



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

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June 19, 2018

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute a Memorandum of Understanding, and all necessary amendments, with the City of Signal Hill, to provide vehicle maintenance and repair services through the Fleet Services Bureau of the Department of Financial Management. (Citywide)

DISCUSSION

City Council approval is requested to authorize the City Manager to enter into a Memorandum of Understanding (MOU) with the City of Signal Hill to provide vehicle maintenance and repair services for their fleet vehicles. The proposed MOU has been reviewed by the legal departments of both cities and found to be acceptable. Revenue to the City of Long Beach is estimated at \$50,000 per year based on the type of repairs needed and frequency of maintenance. Either party may terminate the MOU with 30 days' notice.

The Fleet Services Bureau (Fleet) has established a good working relationship with the vehicle operators and supervisors in the City of Signal Hill over the past few years. Fleet has the capacity to absorb this occasional workload from the City of Signal Hill and this additional work will help offset Fleet overhead rates.

This matter was reviewed by Deputy City Attorney Monica J. Kilaita on May 30, 2018 and by Revenue Management Officer Geraldine Alejo on May 29, 2018.

TIMING CONSIDERATIONS

City Council action is requested on June 19, 2018, to ensure the MOU is in place expeditiously.

FISCAL IMPACT

Revenue to the City is estimated at \$50,000 per year and will accrue in the Fleet Services Fund (IS 386) in the Financial Management Department (FM). Revenue will fully offset the City's cost to provide services, including administrative staff and overhead costs.

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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