Legislation Text

File #: 16-1461, **Version:** 1

Resolution to Amend an Approved Purchase Order of Two Refuse Trucks (Fredrickson Supply, LLC - $19,191.45)
In March, 2016, City Council approved Resolution #16-069 which approved the purchase of two refuse trucks from Fredrickson Supply, LLC in the amount of $454,590.00 for use in the City's solid waste operations. These two trucks, one a side load unit and one a rear load unit, were recently received by the City. After an inspection of the rear load unit, staff realized that a cart tipper and rear winch (needed to empty dumpsters) were not included on the unit. A review of the specifications and order information determined that City staff had not specified and ordered these missing components.

The modification of the unit to meet our requirements will cost $19,191.45 and take about three weeks to finish. Since the original purchase was made through a cooperative purchasing agreement, we were able to determine that $16,391.45 of the extra cost would have been charged at the time of purchase if the unit was ordered with the correct equipment. The remaining cost of $2,800.00 is a result of the ordering error. This charge is freight to return the unit to the factory for modifications and return it to the City upon completion of the work. Since the factory is completing the modifications, there is no impact to warranty or service of the unit in the future.

Since no contingency was included in the approved resolution, we are requesting Council to approve an amendment to the purchase order in the amount of $19,191.45.

Funding for this amendment is available in the approved Fleet Service FY 17 budget.
Prepared by: Matthew J. Kulhanek, Fleet & Facilities Manager
Reviewed by: Craig Hupy, Public Services Area Administrator
Approved by: Howard S. Lazarus, City Administrator
Whereas, On March 10, 2016, Ann Arbor City Council approved Resolution #16-069 which approved the purchase of two refuse trucks in the amount of $454,590.00 from Fredrickson Supply, LLC for use in the City's solid waste operations;

Whereas, One of the refuse trucks was mistakenly ordered without all the necessary components and the cost to correct this error is $19,191.45;

Whereas, Funding for this amendment is available in the approved Fleet Services FY 17 approved operations and maintenance budget; and

Whereas, No contingency amount was provided for in the resolution so the purchase order authorization must be increased to allow the modifications to the truck to be made;

RESOLVED, That the City Council authorize an increase in the purchase order approval to Fredrickson Supply, LLC for the purchase of two refuse trucks in the amount of $19,191.45; and

RESOLVED, That the City Administrator be authorized to take all necessary administrative actions to implement this resolution.