Department of Financial Management



411 West Ocean Boulevard, 6th Floor Long Beach, CA 90802 562-570-6425

C-19

May 2, 2023

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 trucks, of Whittier, CA, for the purchase of three CNG powered Crane Carrier LET2 trucks, with New Way front end loader refuse bodies, on the same terms and conditions afforded to Sourcewell, in a total amount not to exceed \$1,321,756, 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 three CNG Crane Carrier LET2 trucks with New Way front end body loaders. The Department of Public Works, Environmental Service Bureau, will use the proposed units for daily operations that include collecting refuse and removing litter and debris in public rights-of-way. These high capacity, front-loading refuse trucks are specialized to pick up large refuse bins, and are critical in servicing the City of Long Beach's (City) commercial refuse accounts.

These units are replacing three CNG refuse front loaders and are in the approved Fiscal Year 2023 (FY 23) replacement plan. Sufficient funds have been collected for the replacement of this equipment. The current units are nearing the end of their useful life and are becoming increasingly more expensive to maintain. Purchasing the replacement units now will minimize repair downtime and ensure the lowest net operational costs for the City.

The Fleet Services Bureau of the Department of Financial Management researched procurement options for CNG refuse trucks and discovered other agencies had completed an open, fair, transparent, and competitive procurement process. The City reviewed the 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.

HONORABLE MAYOR AND CITY COUNCIL May 2, 2023 Page 2

This matter was reviewed by Deputy City Attorney Anita Lakhani on April 13, 2023, Purchasing Agent Michelle Wilson on April 7, 2023, and by Revenue Management Officer Geraldine Alejo on April 14, 2023.

SUSTAINABILITY

The City has a long history of prioritizing sustainability and as 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 EV pickup) and 90 plug-in hybrids. We have also recently placed our first order for two (2) heavy-duty EV refuse trucks for long-term piloting of range and capacity in actual working conditions.

These new refuse trucks use "near-zero" CNG-powered engines that are below Nitrogen Oxide (NOx) standards and are fully compliant with the State of California and local district air quality regulations. They will be using clean burning renewable natural gas (RNG) fuel to further reduce air toxic and pollutant emissions.

TIMING CONSIDERATIONS

City Council action to adopt a Resolution and award a contract concurrently is requested on May 2, 2023, to ensure that the contract is in place expeditiously.

FISCAL IMPACT

The total amount of the contract will not exceed \$1,321,756, inclusive of taxes and fees. This purchase is budgeted in the Refuse and Recycling Fund Group in the Public Works Department. Annual ongoing maintenance, fuel, and replacement costs for each unit are estimated at \$89,122 and will be collected through the Fleet Services Bureau Memorandum of Understanding (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,

Kein Riper

KEVIN RIPER DIRECTOR FINANCIAL MANAGEMENT

THOMAS B. MODICA CITY MANAGER

APPROVED:

ATTACHMENT - RESOLUTION

OFFICE OF THE CITY ATTORNEY DAWN MCINTOSH, City Attorney 411 West Ocean Boulevard, 9th Floor Long Beach, CA 90802-4664

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH LOS ANGELES TRUCK CENTERS, LLC DBA VELOCITY TRUCK CENTER OF WHITTIER, CA, FOR THE PURCHASE OF THREE CNG POWERED CRANE CARRIER LET2 TRUCKS ON THE SAME TERMS AND CONDITIONS THROUGH THEIR CONTRACT WITH SOURCEWELL, OF STAPLES, MN, WITH CRANE CARRIER COMPANY, LLC AND SCRANTON MANUFACTURING COMPANY, INC. TO BE PROVIDED BY LOCAL DEALER VELOCITY TRUCK CENTERS, IN A TOTAL AMOUNT NOT TO EXCEED \$1,321,756, INCLUSIVE OF TAXES AND FEES

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

WHEREAS, the City desires to purchase three (3) CNG powered Crane Carrier LET2 trucks with New Way front end loader refuse bodies, designated for collecting refuse and removing litter and debris in public rights-of-way; and

WHEREAS, collection and diversion of organic material was mandated in 2016 when Governor Brown signed into law California Senate Bill SB1383, effective January 1, 2022; and

WHEREAS, currently refuse and recycling are collected in their own separate bins, however, with the passage of SB1383, the City will now utilize a third bin to collect

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the organic material (yard debris and food scraps) from commercial accounts to be processed separately from municipal solid waste; and

WHEREAS, these three high capacity front-loading refuse trucks are specialized to pick up large refuse bins, and are critical in servicing the City's commercial refuse accounts; and

WHEREAS, the truck chassis and service bodies are similar to what is in the current refuse fleet, enabling more efficient and cost-effective service; and

WHEREAS, the Fleet Services Bureau and the Purchasing Division for the Department of Financial Management researched procurement options, for CNG refuse trucks and discovered other agencies had completed an open, fair, transparent, and competitive procurement process; and

WHEREAS, the City reviewed Sourcewell agreement options and determined that Sourcewell's contract with Crane Carrier and Scranton Manufacturing through their local dealer, Velocity Truck Centers, who will assemble the trucks to meet the City's needs and specifications provided the best value to the City while allowing for timely acquisition and delivery; and

WHEREAS, there are currently no dealers or manufacturers of refuse trucks with these specifications; and

WHEREAS, Crane Carrier and Scranton Manufacturing were selected based on their competitive pricing, service level, and ability to deliver a produce that meets City quality standards and the Public Works Department's implementation timeline; and

WHEREAS, Sourcewell has a Contract for the purchase of the three CNG powered Crane Carrier LET2 trucks with New Way front end loaders, Contract No. 060920-CRN with Crane Carrier Company, LLC and Contract No. 091219-NWY with Scranton Manufacturing Company/New Way Trucks (collectively "Sourcewell Contracts"); and

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

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

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

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

Section 2. The City Manager or designee is hereby authorized to enter an agreement with Scranton Manufacturing Company/New Way Trucks and Crane Carrier Company, LLC, via their local dealer, Los Angeles Truck Centers, LLC dba Velocity Truck Center to purchase three (3) CNG powered Crane Carrier LET2 trucks with New Way front end loader refuse bodies, of the same type and kind identified in the Sourcewell Contracts except as modified by mutual agreement of the City and Velocity, and the purchase by the City shall be on the same terms and conditions afforded to Sourcewell in an amount not to exceed One Million Three Hundred Twenty One Thousand Seven Hundred Fifty-Six Dollars (\$1,321,756) including taxes and fees.

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1	Section	on 3. I his resolution	on snall take effect immediately upon its adoption
2	by the City Council, and the City Clerk shall certify the vote adopting this resolution.		
3	I hereby certify that the foregoing resolution was adopted by the City Counc		
4	of the City of Long Beach at its meeting of, 2023, by th		
5	following vote:		
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7	Ayes:	Councilmembers:	
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11	Noes:	Councilmembers:	
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13	Absent:	Councilmembers:	
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15	Recusal(s):	Councilmembers:	
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18			City Clerk
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