



Legislation Text

File #: 2673-2021, **Version:** 1

BACKGROUND: This legislation authorizes the Finance and Management Director to modify the contract with Fyda Freightliner for the purchase of Live Bottom Dump Trucks to allow for price escalations subject to the receipt of proper documentation. Generally, Universal Term Contracts (UTC) include escalator clauses to allow suppliers, with proper documentation, request price escalation. This particular contract did not include such clause in the original specifications.

Vehicle manufacturers have experienced significant price increases for metal and raw materials to manufacturer fuel tanks due to supply chain slow down due to the COVID-19 pandemic. Fyda Freightliner has requested price increase which has been reviewed and approved by the Purchasing Office. However, since the original contract did not include the language for escalations, the contract must be modified to include the right for price escalations. The term of the contract is through December 31, 2023 and for the option to extend for two additional one year periods.

No additional funds are necessary to modify the option contract(s) as requested. There is no change in the type of products being procured and the original contract was formally bid. The original terms and conditions remain in effect.

EMERGENCY DESIGNATION: The Finance and Management Department respectfully requests this legislation be considered an emergency in order to maintain an uninterrupted supply of Live Bottom Dump Trucks.

FISCAL IMPACT: No additional funding is required to modify the option contract. The various City departments must set aside their own funding for their estimated expenditures.

To authorize the Finance and Management Director to modify the contract for Live Bottom Dump Trucks with Fyda Freightliner to add price escalator language into the contract to allow for price escalations; and to declare an emergency.

WHEREAS, the Finance and Management Department, Purchasing Office has an option contract for the purchase of Live Bottom Dump Trucks for use by various City of Columbus agencies; and

WHEREAS, the original contract did not allow for price escalations, and

WHEREAS, the contractor is now requesting a price increase due to the metal and raw material surcharges to manufacturer fuel tanks, and

WHEREAS, an emergency exists in the usual daily operation of the Department of Finance and Management in that it is immediately necessary to authorize the Finance and Management Director to modify the contract with Fyda Freightliner for the purchase of Live Bottom Dump Trucks to allow for price increases to maintain an uninterrupted supply of trucks, thereby preserving the public health, peace, property, safety, and welfare; **now, therefore**

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. That the Finance and Management Director is hereby authorized to modify the contract with Fyda Freightliner for Live Bottom Dump Trucks, to add language to the contract that will allow for price escalations.

SECTION 2. That this modification is in accordance with relevant provisions of Section 329 of the Columbus City Code.

SECTION 3. That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor, or ten days after passage if the Mayor neither approves nor vetoes the same.