

## **C-5**

February 21, 2023

HONORABLE MAYOR AND CITY COUNCIL

City of Long Beach

California

### RECOMMENDATION:

Authorize the City Manager, or designee, to execute a contract amendment 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 to extend the term of the contract to May 4, 2029. (Citywide)

### DISCUSSION

The South Coast Air Quality Management District has asked the City of Long Beach (City) to seek immediate City Council approval of a contract extension to extend the term of Contract ML16017 through May 4, 2029.

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 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 medium- and heavy-duty vehicles.

On March 17, 2018, Amendment A to the contract was executed to extend the term of the contract to August 5, 2023. This extension was needed due to delays in the approval of new CNG-fueled engines.

On January 14, 2020, the City Council approved Amendment B to again extend the term of the contract to January 4, 2026, which allows for additional time to fulfill the MSRC requirement for vehicle purchases and monitoring beyond what was covered in Amendment A.

On October 18, 2022, the City Council approved Amendment C to extend the term of the contract to January 4, 2029. This amendment was intended to allow for enough time for the final vehicle to be delivered. However, due to supply chain issues and subsequent changes to the projected delivery date, an additional four months are needed. An extension to May 4, 2029 is being requested, which will allow for the final unit to be delivered, plus five years of performance reporting mandated by the original grant terms.

The onset of the COVID-19 pandemic, supply chain issues and consequent postponed manufacturing deadlines have delayed the acquisition of the final CNG-fueled vehicle needed to fulfill the terms of the contract. The MSRC requested that the City submit a detailed account of the delays experienced, the actions that were taken, and how the remaining acquisitions would be handled in order to be afforded the opportunity to extend the contract further. The City submitted this explanation on May 3, 2022 and was granted the opportunity to execute a contract extension.

This matter was reviewed by Deputy City Attorney Anita Lakhani on December 16, 2022 and by Revenue Management Officer Geraldine Alejo on December 12, 2022.

TIMING CONSIDERATIONS

City Council action is requested on February 21, 2023, to ensure that the third amendment to Contract ML16017 is processed expeditiously. Failure to execute this amendment in a timely manner could delay reimbursement or possibly result in the forfeiture of grant funds.

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:

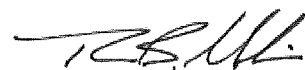
Approve recommendation.

Respectfully submitted,



KEVIN RIPER  
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:



---

THOMAS B. MODICA  
CITY MANAGER