

January 14, 2020

C-5

HONORABLE MAYOR AND CITY COUNCIL

City of Long Beach

California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute contract amendments, including a term extension to January 4, 2026, to Contract ML16017 for Local Government Match Program funding with the Mobile Source Air Pollution Reduction Review Committee through the South Coast Air Quality Management District. (Citywide)

DISCUSSION

On November 17, 2015, the City Council approved a contract with the Mobile Source Air Pollution Reduction Review Committee (MSRC), in association with the South Coast Air Quality Management District (SCAQMD), for the receipt of grant funding in the amount of \$1,445,400, to construct a slow-fill compressed natural gas (CNG) fuel station and to purchase 64 CNG-fueled vehicles over a two-year period. The CNG fueling station was completed in May 2017, with cost reimbursement of \$500,000 received on June 7, 2017. Due to delays in the approval of new CNG-fueled engines by the California Air Resources Board, the City is still in the process of purchasing and placing 64 CNG-fueled vehicles into the City's fleet. To fulfill the terms of the contract, 14 additional vehicles will be purchased.

An extended contract term is requested to accommodate the purchase and monitoring of the CNG-fueled vehicles. Under the contract, the MSRC may monitor a vehicle's status at any time up to five years after the vehicle is placed into service. On March 27, 2018, the first amendment to the contract was executed to extend the term of the contract to August 5, 2023; however, due to further delays in purchasing the vehicles, authorization is being requested to extend the term of the contract to January 4, 2026. The proposed change extends the term of the City of Long Beach's obligations under the grant beyond what was originally authorized by the City Council; therefore, City Council authorization is required to extend the term of the contract with the MSRC.

This matter was reviewed by Deputy City Attorney Taylor M. Anderson on December 23, 2019 and by Budget Management Officer Rhutu Amin Gharib on December 19, 2019.

SUSTAINABILITY

All vehicles purchased with grant funds are in full compliance with state and federal regulations for mileage and emission standards, and are fueled by less expensive, cleaner burning, renewable natural gas fuel.

TIMING CONSIDERATIONS

City Council action is requested on January 14, 2020, to ensure that the second amendment to contract ML16017 is processed expeditiously.

FISCAL IMPACT

The requested contract amendment will allow the City to extend the period of the contract with MSRC and fulfill an appropriate monitoring period of vehicles that are purchased using grant funding. This amendment will not change the total grant award beyond what was previously approved by the City Council. Purchase and future maintenance and replacement costs for these vehicles are collected through the Fleet Service Memorandum of Understanding (MOU) monthly charges to multiple funds and departments. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:



THOMAS B. MODICA
ACTING CITY MANAGER