



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

R-14

333 West Ocean Boulevard • Long Beach, CA 90802 • (562) 570-6845 • Fax (562) 570-5836

August 9, 2011

HONORABLE MAYOR AND CITY COUNCIL

City of Long Beach
California

RECOMMENDATION:

Adopt the attached Resolution authorizing the City Manager to execute a contract with Los Angeles Truck Centers, LLC, dba Los Angeles Freightliner Western Star of Whittier, CA (not a MBE, WBE, SBE or Local), for the purchase of three 2012 liquefied natural gas (LNG) powered, Autocar ACX64 New Way Cobra, rear-loader refuse trucks, per quote dated June 29, 2011, on same terms and conditions afforded to the City of Beverly Hills, CA, under Bid No. 11-24 and Purchase Order No. 11201404, in a total amount not to exceed \$734,865, inclusive of tax and fees. (Citywide)

DISCUSSION

City Council approval is being requested to authorize the City Manager to execute a contract for the purchase of three 2012 LNG-powered, Autocar ACX64 New Way Cobra, rear-loader refuse trucks for the Department of Public Works, Environmental Services Bureau (ESB). This purchase will be replacing three existing diesel-fueled rear-loader refuse trucks which are ten years old and recommended for replacement, with clean burning LNG-fueled vehicles.

ESB provides refuse collection services to nearly all of the residents and many businesses in the City of Long Beach. ESB serves approximately 125,000 residential and commercial customers and picks up nearly 200,000 tons of refuse per year. To provide these services, ESB utilizes automated side-loading refuse trucks for residential street pickup and rear-loading refuse trucks for alleyway and commercial collection. It is critical that these trucks are replaced in a timely manner so they remain operationally effective, and ESB can maintain uninterrupted service to its customers and maintain the City's leadership in the use of alternative fuel vehicles.

The Department of Public Works, Fleet Services Bureau, investigated procurement options and learned that the City of Beverly Hills had completed a competitive bid process in March 2011 for a similar refuse truck and has awarded the contract to Los Angeles Freightliner Western Star of Whittier, CA. It was determined by staff that the terms and conditions of this bid would meet the Fleet Services Bureau and Environmental Services Bureau needs.

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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.

Los Angeles Freightliner Western Star has agreed to sell the City three LNG-fueled rear loader refuse trucks under the same terms and conditions as afforded to the City of Beverly Hills, CA under Bid No. 11-24. The Matrix Fleet Review Study also supports the use of cooperative purchase agreements and adherence to a long-term replacement plan.

SUSTAINABILITY

- Energy security benefits – by replacing diesel trucks with LNG trucks;
- Economic benefits – the existing trucks have become too costly to maintain; and
- 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 Air Quality Management District (AQMD) have officially approved its use.

This matter was reviewed by Deputy City Attorney Linda Trang on August 1, 2011 and Budget Management Officer Victoria Bell on July 29, 2011.

TIMING CONSIDERATIONS

City Council action is requested on August 9, 2011, to secure the 2012 Autocar ACX64 New Way Cobra, LNG-powered, rear-loader refuse trucks at this pricing, to ensure that the contract is in place expeditiously to minimize delivery turnaround time, and to capture the California Energy Commission (CEC) credits offered by Los Angeles Freightliner Western Star in the amount of \$96,000 while the funds are still available.

FISCAL IMPACT

The total cost of this contract, in the amount not to exceed \$734,865 including tax and fees, is budgeted in the Fleet Services Fund (IS 386) in the Department of Public Works (PW). These costs are recovered from the Refuse Fund (EF 330) in the Department of Public Works (PW) through monthly capital replacement charges. Los Angeles Freightliner Western Star has been awarded this funding from the CEC credit of \$96,000. The purchase price is net of the CEC credit. In addition, the City will receive \$75,000 in grant funding from ARRA Stimulus Package funds administered by the EPA and the MSRC Local Government Match Program administered by the AQMD, which will reimburse the Fleet Services Fund (IS 386) for purchase costs. An additional 1 percent early payment discount in the amount of \$7,349 will be given if payment is made within 21 days of the City being invoiced. There are no local jobs impacted by this action.

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SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT/CFO



MICHAEL P. CONWAY
DIRECTOR OF PUBLIC WORKS

ES:MK
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ATTACHMENT - RESOLUTION

APPROVED:



PATRICK H. WEST
CITY MANAGER

OFFICE OF THE CITY ATTORNEY
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RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AUTHORIZING THE CITY MANAGER TO PURCHASE THREE 2011 AUTOCAR REFUSE COLLECTION TRUCKS THROUGH THE PURCHASE ORDER BETWEEN THE CITY OF BEVERLY HILLS, CALIFORNIA AND LOS ANGELES TRUCK CENTERS, LLC DBA LOS ANGELES FREIGHTLINER – WHITTIER, CALIFORNIA

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 three (3) Autocar refuse collection trucks (“Refuse Trucks”); and

WHEREAS, the City of Beverly Hills, California has a Purchase Order for the purchase of these Refuse Trucks, Purchase Order No. 11201404 (“Beverly Hills PO”); and

WHEREAS, the City’s participation in the Beverly Hills PO will facilitate acquisition of these Refuse Trucks as well as provide considerable cost benefits to the City; and

WHEREAS, if the City had to go to formal bid rather than participate in the Beverly Hills PO considerably more funds would be required;

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

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

