



**THE PORT  
OF LOS ANGELES**  
Executive Director's  
Report to the

Board of Harbor Commissioners

**DATE: MARCH 9, 2011**

**FROM: CLEAN TRUCK PROGRAM**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - APPROVAL OF COST SHARE AGREEMENT BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND THE CITY OF LONG BEACH FOR AT&T MOBILITY WIRELESS SERVICES**

**SUMMARY:**

The Clean Truck Program (CTP) is a key component of the San Pedro Bay Ports Clean Air Action Plan (CAAP) that requires the entire fleet of drayage trucks serving the Port of Los Angeles and Long Beach (Ports) to meet U.S. Environmental Protection Agency (EPA) 2007 emissions standards by January 1, 2012. As part of the CTP, the Ports have installed Automatic Vehicle Locators (AVLs) on approximately 600 trucks that were funded through the Ports' jointly sponsored Proposition 1B (Prop. 1B) grant programs. Each truck AVL device transmits accurate location and vehicle movement data to AT&T Mobility (AT&T) wireless services, and then AT&T forwards the data to the Ports' fleet management vendor, WebTech Wireless (WebTech), for data monitoring.

The requested action is for the City of Los Angeles Board of Harbor Commissioners (Board) to approve a Cost Share Agreement between the City of Los Angeles Harbor Department (Harbor Department) and City of Long Beach (POLB), to each pay for 50% of the data plan wireless services required to operate the AVL wireless transmission services for up to a maximum not-to-exceed amount of \$130,000 (the Harbor Department's cost share portion).

**RECOMMENDATION:**

It is recommended that the Board:

1. Approve the proposed Cost Share Agreement between the Harbor Department and POLB for an amount not-to-exceed \$130,000 for AT&T Mobility Wireless services through October 31, 2012 (Transmittal 1);
2. Authorize the Executive Director to execute and Board Secretary to attest to said Cost Share Agreement for and behalf of the Board; and
3. Adopt Resolution No. \_\_\_\_\_.

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**DISCUSSION:**

Background - On November 20, 2006, the City of Los Angeles and POLB Boards of Harbor Commissioners approved the CAAP. A key component of the CAAP is the implementation of a CTP which required all drayage trucks serving the Ports to meet U.S. EPA 2007 standards through replacement or retrofit within a period of approximately five years. On March 20, 2008, the Board approved the framework for a joint CTP incentive/grant program between the two ports (Ports) that provides financial assistance to truck owners for the replacement or retrofit of their existing trucks.

The Ports entered into agreements with the California Air Resources Board (ARB) and the South Coast Air Quality Management District (AQMD) in 2009 to provide Prop. 1B grants to trucking companies seeking to purchase drayage trucks that meet or exceed U.S. EPA 2007 emission standards. The Prop. 1B Grant Program was funded with \$98 million in California Prop. 1B bond money and supplemental grants for alternative fuel trucks from the Ports and AQMD. Trucks funded through the CTP are required to fulfill, among other things, minimum service requirements (e.g., trips per year) and certain geographical restrictions (e.g., they must remain in California) in order to meet the obligations of the incentive/grant program. To help enforce the minimum service requirements and to protect the sizable State of California and Port's investment in the trucks, the Ports required AVLs to be installed on approximately 600 trucks funded through the joint Ports' sponsored Prop. 1B grant program. These AVLs have allowed the Ports to automatically monitor information pertinent to the grant obligations, such as location, number of Port trips, and mileage. The AVLs have also been equipped with a "starter disable" function to prevent theft or misuse of the vehicle.

In May 2007, the Board approved Master Cost Sharing Agreement No. 2546 (Transmittal 2) between the Harbor Department and POLB to pay for the purchase of 600 AVL devices and one year of monitoring services through WebTech Wireless, Inc. All 600 devices were purchased and currently 566 trucks have been installed with an AVL device. These devices transmit data to AT&T Mobility, which is then forwarded to the Port's fleet management vendor, WebTech Wireless. The data is used to confirm compliance with the CTP lease and incentive/grant requirements, and provides future detailed analysis of drayage operations.

Proposed Wireless Services – The Harbor Department has benefited from POLB's payment for the cost of wireless services for all Prop. 1B trucks' AVLs under its separate City of Long Beach AT&T Mobility Agreement. Staff recommends that the Harbor Department pay for a one-half share of amounts previously paid and future amounts payable for such services rendered to the joint CTP grant program, under the

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Port's Master Cost Sharing Agreement No. 2546. The required wireless services to operate the AVL devices are provided through a monthly data plan similar to cell phone service plans. Master Cost Sharing Agreement No. 2546 allows POLB to take action and then request reimbursement from the Harbor Department.

The proposed mobility wireless services allow the AVL devices to operate and capture truck data and are different than the monitoring services procured through a separate agreement for a data plan with WebTech. In order to save money, POLB participated in the State of Nevada Western States Contracting Alliance Contract (WSCA-NV), which allowed POLB to pay for the required services at a reduced price by establishing a new Agreement with AT&T and satisfied the City's competitive contracting selection process. This approach is beneficial to POLB because the WSCA-NV agreement sets price caps on the equipment and services purchased, plus POLB will receive a large group discount price for as long as AT&T maintains a WSCA-NV agreement (Transmittal 3).

