

Council Meeting of
April 3, 2007

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

Members of the Council:

**SUBJECT: General Services – Authorize agreement amendment for Paccar/Peterbilt brand repair parts, increasing by \$60,000 for a total not to exceed expenditure of \$120,000.
Expenditure: Not to exceed \$60,000 (includes tax)**

RECOMMENDATION

The General Services Director recommends that City Council authorize amendment to an existing sole-source Purchasing Agreement with Rush Truck Center of Pico Rivera, CA, in an amount not to exceed \$60,000, for a total not to exceed expenditure of \$120,000.00, for purchase of Paccar/Peterbilt brand repair parts. The purchasing agreement was for a period of one year and is due to expire August 1, 2007.

Funding

Funding for Paccar/Peterbilt brand repair parts is available in the Fleet Services FY 2006-07 and FY 2007-08 Operating Budgets (Warehouse Inventory Account).

BACKGROUND/ANALYSIS

On June 20, 2006, the City Council approved a purchasing agreement with Rush Truck Center in the amount of \$60,000.00 to purchase Paccar/Peterbilt brand repair parts. Paccar/Peterbilt operates a large Peterbilt Truck dealership network, with locations throughout California. Rush Truck Center is one of those dealerships. The City of Torrance is located within the region covered by Rush Truck Center. Given the City's requirement for original equipment manufacturer (OEM) parts, Rush Truck Center is considered a sole-source vendor.

Due to recent unanticipated increases in the replacement of a large number of major vehicle components in our aging Refuse Truck Fleet (radiators, steering gears,

injectors, pumps, etc.), staff foresees a potential shortfall in available funding to support the need for these critical parts.

The Torrance Municipal Code, SECTION 22.3.17. EXCEPTIONS; SOLE-SOURCE PURCHASES states:

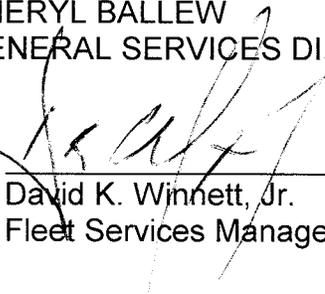
“a) The provisions of this Article will not apply to purchases of sole-source services or property, which purchases will be made in accordance with such procedures and regulations as will be established by the City Manager.

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.”

In summary, staff is recommending that the City Council approve an amendment to the existing Purchasing Agreement, increasing the total expenditure to \$120,000.00 in order to support repair parts requirements for the City’s Refuse Trucks.

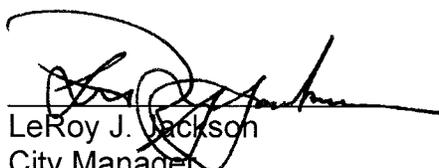
Respectfully submitted,

SHERYL BALLEW
GENERAL SERVICES DIRECTOR

By 
David K. Winnett, Jr.
Fleet Services Manager

CONCUR:


Sheryl Ballew
General Services Director


LeRoy J. Jackson
City Manager