



CITY OF LONG BEACH

C-12

DEPARTMENT OF FINANCIAL MANAGEMENT

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June 14, 2016

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to execute all documents necessary to amend Contract No. 33219 with Harbor Diesel and Equipment, Inc., of Long Beach, CA, for furnishing and delivering Cummins brand vehicle parts and services, to increase the annual contract amount by \$120,000, for a total annual amount not to exceed \$350,000 for the current year and subsequent final year, for a total aggregate contract amount not to exceed \$1,160,000. (Citywide)

DISCUSSION

City Council approval is requested to authorize the City Manager to execute amendments to the contract with Harbor Diesel and Equipment, Inc., to add funds of \$120,000 to the annual contract allocation of \$230,000, bringing the annual amount to \$350,000, for the purchase of Cummins brand vehicle parts and services.

The additional costs can be attributed to the aging vehicles and equipment that use Cummins brand engine parts, with a consequent increase in the parts and services necessary for their support. While there are 25 replacement, heavy duty vehicles currently on order, their delivery dates extend well into 2017. These vehicles include refuse trucks, street sweepers and fire trucks. These products were competitively bid and the City Council awarded a contract with Harbor Diesel and Equipment, Inc., on September 10, 2013.

This matter was reviewed by Deputy City Attorney Monica J. Kilaita on May 11, 2016 and by Assistant Finance Director Lea Eriksen on May 13, 2016.

TIMING CONSIDERATIONS

City Council action to amend the contract with Harbor Diesel and Equipment, Inc., is requested on June 14, 2016, to ensure that purchasing of these parts and services can continue without interruption.

FISCAL IMPACT

The total annual contract amount will not exceed \$350,000 through September 30, 2017, and is budgeted in the Fleet Services Fund (IS 386) in the Financial Management Department (FM). Costs for parts and services are funded by charges to the user departments through the Fleet MOU monthly billing. This contract provides continued assistance to our local economy by preserving 11 full-time employees residing in Long Beach.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

JG:DB:PM
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APPROVED:



PATRICK H. WEST
CITY MANAGER