



# CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

**C-9**

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March 21, 2017

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Adopt a Resolution authorizing the City Manager, or designee, to execute a contract with McNeilus Financial, Inc., dba McNeilus Truck and Manufacturing Company, of Colton, CA, for the purchase of McNeilus refuse collection truck repair parts, in an annual amount not to exceed \$250,000, for a period of two years, with the option to renew for two additional one-year periods, at the discretion of the City Manager. (Citywide)

## DISCUSSION

City Council approval is requested to authorize the City Manager, or designee, to execute a contract with McNeilus Financial, Inc., for the purchase of repair parts to maintain refuse collection trucks used by the Public Works and other City departments. The refuse truck fleet contains 58 units that require McNeilus truck body parts. Refuse trucks are used heavily in a difficult environment, thereby necessitating frequent replacement of parts to provide the necessary level of service.

The Department of Financial Management, Fleet Services Bureau, maintains and repairs the City's refuse trucks. McNeilus Financial, Inc., is the sole source provider of McNeilus refuse truck parts in the state of California, and is the only original equipment manufacturer (OEM) of McNeilus parts for the United States. The Fleet Services Bureau must purchase replacement parts for the refuse truck bodies to maintain its McNeilus equipment, and the company does not utilize independent contractors. Therefore, no useful purpose would be served by advertising for bids and to do so would constitute an unnecessary expenditure of public funds.

City Charter Section 1801 requires that contracts for City purchases be awarded to the lowest responsible bidder after a competitive bid process, but allows for awards without a competitive bid process if accompanied by a Resolution adopted by the City Council.

This matter was reviewed by Deputy City Attorney Monica J. Kilaita on February 17, 2017 and by Assistant Finance Director Lea Eriksen on February 27, 2017.

SUSTAINABILITY

Preventive maintenance and repair of the City's refuse truck fleet affords the effective and continuous removal of waste from businesses and residences, and prevents disease and contamination of beaches and waterways.

TIMING CONSIDERATIONS

City Council action to adopt the attached Resolution and award a contract concurrently is requested on March 21, 2017, to ensure the purchase of refuse truck parts can take place expeditiously.

FISCAL IMPACT

The cost of this contract will not exceed \$250,000 annually, and is budgeted in the Fleet Services Fund (IS 386) in the Financial Management Department (FM). Part costs are charged to user departments through work orders completed during the Fleet monthly billing process. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS  
DIRECTOR OF FINANCIAL MANAGEMENT

JG:DB:PM  
K:\EXEC\COUNCIL LETTERS\FLEET SERVICES\2017\3-21-17 CCL - RESO- CONTRACT WITH MCNEILUS FINANCIAL.DOCX

ATTACHMENT

APPROVED:

  
PATRICK H. WEST  
CITY MANAGER

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH MCNEILUS FINANCIAL, INC. DBA MCNEILUS TRUCK AND MANUFACTURING COMPANY, WITHOUT ADVERTISING FOR BIDS, FOR THE PURCHASE OF MCNEILUS REFUSE COLLECTION TRUCK BODY PARTS FOR A PERIOD OF TWO YEARS WITH THE OPTION TO RENEW FOR TWO ADDITIONAL ONE-YEAR PERIODS IN AN ANNUAL AMOUNT NOT TO EXCEED \$250,000

WHEREAS, the Department of Financial Management, Fleet Services Bureau, contains 58 refuse collection trucks ("Trucks") that require McNeilus refuse collection truck body parts; and

WHEREAS, Public Works and other City departments heavily use these Trucks in difficult environments, necessitating frequent replacement of parts to provide the necessary level of service; and

WHEREAS, McNeilus Financial, Inc. is the sole source provider of McNeilus refuse collection truck body parts in the state of California, and is the only original equipment manufacturer (OEM) of McNeilus parts for the United States; and

WHEREAS, as a result, no useful purpose would be served by advertising for bids and to do so would constitute an idle and useless act and an unnecessary expenditure of public funds;

NOW, THEREFORE, the City Council of the City of Long Beach resolves as follows:

Section 1. The City Manager is hereby authorized to enter into a

1 contract, without advertising for bids, with McNeilus Financial, Inc. for the purchase of  
2 McNeilus refuse collection truck body parts as may be required by the City for a period of  
3 two (2) years in an annual amount not to exceed Two Hundred Fifty Thousand Dollars  
4 (\$250,000). The parties may, by mutual agreement, extend the term for two (2)  
5 additional periods of one (1) year each.

6 Section 2. This resolution shall take effect immediately upon its adoption  
7 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

8 I hereby certify that the foregoing resolution was adopted by the City  
9 Council of the City of Long Beach at its meeting of \_\_\_\_\_, 2017 by  
10 the following vote:

11  
12 Ayes: Councilmembers: \_\_\_\_\_

13 \_\_\_\_\_

14 \_\_\_\_\_

15 \_\_\_\_\_

16 Noes: Councilmembers: \_\_\_\_\_

17 \_\_\_\_\_

18 Absent: Councilmembers: \_\_\_\_\_

19 \_\_\_\_\_

20  
21  
22 \_\_\_\_\_  
City Clerk