TO: Board of Harbor Commissioners

FROM: Fred Greco, Director of Maintenance

SUBJECT: Procurement of Four Ford Vehicles
Specification HD-S3063
Authority to Advertise for Bids

Executive Summary
The Maintenance Division purchases replacement vehicles in accordance with the Port’s Green Fleet Vehicle Replacement Policy (Policy). This procurement will replace four Ford trucks and will achieve reduced emissions and improve fuel mileage through the latest Tier IV-Final engine technologies.

Key Points
- The Policy states that the subject, on-road vehicles should be replaced on a ten-year basis.
- All four vehicles are specialized work trucks assigned to Maintenance.
- The estimated procurement amount is $650,000 based on the published manufacturer’s suggested retail price plus anticipated cost for specialized truck body outfitting.
- Staff engaged local dealerships to ensure the Port is doing all it can to maximize local bid submittals.

Recommendation
It is recommended that the Board of Harbor Commissioners authorize the Executive Director to advertise for bids the procurement of four Ford vehicles under Specification HD-S3063, subject to the approval as to form by the City Attorney.

Financial Impact
The estimated procurement amount is $650,000 and is included in the approved Maintenance Division Fiscal Year 2019 operating budget. Once bids are received, the Maintenance Division will return to the Board requesting approval of conditional award of the purchase order.

Background
The Maintenance Division is responsible for maintaining and replacing the Port of Long Beach fleet of vehicles in accordance with the Port’s Green Vehicle Replacement Policy. In addition, the Maintenance Division provides procurement services for new vehicle adds as justified by other requesting Port Divisions and approved by the Finance Division. There are no new vehicles being added in this procurement.

The Policy states that on-road vehicles should be replaced on a ten-year basis, with the exception of Security patrol vehicles, which are to be replaced every five years. Additionally, the policy states that environmental
performance, including emission ratings and fuel economy are a top priority when purchasing vehicles although other non-environmental performance specification for power, capacity, safety and operational requirements apply to all vehicle purchasing decisions. In this procurement, all four vehicles are due for replacement.

**Detailed Discussion of Current Issues**

For resource effectiveness, the Port strives to standardize its general fleet with Ford and Toyota products. Staff engaged local dealerships to ensure the Port is doing all it can to maximize local bid submittals. Dealerships reported challenges and reluctance to participate due to the liquidated damages included in the contract, low profit margins, and no control of factory vehicle delivery dates. In response, staff removed the liquidated damages clause in this procurement specification. Staff will also hand-deliver bid materials to Long Beach dealerships and will follow up with recurring courtesy calls to encourage participation.

The proposed procurement includes the following vehicles:

<table>
<thead>
<tr>
<th>Asset</th>
<th>Assignment</th>
<th>Current Vehicle</th>
<th>Year</th>
<th>Replace with:</th>
</tr>
</thead>
<tbody>
<tr>
<td>3924</td>
<td>Maintenance</td>
<td>Ford F350</td>
<td>2005</td>
<td>Ford F350 with specialized body</td>
</tr>
<tr>
<td>3925</td>
<td>Maintenance</td>
<td>Ford F350</td>
<td>2005</td>
<td>Ford F550 with specialized body</td>
</tr>
<tr>
<td>3880</td>
<td>Maintenance</td>
<td>Ford F750</td>
<td>2003</td>
<td>Ford F750 dump truck</td>
</tr>
<tr>
<td>3923</td>
<td>Maintenance</td>
<td>Ford F350</td>
<td>2005</td>
<td>Ford F550 sign truck</td>
</tr>
</tbody>
</table>

This contract is anticipated to begin upon issuance of a purchase order and expire once the vehicles are received, which is estimated at 210 days after the purchase order.

No Small Business Enterprise goals were set for this contract.