uses these boats for fire suppression and rescue on the waterways and in the marinas.

Fleet Services Bureau is requesting authorization to purchase two Fire Rescue Boats. The new boats will replace existing boats ranging in age from 21 to 22 years old. These boats are scheduled FY 06 replacements and are now past their expected life cycle. The budgeted replacement cycle of a Fire Rescue Boat is 20 years. The two boats to be replaced are at such an advanced age that managing maintenance costs and repair downtime is creating excessive inefficiencies.

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.

The Department of Public Works, Fleet Services Bureau, investigated procurement options and learned that the County of Orange had completed a competitive bid process for Fire Rescue Boats and has a purchase order with Seaway Boat Company that meets the City's needs. This cooperative purchase agreement will facilitate the timely acquisition of the Fire Rescue Boats and provide cost benefits to the City.

Seaway Boat Company has agreed to sell two Fire Rescue Boats to the City of Long Beach under the same terms and conditions as are afforded to the County of Orange in an amount not to exceed \$797,171, with an option for 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.

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HONORABLE MAYOR AND CITY COUNCIL

August 22, 2006

Page 2

This matter was reviewed by Senior Deputy City Attorney Donna F. Gwin and by Budget Management Officer David Wodynski on August 11, 2006.

TIMING CONSIDERATIONS

City Council action is requested on August 22, 2006, to secure a construction start date, and ensure that the Fire Rescue Boats are built and placed into service as soon as possible. The expected build and delivery time for these boats is 18 months.

FISCAL IMPACT

The purchase price of two Fire Rescue Boats is \$797,171 including tax. The source of funding for the purchase will be a lease financing, with annual estimated payments of \$109,563 for 10 years or \$1,095,630 total. Final lease terms and cost will depend on market conditions and variability. Annual lease payments, which will begin in FY 08, will be included in the annual budgets of the Fleet Services Fund (IS 386) in the Department of Public Works (PW), which will be supported through charges to the Tidelands Fund (TF) in the Fire Department. The City will have the option of adding expenditures up to 10 percent (or \$79,717) above the contract amount if required and funds are available.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



CHRISTINE F. ANDERSEN
DIRECTOR OF PUBLIC WORKS

APPROVED:



GERALD R. MILLER
CITY MANAGER