

October 3, 2023

**C-18**

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 documents including any necessary subsequent amendments, with Los Angeles Truck Centers, LLC, dba Velocity Truck Centers, an authorized distributor of Crane Carrier Company, LLC, of New Philadelphia, OH, for the purchase of two battery electric vehicle (BEV) Crane Carrier LET2-40 trucks, with Beau-Roc dump bodies, on the same terms and conditions afforded to Sourcewell, in a total amount not to exceed \$1,176,612, inclusive of taxes and fees. (Citywide)

DISCUSSION

City Council approval is requested to enter into a contract with Los Angeles Truck Centers, LLC, dba Velocity Truck Centers, for the purchase of two BEV Crane Carrier LET2-40 dump trucks. The trucks are used by the Public Works Department for loading and hauling dirt, debris, and material. The proposed units are approved Fiscal Year 2023 (FY 23) replacements and will be used by the Public Service Bureau, Street Maintenance Division, for daily operational use and transportation of construction material in public rights-of-way.

The all-electric dump trucks align with State and local regulations to transition to zero-emission electric trucks by 2035. Benefits of this technology include reduced harmful air emissions, fuel cost savings, anticipated maintenance savings, and quieter operation in Long Beach neighborhoods. The proposed units are replacing two 3-axle dump LNG-fueled trucks that are 15 years old and are at the end of their useful lives. Replacing the units now will minimize repair downtime and ensure the lowest net operational costs for the City of Long Beach (City).

The majority of capital funds to support this purchase have been collected through the regular Fleet Services Bureau Memorandum of Understanding (MOU). A portion of the total cost, \$152,507, will be offset by Assembly Bill (AB) 32 funds. AB 32 requires California to return to 1990 levels of greenhouse gas emissions by 2020. AB 32 funding provides funding for capital shortfalls and/or incremental costs of the replacement of existing heavy-duty fossil fuel burning units that are past their useful life with zero emission battery electric versions. The Fleet Services Bureau will use combined annual allocations of AB 32 funds appropriated by the City Council in Fiscal Years 2020, 2021 and 2022 budgets. This purchase supports Fleet's comprehensive plan for the City's fleet

electrification, which includes extensive planning, procurement, and funding strategies. Grant funding, including the availability and use of AB 32 funds, is needed to support compliance with California Air Resources Board's (CARB) Advanced Clean Fleet (ACF) regulation adopted in April 2023. Additionally, applications have been submitted to the VW Environmental Mitigation Trust Fund (VW Trust) which could result in award funding up to \$200,000 per unit. If awarded, the funds would be used to offset purchase costs of these zero emission dump trucks.

The Fleet Services Bureau researched procurement options for all-electric dump trucks and discovered other agencies had completed an open, fair, transparent, and competitive procurement process. The City reviewed cooperative agreement options and determined that the contract between Sourcewell and Crane Carrier Company, LLC, through their local distributor, Los Angeles Truck Centers, LLC, dba Velocity Truck Centers, provided the best value to the City.

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. This alternative procurement method can save time and reduce costs through economies of scale by purchasing under existing contracts from other government agencies on a voluntary and selective basis, when authorized by a Resolution adopted by the City Council.

This matter was reviewed by Deputy City Attorney Taylor Anderson on September 13, 2023, Purchasing Agent Michelle Wilson on September 11, 2023, and by Revenue Management Officer Geraldine Alejo on September 15, 2023.

## SUSTAINABILITY

The City has a long history of prioritizing sustainability and being an early adopter of new technology. The City is a recognized leader in the use of alternative fuels in its fleet and is embracing zero-emission vehicles (ZEV) as quickly as they become available (along with funding and infrastructure support). The Fleet Services Bureau currently includes 81 ZEVs (including its first fully electric pickup) and 90 plug-in hybrids. To date, 97 charge ports for electric vehicles have been installed for dedicated City use, and another 200 are planned in the near future. On March 21, 2023, the City Council authorized the purchase of two heavy-duty fully electric refuse trucks for long-term piloting of range and capacity in actual working conditions.

The all-electric dump trucks do not directly produce air toxins, greenhouse gases or particulate emissions and are fully compliant with the State of California and local district air quality regulations. Cleaner air is healthier for all residents, businesses, and visitors to the City of Long Beach.

TIMING CONSIDERATIONS

City Council action to adopt a Resolution and award a contract concurrently is requested on October 3, 2023, to ensure that the contract is in place expeditiously.

