

# **CITY OF LONG BEACH**

DEPARTMENT OF FINANCIAL MANAGEMENT

**R-25** 

333 West Ocean Boulevard . Long Beach, CA 90802

December 7, 2010

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

#### RECOMMENDATION:

Adopt the attached Resolution authorizing the City Manager to execute a contract and any amendments thereto with Los Angeles Truck Centers, LLC, dba Los Angeles Freightliner Western Star of Whittier, CA (not an MBE, WBE, SBE or Local), for the purchase of two liquefied natural gas (LNG) powered Versalift large aerial trucks per quotes dated July 21, 2010, on the same terms and conditions afforded to the City of Glendale Request for Quote (RFQ) #4000001088 and the City of Los Angeles RFQ #1992, in a total amount not to exceed \$541,154 including tax. (Citywide)

## **DISCUSSION**

City Council approval is being requested to authorize the City Manager to execute a contract for the purchase of two Versalift trucks – 2011 Freightliner M2 - 112, including one VST-7500-1 and one VN-55-1 large aerial truck for the Department of Public Works, Street Maintenance, Street Tree Division.

The Street Tree Division has utilized three large aerial trucks ranging in age from 18 to 24 years old to perform emergency and special tree maintenance services. The normal life expectancy of these trucks is 15 years. The condition of these trucks has now deteriorated to a point that the costs to repair are excessive and require an exorbitant amount of down time to complete. To date, two of the three trucks have been removed from service due to the excessive repair requirements. It has been determined that the current Street Tree program could operate with two replacement trucks. The third truck will be eliminated from the budget. The replacement trucks will be two different sized models, and will give the Street Tree Division more versatility to meet the various tree needs, sizes and locations in Long Beach. The aerial trucks are utilized to support the City's urban forest care. These units will be used in both routine and emergency tree trimming of an estimated 100,000 street trees. The purchase of these aerial trucks will allow the City to respond to routine and emergency tree trimming in a timely manner.

These new large aerial trucks will be liquefied natural gas (LNG) powered to meet South Coast Air Quality Management District (SCAQMD) regulations. These trucks will also be consistent with the City's other LNG vehicle fleet, which will eliminate the need for additional training for mechanics and operators.

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The Department of Public Works, Fleet Services Bureau, investigated procurement options and learned that the City of Glendale conducted a Request for Quote (RFQ) #4000001088 in March 2010 and the City of Los Angeles conducted a RFQ #1992 in November 2009 for aerial trucks, and have contracts with Los Angeles Truck Centers, LLC, that meet the City's needs and specification requirements. This cooperative purchase agreement will facilitate the timely acquisition of these large aerial trucks and provide cost benefits to the City.

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 Truck Centers, LLC, has agreed to sell two Versalift large aerial trucks to the City of Long Beach under the same terms and conditions as are afforded to the Cities of Glendale and Los Angeles in an amount not to exceed \$541,154 including tax. 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 Deputy City Attorney Amy R. Burton on October 29, 2010 and Budget Management Officer Victoria Bell on November 8, 2010.

### SUSTAINABILITY

With the addition of LNG fuel to the City's supply chain, the City has achieved a number of sustainable benefits:

- Environmental benefits—use of LNG results in a 23 percent reduction in nitrogen oxides emissions, 20-40 percent reduction in carbon monoxide and 80-90 percent reduction in particulate matter emissions compared to petroleum diesel.
- Energy security benefits—utilization of domestic supplies of renewable fuels reduces Long Beach's dependence on foreign oil and provides immediate environmental benefits as the City continues to implement alternative fuel options into our fleet.
- **Economic benefits**—the cooperative purchasing agreement will provide several cost benefits to the City by securing pricing at a previous bid to another agency. In addition, LNG fuel cost is \$.92 per gallon as compared to a cost of \$2.84 per gallon for diesel fuel.
- 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 SCAQMD have officially approved its use.

#### TIMING CONSIDERATIONS

City Council action is requested on December 7, 2010, to ensure that these new aerial trucks are built and placed into service in a timely manner.

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#### FISCAL IMPACT

The total cost of this contract period in the amount of \$541,154 is budgeted in the Fleet Services Fund (IS 386) in the Department of Public Works (PW). These costs are funded by user charges to Public Works Street Maintenance. There are no local jobs impacted by this action.

#### SUGGESTED ACTION:

Approve recommendation.

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Respectfully submitted,

LORI ANN FARRELL

DIRECTOR OF FINANCIAL MANAGEMENT/CFO

MICHAEL P. CONWAY

DIRECTOR OF PUBLIC WORKS

LAF:MPC:ES:PC

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**ATTACHMENTS** 

APPROVED:

PATRICK H. WEST

# OFFICE OF THE CITY ATTORNEY ROBERT E. SHANNON, City Attorney 333 West Ocean Boulevard, 11th Floor Long Beach, CA 90802-4664

#### RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AUTHORIZING THE CITY MANAGER TO PURCHASE TWO LIQUEFIED NATURAL GAS POWERED VERSALIFT LARGE AERIAL TRUCKS THROUGH THE PURCHASE ORDERS BETWEEN THE CITY OF LOS ANGELES AND THE CITY OF GLENDALE AND LOS ANGELES TRUCK CENTERS, LLC DBA LOS ANGELES FREIGHTLINER WESTERN STAR

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 two (2) liquefied natural gas powered Versalift large aerial trucks; and

WHEREAS, Los Angeles Truck Centers, LLC dba Los Angeles Freightliner Western Star has a Purchase Order with the City of Los Angeles for the purchase of a VST-7500-1 Articulated Telescopic Aerial Truck, Purchase Order No. 0001076672 ("LA Purchase Order"); and

WHEREAS, Los Angeles Truck Centers, LLC dba Los Angeles Freightliner Western Star has a Purchase Order with the City of Glendale for the purchase of a VN-55-1 Non-Over Center Aerial Truck, Purchase Order No. 6000015774 ("Glendale Purchase Order"); and

WHEREAS, the City's participation in the LA Purchase Order and the Glendale Purchase Order will facilitate acquisition of two (2) liquefied natural gas powered Versalift large aerial trucks as well as provide considerable cost benefits to the

City; and

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WHEREAS, if the City had to utilize a formal bid process rather than participate in the LA Purchase Order and the Glendale Purchase Order 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 by this reference.
- 2. The City Manager of the City is hereby authorized to enter an agreement with Los Angeles Truck Centers, LLC dba Los Angeles Freightliner Western Star to purchase two (2) liquefied natural gas powered Versalift large aerial trucks, of substantially the same type and kind purchased by the LA Purchase Order and the Glendale Purchase Order except as modified by mutual agreement of the City and Los Angeles Truck Centers, LLC dba Los Angeles Freightliner Western Star, and the purchase by the City shall be on the same terms and conditions afforded to the City of Los Angeles and the City of Glendale in a total amount not to exceed \$541,154, including tax, for a period extending until the warranties expire. This resolution shall take effect immediately upon its adoption by the City Council, and the City Clerk shall certify the vote adopting this resolution.

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28 /// OFFICE OF THE CITY ATTORNEY ROBERT E. SHANNON, City Attorney 333 West Ocean Boulevard, 11th Floor Long Beach, CA 90802-4664 

l h	ereby certify that the for	egoing resolution was a	dopted by the	City
Council of the City of Long Beach at its meeting of			, 20	_ by the
following vote:	,			
Ayes:	Councilmembers:			
Noes:	Councilmembers:			
Absent:	Councilmembers:			
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		City Clerk		