



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

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November 18, 2014

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. PA-05313 and authorize the City Manager to execute a contract with Los Angeles Truck Center, LLC, of Whittier, CA, for the purchase of one natural gas powered, 20 cubic yard, rear-loading refuse truck, in a total amount not to exceed \$281,798, inclusive of taxes and fees. (Citywide)

DISCUSSION

City Council approval is requested to enter into a contract with Los Angeles Truck Center, LLC, for the purchase of one natural gas powered, 20 cubic yard, rear-loading refuse truck. In February 2013, vehicle 13722 was in an accident and deemed a total loss by the Fleet Services Bureau. The City's insurance carrier, Lexington Insurance Company, has agreed to reimburse \$186,765 of the total purchase price to the City upon delivery of the replacement vehicle to the City. Sufficient replacement funds have been collected over the life of the vehicle to complete the purchase.

The bid was advertised in the Press-Telegram on July 30, 2013, and 898 potential bidders specializing in automotive or transportation services were notified of the bid opportunity. Of those bidders, eight downloaded the bid via our electronic bid system. The bid document was made available from the Purchasing Division, located on the seventh floor of City Hall, and the Division's website at www.longbeach.gov/purchasing. A bid announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 30 local, minority, and women-owned business groups. Two bids were received on August 15, 2013. Of those two bidders, none were Minority-owned Business Enterprises (MBEs), Women-owned Business Enterprises (WBEs), certified Small Business Enterprises (SBEs), or Long Beach businesses (Local). Los Angeles Truck Center, LLC, of Whittier, CA (not an MBE, WBE, DBE, SBE or Local), was the lowest responsible bidder.

Local Business Outreach

In an effort to align with our outreach goal, Long Beach businesses are encouraged to submit bids for City contracts. The Purchasing Division also assists businesses with registering on the Bids Online database to download the bid specifications. Through outreach, 145 Long Beach vendors were notified to submit bids, of which none downloaded or submitted a bid. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

This matter was reviewed by Deputy City Attorney Kendra L. Carney on October 28, 2014 and by Budget Management Officer Victoria Bell on October 30, 2014.

SUSTAINABILITY

The new natural gas powered vehicle is compliant with the State of California and local district air quality regulations and reduces the City's carbon footprint by placing units with cleaner fuel-burning engines into service.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. PA-05313 and award a contract concurrently is requested on November 18, 2014 to ensure that the contract is in place to allow for delivery time of 180-210 days. The current chassis production schedule will allow for a July 2015 delivery.

FISCAL IMPACT

The total purchase amount is not to exceed \$281,798, of which \$186,765 will be funded by the insurance company through a reimbursement. The remaining amount of \$95,033 has been collected through regular capital replacement monthly contributions and is budgeted in the Fleet Services Fund (IS 386) in the Financial Management Department (FM). There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:



PATRICK H. WEST
CITY MANAGER