

R-27

August 18, 2020

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt a Resolution authorizing the City Manager, or designee, to execute a contract, and any necessary amendments, with PB Loader Corporation, of Fresno, CA, for the purchase of seven 2020 CNG-fueled Freightliner 114SD dump trucks, on the same terms and conditions afforded in the Sourcewell (formerly The National Joint Powers Alliance) contract, for a total contract amount not to exceed \$1,627,300, inclusive of taxes and fees. (Citywide)

DISCUSSION

City Council approval is requested to enter into a contract with PB Loader Corporation for the purchase of seven Freightliner 114SD dump trucks, for a total contract amount not to exceed \$1,627,300, inclusive of taxes and fees. Three 3-axle dump trucks will replace vehicles in the Energy Resources Department and four 2-axle dump trucks will replace vehicles in the Energy Resources and Public Works Departments. Purchase of these vehicles was approved by the City Manager in the FY 18 and FY 20 Fleet Replacement Plans.

The current vehicles are experiencing increased downtime due to the need for replacement parts, which are increasingly difficult to find. The current vehicles have exceeded their useful life and new vehicles are necessary to ensure the continuity of operations.

The Fleet Services Bureau and the Purchasing Division in the Department of Financial Management researched procurement options for dump trucks, and found that Sourcewell had completed an open, fair, transparent, and competitive procurement process. The City reviewed the Sourcewell cooperative agreement and determined the Sourcewell contract proved to be the best option for this purchase due to their ability to provide the configuration of the dump trucks needed for the Energy Resources and Public Works Departments' field operations.

City Charter Section 1802 provides an alternative procurement method by permitting the City to purchase or otherwise obtain services, supplies, materials, equipment, and labor with other government agencies by purchasing under their contracts on a voluntary and selective basis when authorized by a Resolution of the City Council.

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This matter was reviewed by Deputy City Attorney Taylor M. Anderson on July 28, 2020 and Deputy Finance Director Sandy Tsang-Palmer on July 27, 2020. Due to time constraints, no Budget Office review was able to be conducted.

SUSTAINABILITY

These new dump trucks are compliant with the State of California and local district air quality regulations and use clean burning, renewable natural gas fuel to reduce air toxins and pollutant emissions.

TIMING CONSIDERATIONS

City Council action to adopt a Resolution and execute a contract concurrently is requested on August 18, 2020, to ensure the contract is in place expeditiously.

FISCAL IMPACT

The cost of the contract will not exceed \$1,627,300, inclusive of taxes and fees, and is budgeted in the Fleet Services Fund Group in the Financial Management Department. Ongoing maintenance expenses for two dump trucks, estimated at \$9,000 annually, and capital replacement charges based on an asset life of approximately 12 years, estimated at \$45,600 annually, will be charged to the General Fund Group in the Public Works Department. Ongoing maintenance expenses on five dump trucks, estimated at \$81,390, and capital replacement charges based on an asset life of 12-15 years, estimated at \$135,600 annually, will be charged to the Gas Fund Group in the Energy Resources Department. All charges will be made through the regular Fleet Services Memorandum of Understanding (MOU) monthly billing process starting when the units are delivered and in use. 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
CITY MANAGER

ATTACHMENT - RESOLUTION

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH PB LOADER CORPORATION TO PURCHASE SEVEN (7) FREIGHTLINER 114SD DUMP TRUCKS, THROUGH THEIR CONTRACT WITH SOURCEWELL, FORMERLY THE NATIONAL JOINT POWERS ALLIANCE, IN AN AMOUNT NOT TO EXCEED \$1,627,300, INCLUDING TAX AND FEES

WHEREAS, the Charter of the City of Long Beach (the "City"), Section 1802, permits the City to purchase services, supplies, materials, equipment and labor with other government agencies by purchasing under their contracts on a voluntary and selective basis when authorized by resolution; and

WHEREAS, the City desires to purchase seven (7) current model, CNG-fueled, Freightliner 114SD dump trucks ("Dump Trucks"); and

WHEREAS, SOURCEWELL, FORMERLY THE NATIONAL JOINT POWERS ALLIANCE, has a contract with PB LOADER CORPORATION for the purchase of these Dump Trucks, Contract No. 052417-PBL ("Sourcewell Contract"); and

WHEREAS, the City's participation in the Sourcewell Contract will facilitate acquisition of these Dump Trucks as well as provide considerable cost benefits to the City; and

WHEREAS, if the City had to utilize a formal bid process rather than participate in the Sourcewell Contract considerably more funds would be required;

NOW, THEREFORE, the City Council of the City of Long Beach resolves as follows:

Section 1. The above recitals are true and correct and are incorporated

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
411 West Ocean Boulevard, 9th Floor
Long Beach, CA 90802-4511

1 herein by this reference.

2 Section 2. The City Manager or designee is hereby authorized to enter
3 an agreement with PB LOADER CORPORATION to purchase seven (7) Dump Trucks, of
4 the same type and kind identified in the Sourcewell Contract except as modified by
5 mutual agreement of the City and PB LOADER CORPORATION, and the purchase by
6 the City shall be on the same terms and conditions afforded to SOURCEWELL,
7 FORMERLY THE NATIONAL JOINT POWERS ALLIANCE, in an amount not to exceed
8 One Million Six Hundred Twenty Seven Thousand Three Hundred Dollars (\$1,627,300),
9 including tax and fees.

10 Section 3. This resolution shall take effect immediately upon its adoption
11 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

12 I hereby certify that the foregoing resolution was adopted by the City
13 Council of the City of Long Beach at its meeting of _____, 2020,
14 by the following vote:

15
16 Ayes: Councilmembers: _____

17 _____

18 _____

19 _____

20 Noes: Councilmembers: _____

21 _____

22 Absent: Councilmembers: _____

23 _____

24 Recusal(s): Councilmembers: _____

25 _____

26 _____

27 _____

City Clerk

28