

# **CITY OF LONG BEACH**

**C-4** 

DEPARTMENT OF FINANCIAL MANAGEMENT

333 West Ocean Boulevard 6th Floor • Long Beach, CA 90802 • (562) 570-6845 • Fax (562) 570-5836

November 10, 2009

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

**RECOMMENDATION:** 

Adopt the attached Resolution authorizing the City Manager to execute a contract with McNeilus Truck and Manufacturing Company, in an annual amount not to exceed \$275,000, including tax, for McNeilus parts for the repair and maintenance of various City vehicles for a period of one year, with an option to renew for two additional one-year periods at the discretion of the City Manager. (Citywide)

#### **DISCUSSION**

City Council approval is being requested to enter into a contract to purchase parts for the repair and maintenance of the City's refuse trucks that have McNeilus bodies. The City currently has 69 of these units in various departments with 18 more units on order to be received in 2010. McNeilus Truck and Manufacturing, in Colton, CA, is the sole source provider of McNeilus manufactured parts in the State of California and is the only Original Equipment Manufacturer (OEM) of McNeilus parts for the United States. The City needs to purchase these parts to maintain its McNeilus equipment and the company does not utilize independent distributors.

This matter was reviewed by Deputy City Attorney Amy R. Burton on October 8, 2009 and Budget and Performance Management Bureau Manager David Wodynski on October 22, 2009.

## TIMING CONSIDERATIONS

City Council action to adopt the resolution is requested on November 10, 2009 to ensure the availability of parts required to maintain the City's Refuse equipment.

## FISCAL IMPACT

The funds required to purchase these parts are budgeted in the Fleet Services Fund (IS 386) in the Department of Public Works (PW). Costs are recovered through maintenance charges to the user departments.

HONORABLE MAYOR AND CITY COUNCIL November 10, 2009 Page 2

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

and

LORI ANN FARRELL DIRECTOR OF FINANCIAL MANAGEMENT/CFO

MICHAEL P. CONWAY U DIRECTOR OF PUBLIC WORKS DEPARTMENT

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ATTACHMENT

APPROVED:

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WEST **IAGER** 

## **RESOLUTION NO.**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH MCNEILUS TRUCK AND MANUFACTURING. INC. WITHOUT ADVERTISING FOR BIDS, FOR THE PURCHASE OF **MCNEILUS** PARTS FOR THE REPAIR AND MAINTENANCE OF CITY VEHICLES FOR ONE YEAR. WITH AN OPTION TO RENEW FOR TWO ADDITIONAL YEARS, IN AN ANNUAL AMOUNT NOT TO EXCEED \$275,000

14 WHEREAS, the City currently owns Sixty-Nine (69) McNeilus refuse trucks 15 and Eighteen (18) more units are on order; and

16 WHEREAS, the City will need replacement parts for the repair and maintenance of these refuse trucks; and

18 WHEREAS, McNeilus Truck and Manufacturing, Inc. is the sole 19 manufacturer for the parts the City needs to maintain its McNeilus refuse trucks and the 20 company does not utilize independent distributors; and

21 WHEREAS, as a result, no useful purpose would be served by advertising 22 for bids and to do so would constitute an idle and useless act and an unnecessary 23 expenditure of public funds because McNeilus Truck and Manufacturing, Inc. is the only 24 corporation, firm or individual that could or would bid for the furnishing of these parts to 25 the City;

NOW, THEREFORE, the City Council of the City of Long Beach resolves as 26 27 follows:

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

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with McNeilus Truck and Manufacturing, Inc. without advertising for bids for the purchase of replacement parts for the McNeilus refuse trucks as may be required by the City for a period of one (1) year in an amount not to exceed \$275,000, annually, including tax, with an option for a 10 percent (10%) contingency (or \$27,500), if necessary and if funds are available. The parties may, by mutual agreement, extend the term for two (2) additional periods of one (1) year each at the same annual amount. If the sole source status of McNeilus Truck and Manufacturing, Inc. changes, City shall publicly bid instead of extending the agreement.

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

I hereby certify that the foregoing resolution was adopted by the City Council of the City of Long Beach at its meeting of \_\_\_\_\_, 20\_\_\_ by the following vote:

Ayes:	Councilmembers:	
Noes:	Councilmembers:	
Absent:	Councilmembers:	
		City Clerk
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OFFICE OF THE CITY ATTORNEY ROBERT E. SHANNON, City Attorney 333 West Ocean Boulevard, 11th Floor Long Beach, CA 90802-4664