

South Coast Air Quality Management District

Contract No. **ML16017A** Modification

MODIFICATION TO CONTRACT 34202

This modification consists of 7 pages.

- 1. RECITALS
 - A. The South Coast Air Quality Management District (hereinafter "SCAQMD") and the City of Long Beach (hereinafter "CONTRACTOR") have previously executed a Contract No. ML16017 to purchase 48 medium-duty and 16 heavy-duty compressed natural gas (CNG) on-road vehicles, and to install a new CNG fueling station.
 - B. CONTRACTOR indicates that due to changes in their vehicle replacement schedule, in addition to manufacturer production changes, the CONTRACTOR wishes to make several changes to the list of vehicles to be purchased. Additionally, the substitutions are not strictly one-for-one. The Contract calls for the purchase of 48 medium-duty and 16 heavy-duty vehicles. CONTRACTOR proposed to purchase 50 medium-duty and 19 heavy-duty vehicles, with no change to the overall funding amount. CONTRACTOR understands that they would be accepting a lower per-vehicle incentive in some cases. At their January 18, 2018 meeting, the MSRC considered and approved CONTRACTOR's request. The SCAQMD Governing Board approved the modifications in the number of vehicles at their February 2, 2018 meeting. Therefore, a modification to this Contract is necessary to modify the work.
- 2. <u>MODIFICATION</u> The parties therefore agree to modify the existing Contract, at no additional cost to SCAQMD, as follows:
 - A. Attachment 1A Statement of Work, attached hereto and included herein by this reference, supersedes the original Statement of Work and any modifications thereof.
 - B. All other provisions of the above-referenced Contract shall remain in full force and effect.

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Contract No. ML16017A Modification

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

By: he Nastri, Executive Officer Mav

Date: 13 APR 2018

CITY OF LONG BEACH

34202 By:____ Name: Pat rst 11C Title: Ci 8 Date:

APPROVED AS TO FORM: Bayron T. Gilchrist, General Counsel

By

//Modification Revised February 14, 2018

APPROVED AS TO FORM March 22,20 18 CHARLES PARKIN, City Attorney By, MONICA J. KILATTA DEPUTY CITY ATTORNEY

<u>1. Project Elements</u>

A. Vehicle Purchases - The City of Long Beach (hereinafter referred to as "CONTRACTOR") is to purchase 48-50 medium-duty and 16-19 heavy-duty compressed natural gas (CNG) onroad vehicles, each equipped with a dedicated CNG engine as specified below. Each medium-duty vehicle must have a gross vehicle weight rating (GVWR) greater than 8,500 pounds, while each heavy-duty vehicle must have a GVWR greater than 14,000 pounds. Each heavy-duty engine must be certified by the California Air Resources Board at, or cleaner than, the 2010 heavy-duty engine emission standards of 0.2 g/bhp-hr for oxides of nitrogen (NOx) and 0.01 g/bhp-hr for particulate matter (PM).

| Vehicles | Life Expectancy |
|--|-------------------------|
| (3) Heavy-duty Ford F-650 towing vehicles | 8 years each |
| (3) Heavy-duty Ford F-650 vehicles with service bodies | 15 years each |
| (4) Heavy-duty Freightliner 106-MS2 112 vehicles | 10 years each |
| (1) Heavy-duty Autocar sweeper | 10 years |
| (4) Heavy-duty Schwarze A7000 street sweepers | 5 years each |
| (1) Heavy-duty Freightliner 114D fuel truck | 15 years |
| (7) Heavy-duty Ford F-550 bucket trucks | 9 years each |
| (1) Heavy-duty Freightliner Xpert striping truck | 12 years |
| (2) Heavy-duty Ford F-550 two trucks | 9 years each |
| (1) Heavy-duty Freightliner M2 106 pothole truck | 10 years |
| (1) Medium-duty Ford step van | 9 years |
| (1) Medium-duty Ford passenger van | 9 years |
| (13 25) Medium-duty Ford F-250 vehicles | 9 years each |
| (2 1) Medium-duty Ford F-450 dump truck s | 9 years each |
| (2) Medium-duty Ford F-450 towing vehicles | 8 years each |
| (5) Medium-duty Ford F-350 welder vehicles | 9 years each |
| (9) Medium-duty Ford E-350 cargo vans | 9 years each |
| (15) Medium-duty Ford E-350 dump trucks | 9 years each |
| (67) Medium-duty Ford F-250 vehicles with service beds | 9 years each |
| (7) Medium-duty Ford F-450 vehicles | 9 years each |

