

Council Meeting of
February 28, 2012

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the Council:

SUBJECT: General Services and Public Works – Authorize Purchase of a 2013 CNG-fueled Peterbilt/Heil automated side-loader refuse truck and appropriate and transfer funds.

Expenditure: \$ 338,679.30

RECOMMENDATION

Recommendation of the General Services Director and Public Works Director that City Council:

- 1) Authorize the sole-source purchase of one (1) 2013 CNG-fueled Peterbilt/Heil 7000 Automated Side-Loader Refuse Truck from Rush Peterbilt Truck Center of Pico Rivera, CA in the amount of \$338,679.30 (including sales tax and tire fees); and
 - a) Appropriate and transfer \$338,679.30 from the Sanitation Enterprise Fund balance to the Fleet Services Vehicle and Equipment Revolving Replacement Fund.

Funding

Funding is available from the Sanitation Enterprise fund balance.

BACKGROUND/ANALYSIS

South Coast Air Quality Management District's (AQMD) Fleet Rule # 1193 prohibits the City from purchasing new diesel-powered Refuse Trucks. Because of this rule, staff recommends acquisition of new Refuse Trucks fueled by CNG.

Since June 18, 2007 the Public Works Department has been operating a pilot program for the collection of green waste. Currently, 9,000 homes in 4 different areas of the city are participating. The program has been very successful, averaging an increase in recycling collection of 28%.

The delivery time from placement of order and delivery is approximately six (6) to eight (8) months. In order to maintain momentum Staff is requesting the purchase of one (1) additional truck to increase the program city wide as approved by the City Council on January 24, 2012.

A Sole-Source Purchase is allowable under section 22.3.17 of the City's Municipal Code which states:

“a) The provisions of this Article will not apply to purchases of sole-source services or property, which purchases will be made in accordance with such procedures and regulations as will be established by the City Manager.

b) For purposes of this Section, “sole-source purchases” means those purchases where it would be undesirable or impossible for the City to advertise for bids for particular work or for patented items, or experimental or unique services or products, or where competitive purchases would be unavailable or would not prove advantageous for the City. No sole-source purchases may be made where to do so would show favoritism, improvidence, extravagance, fraud or corruption, or result in the waste of public funds, but may be used only to obtain the best economic result for the public.”

Staff recommends Sole-Source Purchase (Rush Truck Center) and Brand-Specific (Peterbilt/Heil) for the following reasons:

- a. Standardization: The City's established Refuse Truck standard over the last two decades has been the Peterbilt brand chassis and Heil brand truck body combination. Both are industry giants. There are other brand names in the industry, but none as strong as these brands. Historically, in the Sanitation industry, many truck manufacturers have come and gone, leaving customers with trucks that cannot be supported with original equipment manufacturer (OEM) resources.
- b. Maintenance and Support: Parts inventories for a mixed fleet result in higher maintenance expenditures by increasing on-hand stock requirements as well as placing more demands on warehouse management resources. Also, local factory authorized warranty and repair services through Rush Truck Center reduce equipment down time.
- c. Competitive Pricing: Pricing for this truck is consistent with other municipal pricing in Los Angeles County for like purchases. The City of Torrance paid \$333,707.04 for our most recent CNG Refuse Truck acquisitions on 8/5/2009.

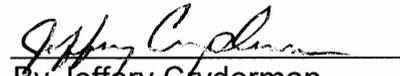
The maintenance of these vehicles, which is unique to this technology, will continue to be dealt with through best practices already in place in the Fleet Services Division.

If approved, this truck will be built and delivered to the City in October of 2012.

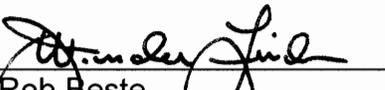
Respectfully submitted,

SHERYL BALLEW
General Services Director

CONCUR:


By Jeffrey Cryderman
Acting Fleet Services Manager


Sheryl Ballew
General Services Director


FOR Rob Beste
Public Works Director


LeRoy J. Jackson
City Manager