

CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

333 West Ocean Boulevard 6th Floor •

Long Beach, CA 90802 •

Fax (562) 570-5836

(562) 570-6845

December 7, 2010

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

RECOMMENDATION:

Authorize the City Manager to execute a Memorandum of Understanding (MOU) with Long Beach Transit (LBT) to reimburse the City for the purchase of a refuse vehicle to be used to service litter containers at bus stops; and,

Adopt the attached Resolution authorizing the City Manager to execute a contract and any amendments thereto with Los Angeles Truck Centers, LLC, dba Los Angeles Freightliner Western Star of Whittier, CA (not an MBE, WBE, SBE or Local), for the purchase of one liquefied natural gas (LNG) powered side-loader refuse truck per quote dated September 14, 2010, on the same terms and conditions afforded to the State of California, Department of Transportation (Cal-Trans), solicitation No. 5439, in a total amount not to exceed \$245,435 including tax. (Citywide)

DISCUSSION

The Department of Public Works, Environmental Services Bureau (ESB), provides refuse collection services for LBT bus stops located throughout the city. The original MOU between the City and LBT was signed on October 31, 2000. Under this MOU, LBT agreed to fund the purchase of a truck for ESB to use to service the bus stops, and ESB agreed to be responsible for providing staff to service the bus stops and all other related operating expenses. ESB has been utilizing this truck for ten years and has requested that a replacement truck be funded.

Upon the request of ESB, the Fleet Services Bureau reviewed the condition and repair history of the current vehicle. It was determined that it would be more cost-efficient and effective to replace the vehicle rather than to continue to repair and maintain it. LBT has agreed to the replacement of the vehicle and to reimburse the City for the purchase of a replacement vehicle. The City will continue to be responsible for providing staff to service the bus stops and all other related operating expenses.

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City Council is requested to approve the MOU, which will provide the funding of the replacement LNG-powered side-loader refuse truck to be used to service the bus stops in the city. The cost of this vehicle is not to exceed \$245,435 including tax.

The Department of Public Works, Fleet Services Bureau, investigated procurement options and learned that the State of California, Department of Transportation, had completed a competitive bid process on October 12, 2009. The bid was awarded to Los Angeles Truck Centers, LLC, dba Los Angeles Freightliner Western Star of Whittier, CA. This cooperative purchase agreement will facilitate the timely acquisition of this vehicle 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.

This matter was reviewed by Deputy City Attorney Amy R. Burton on November 9, 2010 and Budget Management Officer Victoria Bell on November 10, 2010.

<u>SUSTAINABILITY</u>

- Environmental benefits—By emptying the litter containers, litter is reduced, which prevents it from entering the storm drains.
- Energy security benefits—We are replacing a diesel vehicle with one that runs on LNG.
- Economic benefits—The existing vehicle was becoming too costly to maintain.
- **Quality benefits**—LNG is registered as an approved alternative to diesel fuel and meets clean fuel standards established by the California Air Resources Board (CARB). Both, CARB and the South Cost Air Quality Management District (AQMD) have officially approved its use.

TIMING CONSIDERATIONS

City Council action to adopt the attached Resolution is requested on December 7, 2010 to ensure that the contract is in place expeditiously to minimize delivery turnaround time.

FISCAL IMPACT

The cost of this contract is \$245,435 including tax, and is budgeted in the Fleet Services Fund (IS 386) in the Department of Public Works (PW). Long Beach Transit will reimburse the City for the cost of the vehicle within 30 days of purchase. There is no job impact associated with this request.

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SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

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LORI ANN FARRELL DIRECTOR OF FINANCJAL MANAGEMENT/CFO

MICHAEL P. CONWAY

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ATTACHMENT - RESOLUTION

APPROVED:

PATR/ICK H. WEST ANAGER

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 PURCHASE ONE LIQUEFIED NATURAL
	6	GAS POWERED SIDE LOADER REFUSE TRUCK
	7	THROUGH THE PURCHASE ORDER BETWEEN THE
	8	STATE OF CALIFORNIA - DEPARTMENT OF
	9	TRANSPORTATION AND LOS ANGELES TRUCK
	10	CENTERS, LLC DBA LOS ANGELES FREIGHTLINER
	11	WESTERN STAR – WHITTIER
	12	
	13	WHEREAS, the Charter of the City of Long Beach (the "City"), Section
	14	1802, permits the City to purchase services, supplies, materials, equipment and labor
	15	with other government agencies by purchasing under their contracts on a voluntary and
	16	selective basis when authorized by resolution; and
	17	WHEREAS, the City desires to purchase one (1) liquefied natural gas
	18	powered side loader refuse trucks ("Refuse Truck"); and
	19	WHEREAS, the State of California – Department of Transportation has a
	20	Purchase Order for the purchase of this Refuse Truck, Purchase Order No. S32101-
	21	60130 ("State PO"); and
	22	WHEREAS, the City's participation in the State PO will facilitate acquisition
	23	of this Refuse Truck as well as provide considerable cost benefits to the City; and
	24	WHEREAS, if the City had to go to formal bid rather than participate in the
	25	State PO considerably more funds would be required;
	26	NOW, THEREFORE, the City Council of the City of Long Beach resolves as
	27	follows:
	28	1. The above recitals are true and correct and are incorporated herein
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1 || by this reference.

2 2. The City Manager of the City is hereby authorized to enter an 3 agreement with Los Angeles Truck Centers, LLC dba Los Angeles Freightliner Western 4 Star – Whittier to purchase one (1) liquefied natural gas powered side loader refuse 5 trucks of substantially the same type and kind purchased by the State of California-6 Department of Transportation pursuant to the State PO except as modified by mutual 7 agreement of the City and Los Angeles Truck Centers, LLC dba Los Angeles Freightliner 8 Western Star – Whittier, and the purchase by the City shall be on the same terms and 9 conditions afforded to the State of California-Department of Transportation in an amount 10 not to exceed \$245,435, including tax and shipping, for a period extending until the warranty on the Refuse Truck expires. 11

This resolution shall take effect immediately upon its adoption by the
City Council, and the City Clerk shall certify the vote adopting this resolution.

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