

# CITY OF LONG BEACH

#### DEPARTMENT OF PUBLIC WORKS

333 West Ocean Boulevard . Long Beach, CA 90802

August 22, 2006

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

## **RECOMMENDATION:**

Adopt the attached Resolution authorizing the City Manager to execute a contract with Wheeled Coach Industries, Inc., for the purchase of seven Advanced Life Support Paramedic Ambulances per Quote No. 2007 on the same terms and conditions as are afforded to the City of Los Angeles Fire Department, Los Angeles, California in an amount not to exceed \$1,102,527 including tax, with an option for a 10 percent contingency if necessary and if funds are available. (Citywide)

## **DISCUSSION**

City Council approval is being requested to enter into a contract for the purchase of seven Advanced Life Support Paramedic Ambulances for the Long Beach Fire Department.

Long Beach Fire Department has been utilizing ambulances that are past their scheduled replacement dates. During the pilot phase of the Basic Life Support program implemented in September 2005. The Basic Life Support program transports patients, by ambulance, for non-life threatening injuries/illnesses. A private contractor had provided this service for the previous 12 years.

The City Manager has approved the integration of the program as a permanent component of Emergency Response Services. The approval includes the purchase of seven ambulances. The new ambulances will be assigned as Advanced Life Support units and the replaced Advanced Life Support units will be transferred to the Basic Life Support program.

The new ambulances will result in the replacement of existing ambulances ranging in age from 9 to 10 years old. The budgeted replacement cycle of an ambulance is six years. The vehicles to be replaced are at such an advanced age that managing maintenance costs and repair downtime is creating excessive inefficiencies.

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 Department of Public Works, Fleet Services Bureau, investigated procurement options and learned that the Los Angeles City Fire Department had completed a competitive bid process for Paramedic Ambulances and has a purchase order with Wheeled Coach Industries, Inc., that meets the City's needs. This cooperative purchase agreement will facilitate the timely acquisition of the Advanced Life Support Paramedic Ambulances and provide cost benefits to the City.

Wheeled Coach Industries, Inc., has agreed to sell seven Paramedic Ambulances to the City of Long Beach under the same terms and conditions as are afforded to the City of Los Angeles Fire Department in an amount not to exceed \$1,102,527, with an option for 10 percent contingency if necessary and if funds are available. The Matrix Fleet Review Study also supports the use of cooperative purchase agreements and adherence to a long-term replacement plan.

This matter was reviewed by Senior Deputy City Attorney Donna F. Gwin and by Budget Management Officer David Wodynski on August 11, 2006.

## TIMING CONSIDERATIONS

City Council action is requested on August 22, 2006, to ensure that the Advanced Life Support Paramedic vehicles are built and placed into service in early 2007.

## FISCAL IMPACT

The purchase price of seven ambulances is \$1,102,527 including tax. The source of funding for the purchase will be a lease financing, with annual estimated payments of \$230,419 for six years, or \$1,382,514 total. Final lease terms and cost will depend on market conditions and variability. Annual lease payments, which will begin in FY 07, will be included in the annual budget of the Fleet Services Fund (IS 386) in the Department of Public Works (PW), which will be supported through charges to the General Fund (GP) in the Fire Department (FD). The City will have the option of adding expenditures up to 10 percent (or \$110,253) above the contract amount if funds are available.

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## SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

CHRISTINE F. ANDERSEN DIRECTOR OF PUBLIC WORKS

APPROVED:

GERALD R. MILLER CITY MANAGER