



Contract No. **ML16017C**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 forty-eight (48) medium-duty and sixteen (16) heavy-duty compressed natural gas (CNG) on-road vehicles, and to install a new CNG fueling station; modified by Contract No. ML16017A to increase the number of vehicles to fifty (50) medium-duty and nineteen (19) heavy-duty vehicles; and modified by Contract No. ML16017B to extend the Contract term, and modify the work.
- B. This Contract has been modified again to reduce the number of heavy-duty vehicles to seventeen (17). The CONTRACTOR has now indicated that two vehicles remain to be placed into service. One medium duty vehicle is expected to be complete within the next quarter. A number of factors have delayed acquisition of the heavy-duty paint striper truck, including other demands on CONTRACTOR staff in the early months of the pandemic, lack of responses when the truck was advertised for bid, and bids far in excess of original estimated cost. The CONTRACTOR re-wrote the bid specification to lower the cost and they are now prepared to proceed. They expect delivery by May 1, 2024. The CONTRACTOR requested a 40-month term extension to allow for the required five-year operational period. At their June 16, 2022 meeting, the MSRC considered the CONTRACTOR's request and approved a 40-month term extension. Therefore, a modification to this Contract is necessary to extend the date by which performance must be completed.

MODIFICATION

The parties therefore agree to modify the existing Contract, at no additional cost to SCAQMD, as follows:

- A. The term of this Contract is extended for an additional period commencing January 5, 2026 and terminating May 4, 2029.
- B. Attachment 1C Statement of Work, attached hereto and included herein by this reference, supersedes the original Statement of Work and any modifications thereof.
- C. All other provisions of the above-referenced Contract shall remain in full force and effect.

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TO SECTION 301 OF

THE CITY CHARTER.

Approved as to form: Date: 03/21/2023

By: _______ For: Dawn McIntosh, City Attorney

//MSRC Modification April 26, 2018, July 5, 2022

APPROVED AS TO FORM:

Bayron T. Gilchrist, General Counsel

1. Project Elements

A. Vehicle Purchases - The City of Long Beach (hereinafter referred to as "CONTRACTOR") is to purchase 50 medium-duty and 17 heavy-duty compressed natural gas (CNG) on-road 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
(6) Heavy-duty Freightliner MS2 112 vehicles	10 years each
(1) Heavy-duty Autocar sweeper	10 years
(4) Heavy-duty Ford F-550 bucket trucks	9 years each
(3) Heavy-duty Ford F-550 hybrid bucket trucks	9 years each
(2) Medium-duty Ford F-450 tow trucks	9 years each
(2) Medium-duty Ford F-450 trucks	9 years each
(11) Medium-duty Ford F-250 vehicles	9 years each
(5) Medium-duty Ford F-350 welder vehicles	9 years each
(3) Medium-duty Ford E-350 dump trucks	9 years each
(3) Medium-duty Ford F-350 trucks	9 years each
(7) Medium-duty Ford F-250 vehicles with ext. cabs	9 years each
(13) Medium-duty Ford F-250 vehicles with service beds	9 years each
(1)Medium-duty Ford F-250 flat bed vehicle	9 years
(2) Medium-duty GMC Sierra 2500 vehicles	9 years each
(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	
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 45
Complete station installation	Month 23
Place vehicles into service	Month 96 56
Implement Public Outreach Plan	Month 9858
Quarterly reports	Quarterly beginning with month 4 until project is complete
Final Report	Month 9959