

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

**Members of the Council:**

**SUBJECT: General Services and Public Works – Sole-Source  
Refurbishment of one (1) Refuse Roll-Off Bin Carrier Truck**

**Expenditure: \$114,500.00 (includes tax and 10% contingency  
funding)**

**RECOMMENDATION**

Recommendation of the General Services Director and the Public Works Director that City Council authorize a sole-source purchase order with AMREP Inc. of Ontario, California in an amount not to exceed \$114,500.00, including sales tax and a ten percent (10%) project contingency, for complete refurbishment of one (1) Refuse Roll-off bin carrier truck; City Truck # 9067.

Funding

Funding is available in the Fleet Services Vehicle and Equipment Replacement Fund.

**BACKGROUND**

On March 21, 2006, the City Council approved a Staff Report from the City's Alternative Fuels Strategy Committee that recommended adoption of a number of strategies aimed at complying with Clean Air Mandates issued by the California Air Resources Board (ARB) and the South Coast Air Quality Management District (AQMD). Included in that report were recommendations to postpone replacement of many of the City's heavy-duty diesel vehicles, and to begin a project to refurbish some of the City's older Refuse Trucks. The objective of the refurbishment initiative is that by extending the life of the City's existing Refuse fleet, the City will in the future be afforded more cost-effective clean heavy-duty vehicle choices than are currently available.

On August 6<sup>th</sup> of 2006, your honorable body approved sole-source purchase orders with Rush Peterbilt and Bodyworks Equipment Company for refurbishment of six (6) Refuse Collection trucks. On February 26, 2008 your honorable body approved a second round of Refuse Truck refurbishments for an additional six trucks, which are currently underway.

Thus far these refurbishment projects have been a great success, providing the Sanitation Division with much needed refurbished trucks that have resulted in improved productivity, better vehicle reliability and enhanced morale within the ranks of the vehicle operators.

AQMD "Fleet Rules" applicable to Public Agencies currently prohibit the City from purchasing new heavy-duty trucks that are fueled by diesel. At this time the only AQMD-approved fuel technology that is commercially available in Southern California for new Refuse Trucks is natural gas; either liquefied natural gas or compressed natural gas. Although natural gas has been proven in many other fleets to be a reliable fuel source for heavy-duty vehicles, the start-up and infrastructure costs associated with this technology are substantial, as are the ongoing costs of operating and maintaining natural gas powered vehicles, when compared to the cost of diesel powered vehicles.

Given the City's intent to postpone heavy-duty diesel vehicle replacements until cleaner diesel or other clean engine technologies are commercially available and approved by AQMD, staff feels that continuing with refurbishment of existing trucks is the most reasonable and cost-effective way to provide the much needed relief to the City's maintenance-intensive Refuse fleet.

The end result of this refurbishment will be a completely rebuilt Roll-off truck that will serve the needs of the City for at least eight (8) more years. By that time the City expects to have a far greater number of options when it comes to vehicle replacements than is the case at this time. Beyond natural gas powered trucks, the City by that time should be able to purchase new trucks that operate on cleaner and less-expensive diesel technology, or to purchase trucks that utilize enhanced heavy-duty hybrid and/or fuel cell technologies.

## **ANALYSIS**

Whereas refurbishment of the Roll-off truck will cost approximately \$105,000.00 (not including contingency funding), a new truck of similar specifications that is fueled by natural gas as mandated by AQMD would cost the City approximately \$225,000.00, and would force very costly facility and other infrastructure modifications that are required to support natural gas vehicles.

This project requires sole-sourcing due to the proprietary aspects of the roll-off system that the City has specified (Amrep). Amrep is a highly reputable brand within the Refuse Collection Industry and a long-time supplier of parts and services to the City.

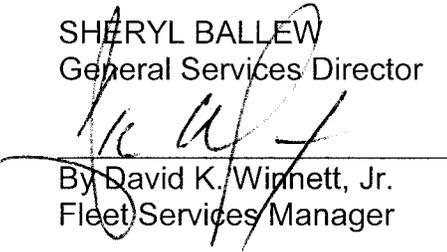
The Sole-Source Purchase Exception of TMC § 22.3.17 (b), states:

“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.”

Respectfully submitted,

SHERYL BALLEW  
General Services Director

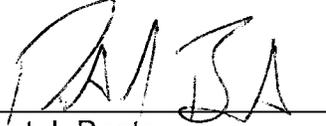


By David K. Winnett, Jr.  
Fleet Services Manager

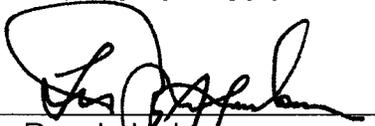
CONCUR:



Sheryl Ballew  
General Services Director



Robert J. Beste  
Public Works Director



LeRoy J. Jackson  
City Manager