

Council Meeting of
December 4, 2012

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

Members of the Council:

SUBJECT: General Services and Public Works – Authorize sole-source purchase of two (2) 2013 CNG fueled Peterbilt/Heil automated side loader refuse trucks.

Expenditure: \$670,126.46

RECOMMENDATION

Recommendation of the General Services and Public Works Directors that City Council authorize the sole-source purchase of two (2) 2013 CNG fueled Peterbilt 320 refuse trucks with Heil 7000 automated side loader bodies from Rush Truck Center of Pico Rivera, CA in the amount of \$670,126.46 (including sales tax and tire fees).

Funding

Funding is available in the amount of \$525,030.74 from the Fleet Vehicle Replacement Fund and \$145,095.72 from the 2013-2014 Sanitation Enterprise Fund operating budgets.

BACKGROUND/ANALYSIS

South Coast Air Quality Management District's (AQMD) Fleet Rule #1193 prohibits the City from purchasing new diesel powered refuse trucks. Accordingly, staff recommends acquisition of new refuse trucks fueled by compressed natural gas (CNG). To date, the City operates seven (7) CNG refuse trucks.

The new trucks will be replacements for two (2) 18-year old refuse trucks, #9087 and #9088, that have been used exclusively for residential refuse pick up. The trucks being replaced are 1994 Peterbilt 320 automated side loaders with odometer readings of 98,093 miles (#9087) and 111,599 miles (#9088). They are in poor condition and have extremely dirty polluting engines that require daily regeneration of the diesel particulate filters.

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:

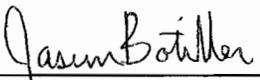
- a) **Standardization:** The City's established refuse truck standard over the last two decades has been the Peterbilt brand chassis and Heil brand truck body combination. While there are other manufacturers, both Peterbilt and Heil are considered giants in the industry with unrivaled brand strength. Historically, they have outlasted many other truck manufacturers in the sanitation business who 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. In addition, 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 \$338,679 for our most recent CNG refuse truck acquisition in August 2012.

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

Once ordered, the assembly period for refuse trucks can take six (6) months or more to complete. To maintain momentum in the timely replacement of these vehicles, staff is requesting purchase authorization with enough lead time to assure delivery to the City by July of 2013.

Respectfully submitted,

SHERYL BALLEW
General Services Director

by 
Jasun Botiller
Fleet Services Manager

CONCUR:


Sheryl Ballew
General Services Director


Rob Beste
Public Works Director


LeRoy J. Jackson
City Manager