

CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

UB-19

333 West Ocean Boulevard • Long Beach, CA 90802

April 1, 2008

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt the attached Resolution authorizing the City Manager to execute a contract with Carmenita Truck Center for the purchase of three Altec LRV57RM aerial trucks per quotation dated December 27, 2007, on the same terms and conditions afforded to the County of Ventura, California, Bid Number 5384, in an amount not to exceed \$657,458 including tax, plus a 10 percent contingency for additional equipment if necessary and if funds are available. (Citywide)

DISCUSSION

City Council approval is requested authorizing the City Manager to execute a contract for the purchase of three Altec LRV57RM aerial trucks for the Department of Public Works, Street Maintenance, Street Tree Division.

The Department of Public Works currently utilizes four large aerial trucks and four smaller aerial trucks, staffed by 27 employees, for the performance of tree maintenance and removal Citywide. Of the 100,000 trees that make up the City's Urban Forest, 16,000 to 20,000 per year are trimmed by outside contractors through an organized grid system that provides economies of scale and a more cost-effective service. City crews address public service requests for the remainder of the trees and respond to emergency and storm-related events Citywide, including City parks, a service that does not allow for cost effective outsourcing. City crews are available 24 hours per day, seven days a week, responding to an average of 8,000 requests per year, providing specialized and responsive services to the community.

The three trucks to be replaced range in age from 16-22 years with a scheduled life expectancy of 15 years. One truck is currently out of service due to the need for extensive repairs, including refurbishment of the aerial assembly, which alone is estimated to cost \$100,000. Annual maintenance expenses for the other trucks have nearly doubled from 2006 to 2007, increasing on average from \$9,700 to \$18,300. The replacement of these trucks was previously deferred as staff researched various equipment options and fuel alternatives. The fourth large aerial truck is also 16 years old, but will remain in service beyond its scheduled life as there is sufficient reliability and acceptable maintenance costs to delay replacement.

The Department of Public Works, Fleet Services Bureau, investigated procurement options and learned that the County of Ventura had completed a competitive bid process for Altec aerial trucks and awarded a contract to Carmenita Truck Center of Santa Fe Springs, CA (not a MBE, WBE, local or SBE), the lowest responsible bidder. This cooperative purchase agreement will facilitate the timely acquisition of these aerial trucks and provide cost benefits to the City.

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 awarded aerial truck specifications have been reviewed and meet the City's fleet requirements.

Carmenita Truck Center has agreed to sell three Altec LRV57RM aerial trucks to the City of Long Beach under the same terms and conditions competitively bid and contracted to the County of Ventura in an amount not to exceed \$657,458 including tax, plus a 10 percent contingency for additional equipment if necessary and if funds are available. The Matrix Fleet Review Study supports the use of cooperative purchase agreements and adherence to a long-term replacement plan. The Fleet Review Committee approved this request on September 21, 2006. The acquisition price is firm through the end of April 2008. Beginning May 1, 2008, the price is expected to increase 3 percent, which reflects an additional \$6,570 per truck, totaling \$19,710.

The funding for these acquisitions is provided through the periodic payments by the user of the truck into a replacement fund, which amount is based on the cost of the vehicle and the scheduled life. The replacement fund fully covers the cost of these three vehicles.

These new aerial trucks will be powered by liquefied natural gas (LNG) to meet Air Quality Management District (AQMD) requirements. This will allow for the retirement of three trucks that consume diesel fuel, reducing the carbon footprint and particulate matter generated by the City. The three trucks will be sold at auction to a buyer outside of the State of California, ensuring that the environmental benefits are not offset within the State. The acquisitions will serve to reduce expenses and increase efficiency, both of which are negatively affected by increasing repairs and extended down times. This purchase will also maintain a consistent standardization of the City's LNG vehicle fleet and eliminate the need for additional training for mechanics and operators.

This matter was reviewed by Deputy City Attorney Amy R. Burton and Budget Management Officer Victoria Bell on March 6, 2008.

TIMING CONSIDERATIONS

City Council action is requested on April 1, 2008, to ensure that these new aerial trucks are built and placed into service in a timely manner.

FISCAL IMPACT

The cost of this contract is \$657,458, including tax, and is budgeted in the Fleet Services Fund (IS 386) in the Department of Public Works (PW). The City will have the option of adding expenditures up to 10 percent (or \$65,746) above the contract amount for additional equipment if necessary and if funds are available.

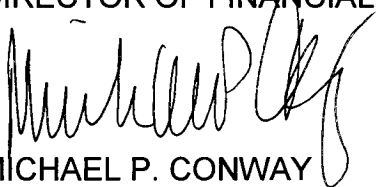
SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



LORI ANN FARRELL
DIRECTOR OF FINANCIAL MANAGEMENT/CFO



MICHAEL P. CONWAY
DIRECTOR OF PUBLIC WORKS

LAF:MPC:ES

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ATTACHMENT

APPROVED:



PATRICK H. WEST
CITY MANAGER

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

1 RESOLUTION NO.

2
3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH AUTHORIZING THE CITY
5 MANAGER TO ACQUIRE THREE (3) ALTEC LRV57RM
6 AERIAL TRUCKS, WITH THE OPTION TO PURCHASE
7 ADDITIONAL EQUIPMENT, THROUGH THE PURCHASE
8 ORDER BETWEEN THE COUNTY OF VENTURA AND
9 CARMENITA TRUCK CENTER
10

11 WHEREAS, the Charter of the City of Long Beach (the "City"), Section
12 1802, permits the City to purchase services, supplies, materials, equipment and labor
13 with other government agencies by purchasing under their contracts on a voluntary and
14 selective basis when authorized by resolution; and

15 WHEREAS, the City desires to purchase three (3) Altec aerial trucks with
16 the option to purchase additional equipment; and

17 WHEREAS, the County of Ventura has a Purchase Order for the purchase
18 of these aerial trucks from Carmenita Truck Center, Purchase Order Number PC
19 69900000202 ("Ventura PO"); and

20 WHEREAS, the City's participation in the Ventura PO will facilitate
21 acquisition of these aerial trucks as well as provide considerable cost benefits to the City;
22 and

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

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

27 1. The above recitals are true and correct and are incorporated herein
28 by this reference.

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

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2. The City Manager of the City is hereby authorized to enter an agreement with Carmenita Truck Center to purchase three (3) Altec aerial trucks, with the option to purchase additional equipment, of substantially the same type and kind purchased by the County of Ventura pursuant to the Ventura PO except as modified by mutual agreement of the City and Carmenita Truck Center, and the purchase by the City shall be on the same terms and conditions afforded to the County of Ventura in an amount not to exceed \$657,458.00, including tax, with a 10% contingency for additional equipment, for a period extending until the warranty on the aerial trucks expires.

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 _____, 20__ by the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

City Clerk