Robert I Innon City Attorney of Long Beach 333 West Ocean Boulevard ong Beach, California 90802-4664 Telephone (562) 570-2200

CONTRACT

THIS CONTRACT is made and entered, in duplicate, as of October 10, 2006 for reference purposes only, pursuant to Resolution No. RES-06-0121, adopted by the City Council of the City of Long Beach at its meeting on October 10, 2006, by and between MCNEILUS TRUCK AND MANUFACTURING, INC. ("Contractor"), a Minnesota corporation, located at 401 North Pepper, Colton, Californía 92324-1588 and the CITY OF LONG BEACH ("City"), a municipal corporation.

WHEREAS, City did by Resolution No. RES-06-0121 determine that the City's need for refuse truck parts could only be met by Contractor and, by reason of the foregoing, no useful purpose would be served by advertising for bids to purchase such parts;

NOW, THEREFORE, in consideration of the mutual terms and conditions contained herein, the parties agree as follows:

- Contractor shall sell, furnish and deliver to City any and all replacement parts, as needed to repair, maintain and service the McNeilus brand trucks as authorized by Resolution No. RES-06-0121.
- 2. City shall pay Contractor in due course of payments for the parts a sum not to exceed \$250,000.00 annually, including tax.
- 3. The term of this Contract shall commence at midnight on November 15, 2006, and shall terminate on November 15, 2007. This Contract may be extended by mutual agreement of the parties for two additional (1) year periods at the same annual amount, at the discretion of the City Manager and with an option for a 10 percent contingency, if necessary, and if funds are available. If the sole source status of Contractor changes, City shall publicly bid instead of extending the Contract.
- 4. Neither this Contract nor any of the moneys that may become due Contractor hereunder may be assigned without the prior written consent of City.
 - 5. Any notices required hereunder or desired to be given by either party shall

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be in writing and personally delivered or deposited in the U.S. Postal Service, first class, postage prepaid, addressed to Contractor at the address stated herein, and to City at 333 West Ocean Boulevard, Long Beach, California 90802 Attn: City Manager. Notice shall be deemed given on the date personal delivery is made or on the date of deposit in the mail, whichever first occurs.

- 6. City shall have the benefit of any warranty from the manufacturer on the parts supplied and Contractor warrants that the parts supplied are in good working order and free from defect at the time of delivery.
- 6. The terms and conditions of the City's Purchase Order are incorporated herein by reference. If there is a conflict between any term or condition in this Contract and a term or condition in the City's Purchase Order, then this Contract shall govern. Contractor is called "Vendor" in the Purchase Order.

IN WITNESS WHEREOF, the parties have caused this document to be duly