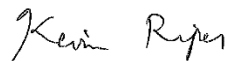
FISCAL IMPACT

The total amount of the contract will not exceed \$1,176,612, inclusive of taxes and fees. This purchase is budgeted in the Fleet Services Fund Group in the Financial Management Department. If awarded, up to \$200,000 per unit will be available from the VW Trust to offset the current purchase price, with savings redirected to future unfunded fleet needs within the Public Works Department. Replacement costs are collected through regular monthly charges and begin when the vehicles are delivered and placed into service. Annual maintenance and replacement costs for these units are estimated at \$147,100 and will be billed to the Public Works Department through the Fleet Services Bureau MOU process. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with the City Council priorities. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



KEVIN RIPER  
DIRECTOR  
FINANCIAL MANAGEMENT

APPROVED:



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THOMAS B. MODICA  
CITY MANAGER

1 RESOLUTION NO.  
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3 A RESOLUTION OF THE CITY COUNCIL OF THE  
4 CITY OF LONG BEACH AUTHORIZING THE CITY  
5 MANAGER TO EXECUTE AN AGREEMENT WITH LOS  
6 ANGELES TRUCK CENTERS, LLC DBA VELOCITY TRUCK  
7 CENTER OF WHITTIER, CA (VELOCITY), AN  
8 AUTHORIZED DISTRIBUTOR OF CRANE CARRIER  
9 COMPANY, LLC, FOR THE PURCHASE OF TWO  
10 BATTERY ELECTRIC VEHICLE (BEV) CRANE CARRIER  
11 LET2-40 TRUCKS, WITH BEAU-ROC DUMP BODIES, ON  
12 THE SAME TERMS AND CONDITIONS THROUGH CRANE  
13 CARRIER COMPANY, LLC'S CONTRACT WITH  
14 SOURCEWELL, OF STAPLES, MN, IN A TOTAL AMOUNT  
15 NOT TO EXCEED \$1,176,612, INCLUSIVE OF TAXES AND  
16 FEES  
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18 WHEREAS, the Charter of the City of Long Beach (the "City"), Section 1802,  
19 permits the City to purchase services, supplies, materials, equipment and labor with other  
20 government agencies by purchasing under their contracts on a voluntary and selective  
21 basis when authorized by resolution; and

22 WHEREAS, the City desires to purchase two (2) Battery Electric Vehicle  
23 Crane Carrier LET2-40 trucks, with Beau-Roc-dump bodies, for use by the Public Service  
24 Bureau, Street Maintenance Division for daily operational use and transportation of  
25 constructions material in public rights-of-way; and

26 WHEREAS, Sourcewell is a State of Minnesota local government agency  
27 and service cooperative created under the laws of the State of Minnesota (Minnesota  
28 Statutes Section 123A.21) that offers cooperative procurement solutions to its members;

1 and

2 WHEREAS, Sourcewell has a Contract for the purchase of the two BEV  
3 Crane Carrier LET2-40 trucks, Contract No. 060920-CRN ("Sourcewell Contract"); and

4 WHEREAS, Los Angeles Truck Centers, LLC, dba Velocity Truck Centers is  
5 a local authorized distributor of Crane Carrier Company, LLC; and

6 WHEREAS, the City's participation in the Sourcewell Contract will facilitate  
7 the City's ability to purchase as well as provide considerable cost benefits to the City; and

8 WHEREAS, if the City had to utilize a formal bid process rather than  
9 participate in the Sourcewell Contract, considerably more funds would be required;

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

12 Section 1. The above recitals are true and correct and are incorporated  
13 herein by this reference.

14 Section 2. The City Manager or designee is hereby authorized to enter an  
15 agreement with Crane Carrier Company, LLC, via their local authorized distributor, Los  
16 Angeles Truck Centers, LLC dba Velocity Truck Center to purchase two (2) BEV Crane  
17 Carrier LET2-40 trucks, with Beau-Roc dump bodies, of the same type and kind identified  
18 in the Sourcewell Contract except as modified by mutual agreement of the City and  
19 Velocity, and the purchase by the City shall be on the same terms and conditions afforded  
20 to Sourcewell in an amount not to exceed One Million One Hundred Seventy Six Thousand  
21 Six Hundred Twelve Dollars (\$1,176,612) including taxes and fees.

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Section 3. 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 \_\_\_\_\_, 2023, by the following vote:

Ayes: Councilmembers: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Noes: Councilmembers: \_\_\_\_\_  
\_\_\_\_\_

Absent: Councilmembers: \_\_\_\_\_  
\_\_\_\_\_

Recusal(s): Councilmembers: \_\_\_\_\_

\_\_\_\_\_

City Clerk