



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

C-17

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August 7, 2018

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute all documents necessary to amend the contracts with Westrux International, Inc., of Santa Fe Springs, CA; Los Angeles Truck Centers, LLC, of Carson, CA; and, Harbor Diesel and Equipment, Inc., of Long Beach, CA, for the purchase of Cummins and Detroit engine parts and repair services, to increase the annual contract amount by \$175,000, for an annual aggregate amount not to exceed \$425,000, for the remaining term of the contracts. (Citywide)

DISCUSSION

City Council approval is requested to increase the amount of the annual contracts with Westrux International, Inc., Los Angeles Truck Centers, LLC, and Harbor Diesel and Equipment, Inc., for the purchase of Cummins and Detroit engine parts and repair services by \$175,000, for a total annual aggregate amount not to exceed \$425,000.

The City's fleet currently has 173 vehicles using engines eligible for parts and repair services under these contracts, primarily refuse trucks, street sweepers and fire apparatus. These trucks are heavily used and regular service and parts replacement is essential to keep them safe and operational.

On September 12, 2017, the City Council approved the original contracts for the purchase of parts and repair services, in an annual aggregate amount not to exceed \$250,000. The original contract costs were based on FY 15 through FY 17 expenditures for these parts; however, expenditures for repairs to engines in the City's fire apparatus have depleted contract funds more quickly than was anticipated. Although new fire ladder trucks and pumpers have been ordered, they are expected to take up to a year to be delivered. In addition, parts and repair services for active fire apparatuses that are moved to "spare" or "reserve" status will still need to be completed.

This matter was reviewed by Deputy City Attorney Amy R. Webber and by Revenue Management Officer Geraldine Alejo on July 19, 2018.

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SUSTAINABILITY

Maintaining vehicle engines in accordance with the manufacturer's recommendations helps keep the vehicles running at top efficiency and minimizes emissions.

TIMING CONSIDERATIONS

City Council action to amend the contracts is requested on August 7, 2018, to ensure the contract amendments are made expeditiously.

FISCAL IMPACT

The annual aggregate contract amount will not exceed \$425,000, and is budgeted in the Fleet Services Fund (IS 386) in the Financial Management Department (FM). Costs for parts and service are billed to user departments through the monthly Fleet MOU billing process. These contracts provide continued support to our local economy by assisting in the preservation of employment for 55 full-time employees residing in Long Beach.

SUGGESTED ACTION:

Approve recommendation.


Respectfully submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

JG:DB:dh
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APPROVED:


PATRICK H. WEST
CITY MANAGER