| (1) Medium-duty Ford F-350 flat bed vehicle | 12 years |
|---|--------------|
| (1) Medium-duty Ford F-550 bucket truck | 9 years |
| (1) Medium-duty GMC Express G2500 cargo van | 9 years |
| (2) Medium-duty GMC Sierra 2500 vehicles | 9 years each |
| (1) Medium-duty GMC G3500 cargo van | 9 years |
| (1) Medium-duty GMC Savana 3500 cargo van | 9 years |

- B. CONTRACTOR is also to install a limited-access CNG fueling station at 2600 Temple Avenue, Long Beach, California. At a minimum, the CNG station shall include the following:
 - i. Compressor(s) capable of providing at least 1,350 SCFM total compression capability
 - ii. One single-hose 3,600 psi dispenser
 - iii. One natural gas dryer
 - iv. At least 38,200 SCF storage capacity
 - v. Slow-fill hook-ups for at least 100 vehicles
 - vi. Associated equipment including flow metering, electrical panel(s), etc.

CONTRACTOR shall be reimbursed according to Attachment 2 - Payment Schedule.

2. Operation Requirements and Reimbursement for Noncompliance - Vehicles

Vehicles are required to operate for a minimum of five years, but it is expected that the vehicles will continue to operate for their entire life expectancy. CONTRACTOR is obligated to comply with the geographical restriction requirements as follows:

A. Each of the vehicles funded under this Contract must accrue at least 85% of its annual mileage or engine hours of operation within the geographical boundaries of the South Coast Air Quality Management District for a period of no less than five (5) years from the date the vehicle enters service (new vehicles) or returns to service (repowered vehicles). Should CONTRACTOR deviate from or fail to comply with this obligation, for reasons other than those stated in the EARLY TERMINATION clause of this contract, CONTRACTOR shall reimburse SCAQMD for a prorated share of the funds provided for the vehicle as indicated in the table below:

| 5 year Operations Obligation Termination Occurs | Percentage of MSRC Funds to be Reimbursed |
|--|--|
| Within Year 1 | 100% |
| Between Years 1-2 | 80% |
| Between Years 2-3 | 60% |
| Between Years 3-4 | 40% |
| Between Years 4-5 | 20% |
| After Year 5 | 0% |

- B. The appropriate reimbursable amount shall be paid to SCAQMD within sixty (60) days from the date the vehicle ceases to operate in accordance with the geographical restriction. CONTRACTOR shall not be responsible for any reimbursement to SCAQMD if the obligation is terminated as a result from one or more reasons set forth in the EARLY TERMINATION clause of this contract.
- C. Should CONTRACTOR sell, lease, transfer, assign or otherwise divest itself of the vehicles during the five year period referred to above, notice shall be provided to SCAQMD no less than 30 days preceding the sale, lease, transfer, or assignment is effectuated. The agreement effectuating the sale, lease, transfer or assignment shall state that the SCAQMD is an intended third-party beneficiary of the agreement and shall include the following requirement: the obligation to accrue mileage within the South Coast Air Quality Management District shall be a continuing obligation of the subsequent purchaser, lessee, transferee, successor in interest, heir or assign and shall remain in full force and effect until the expiration of the five year operation period. This obligation shall be passed down to any subsequent purchaser, lessee or transferee during this five year term and SCAQMD shall be an intended third-party beneficiary of any subsequent agreement. Upon receiving notice of any subsequent sale, lease, transfer, assignment or other divestiture, SCAQMD may elect to either require the reimbursement specified above, or require the subsequent purchaser, lessee, transferee or assignee to comply with the continuing obligation to operate the vehicle for a period of no less than five (5) years from the date the vehicle entered service (new vehicles) or re-service (re-powered vehicles). Notice of SCAQMD's election of remedies shall be provided to CONTRACTOR and any subsequent purchaser, lessee, transferee or assignee in a timely fashion.

