



## Legislation Text

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**File #:** 22-1089, **Version:** 1

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Recommendation to adopt resolution to authorize City Manager, or designee, to execute all documents necessary to amend Contract No. 36105 with McNeilus Financial, Inc., dba McNeilus Truck & Manufacturing, of Dodge Center, MN, for providing McNeilus brand truck parts, to increase the contract amount by \$115,000, for a revised annual contract amount of \$215,000, with a 15 percent contingency of \$32,250, for a revised total annual amount not to exceed \$247,250; and

Increase appropriation in the Fleet Services Fund Group in the Financial Management Department by \$115,000, offset by funds available generated by revenue collected from user departments through the Fleet Memorandum of Understanding (MOU) monthly billing.  
(Citywide)

City Council approval is requested to amend Contract No. 36105 with McNeilus Financial, Inc., dba McNeilus Truck & Manufacturing (MTM) for providing McNeilus brand truck parts for the ten McNeilus vehicles used by the Public Works Department for refuse collection operations. Upon approval, additional funds of \$115,000 will be added to the first-year term starting December 6, 2021, and each subsequent year thereafter.

On May 11, 2021, the City Council adopted a Resolution (Res 21-0043) to award a contract to MTM for the purchase of McNeilus truck parts for the existing McNeilus truck fleet in an annual amount of \$100,000 for a period of two years, with the option to renew for three additional one-year periods, at the discretion of the City Manager.

Additional appropriation is needed due to market-wide increases in all parts prices, as well as increased need for parts for an aging refuse fleet. The ten McNeilus refuse trucks in the fleet are used on various routes throughout Long Beach. These vehicles are 12-13 years old and are breaking down more frequently due to their age.

MTM is the original equipment manufacturer (OEM) for the City of Long Beach's (City) McNeilus branded refuse trucks and the only provider of these parts which are specialized and unique to McNeilus' proprietary design. Access and use of OEM parts are not only important in keeping critical refuse equipment in operation, but also maintaining warranties, which save the City money. Additional funds are being requested to continue maintaining these City assets at the manufacturer's recommended level of performance.

This matter was reviewed by Deputy City Attorney Anita Lakhani and Purchasing Agent Michelle Wilson on August 26, 2022 and by Revenue Management Officer Geraldine Alejo on August 17, 2022.

City Council action is requested on September 13, 2022, to ensure that a contract amendment is in place expeditiously and parts ordering and delivery services can continue uninterrupted.

The revised total annual contract amount will not exceed \$247,250, inclusive of a 15 percent contingency. An appropriation increase of \$115,000 is requested in the Fleet Services Fund Group in the Financial Management Department, offset by funds available generated from revenue collected from departments through the Fleet Memorandum of Understanding (MOU). Actual charges to user departments will be based on replacement parts needed. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with City Council priorities. There is no local job impact associated with this recommendation.

Approve recommendation.

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KEVIN RIPER  
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:

THOMAS B. MODICA  
CITY MANAGER