On September 13, 2010, the POLB Harbor Commissioners approved a resolution to enter into an Agreement with AT&T for two fiscal years, up to \$86,400 per fiscal year, for a total not to exceed \$172,800 (Transmittal 4).

The actual amount paid by POLB for AT&T Mobility wireless services from October 2008 through September 2010 is \$84,453 (of which \$42,227 is the Harbor Department's cost share portion). The current Agreement between the City of Long Beach and AT&T Mobility is through September 2011 and the projected cost from October 2010 through September 2011 is projected at \$86,400 (or \$43,200 for each Port's cost share).

This proposed request will also provide funding for services from October 2011 through October 2012 at an estimated not-to-exceed amount at \$86,400 (or \$43,200 for each Port's cost share). Therefore, based on the Master Cost Sharing Agreement No. 2546 and the Harbor Department's intent to procure AVL devices and pay for associated operating cost incurred through Cost Share Agreement No. 08-2724, staff recommends the approval of the proposed Cost Share Agreement to reimburse POLB for one-half of the actual and projected paid to AT&T Wireless Services covering services rendered from October 2008 through September 2010 at \$42,227 plus approximately \$86,400 for mobility wireless services from October 2010 through October 2012. The Harbor Department has the option to terminate the agreement at any time with a 30-day written notice.

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Total actuals to date and projected future costs are as follows:

	Total Cost	Cost Share Breakdown	
		POLB	POLA
Actuals 10/2008 - 09/2010	\$84,453	\$42,226.50	\$42,226.50
Projected 10/2010 – 09/2011	\$86,400	\$43,200.00	\$43,200.00
Projected 10/2011 – 09/2012	\$86,400	\$43,200.00	\$43,200.00
<b>Total:</b>	<b>\$257,253</b>	<b>\$128,626.50</b>	<b>\$128,626.50</b>

All actual and projected costs are only incurred on units that are active during the applicable billing period. Therefore, based on Master Cost Sharing Agreement No. 2546 and Harbor Department's intent to procure AVL devices and pay for associated operating cost incurred through Cost Share Agreement No. 08-2724, staff recommends the approval of the proposed Cost Share Agreement to reimburse POLB for one-half of actual and projected amounts paid to AT&T Wireless Services to transmit data from AVLs in support of the CTP. This Cost would be payable yearly and based on actual amounts expended. The Harbor Department has the option to terminate the agreement at any time with a 30-day written notice.

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is the approval of a Cost Share Agreement for data plan wireless services required to operate the AVL devices in support of the CTP. As an administrative activity, the Director of Environmental Management has determined that the proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II, Section 2(f) of the Los Angeles City CEQA Guidelines.

**FINANCIAL IMPACT:**

The proposed Cost Share Agreement is through September 2012 and funding in the amount of \$76,000 is available in the Clean Truck Program's fiscal year 2010/2011 budget (Account No. 59967, Center No. 210, and Program 652) to pay for the prior rendered services and up to June 2011. A budget transfer request in this amount will be processed from the Clean Truck Program cost center to Environmental Management cost center to pay for services through June 2011. Future year funding will be requested through the Harbor Department's annual budgetary process. The total cost of this

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service is projected to be approximately \$260,000, shared equally by each city. It is anticipated that the Harbor Department's 50% share of funds will be expended as follows:

Fiscal Year 2010/11	\$ 76,000
Fiscal Year 2011/12	\$ 45,000
Fiscal Year 2012/13	\$ 9,000
	<u>\$130,000</u>

Funds for the current fiscal year are available in Account No. 59967, Center No. 330, Program 000. Future year funding will be requested through the Harbor Department's annual budget adoption process upon Board approval.

**ECONOMIC BENEFIT:**

This Board action will have a minimal direct employment effect (less than one job in the five-county region).

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**CITY ATTORNEY:**

The Office of the City Attorney has reviewed and approved the proposed Cost Share Agreement as to form and legality.

**TRANSMITTALS:**

1. Proposed Cost Share Agreement between the Cities of Los Angeles and Long Beach
2. Master Cost Sharing Agreement No. 2546
3. State of Nevada Western States Contracting Alliance Contract
4. City of Long Beach's Resolution to Approve AT&T Mobility Agreement

FIS Approval: 

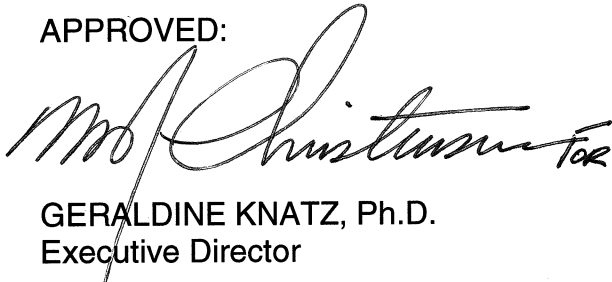


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APPROVED:



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BOARD MEETING: 3/17/2011

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