3. Operation Requirements and Reimbursement for Noncompliance – CNG Fueling Station CONTRACTOR is obligated to comply with the Operational Availability requirements set forth as follows:

A. CONTRACTOR commits to ensuring fast-fill refueling stations remain operational in the original location for a period of no less than five (5) years from the date the station begins operations in either its initial or expanded capacity. Should CONTRACTOR desire to deviate from this obligation, for reasons other than those stated in the EARLY TERMINATION clause of this Contract, CONTRACTOR shall reimburse SCAQMD for a

prorated share of the funds provided for fueling/charging facilities as indicated in the table below:

| 5 year Operational Availability Obligation Termination Occurs | Percentage of MSRC Funds to be Reimbursed |
|---|--|
| Within Year 1 | 100% |
| Between Years 1-2 | 80% |
| Between Years 2-3 | 60% |
| Between Years 3-4 | 40% |
| Between Years 4-5 | 20% |
| After Year 5 | 0% |

- B. The appropriate reimbursable amount shall be paid to SCAQMD within sixty (60) days from the date the station ceases operation. CONTRACTOR shall not be responsible for any reimbursement to SCAQMD if the obligation is terminated as a result from one or more reasons set forth in the EARLY TERMINATION clause of this Contract.
- C. The obligations of this section shall survive the expiration of the Contract and continue in full force and effect until the applicable operational availability period set forth above has been satisfied.

4. Display of MSRC Logo

CONTRACTOR agrees to permanently display one MSRC decal in a prominent location on each vehicle purchased and station installed pursuant to this Contract. Decals will be provided by SCAQMD upon notification that each subject vehicle and/or station becomes operational. Decals are approximately twelve (12) inches in height and eighteen (18) inches in width (Note: a smaller decal may be provided if CONTRACTOR demonstrates that application of the standard decal is not feasible). CONTRACTOR shall maintain decal for life of equipment subject to this Contract. Should any decal become damaged, faded, or otherwise unreadable, CONTRACTOR shall request replacement decal from SCAQMD and apply new decal in the same or other prominent location. SCAQMD shall not be responsible for damage to paint or other surfaces arising from application or removal of decals.

5. Promotion

CONTRACTOR shall prepare and submit a proposed Public Outreach Plan to promote the MSRC's co-funding of the vehicles and station. Acceptable outreach may include, but is not limited to, notices in CONTRACTOR mailings to residents, newspaper notices, flyers, and information items at CONTRACTOR Board meetings and community events. The Public Outreach Plan shall automatically be deemed approved 30 days following receipt by SCAQMD staff, unless SCAQMD staff notify CONTRACTOR in writing of a Public Outreach Plan deficiency. CONTRACTOR shall implement the approved Public Outreach Plan in accordance with the Project Schedule below.

6. Reports

Quarterly Reports: Until vehicles are placed into service and station commences operation, CONTRACTOR shall provide quarterly progress reports that summarize the project results to date including, but not limited to: tasks completed, issues or problems encountered, resolutions implemented, and progress to date. Progress reports that do not comply will be returned to the CONTRACTOR as inadequate.

Final Report: A Final Report shall be submitted by the CONTRACTOR in the format provided by SCAQMD staff. Report shall include, at a minimum: a) an executive summary; and b) a detailed discussion of the results and conclusions at this project. CONTRACTOR will identify any barriers encountered and solutions developed to overcome the barriers, and impact of project on future alternative fuel projects.

7. Project Schedule

CONTRACTOR shall comply with the increments of progress identified in the following chart. The completion month for each task is based on the date of Contract execution.

| Task | Completion |
|--|------------------------------|
| Submit Public Outreach Plan | Month 7 |
| Select vendor for station installation | Month 8 |
| Order vehicles | Month 16 |
| Complete station installation | Month 23 |
| Place vehicles into service | Month 27 |
| Implement Public Outreach Plan | Month 29 |
| Quarterly reports | Months 4, 7, 10, 13, 16, 19, |
| | 22 and 25 |
| Final Report | Month 30 |