

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

Members of the Council:

SUBJECT: General Services – Authorize “Special Opportunity Purchase” of one (1) new and unused 2009 model year CNG-fueled Peterbilt Model 320 Refuse Roll-Off Truck with AMREP Truck Body

Expenditure: \$197,070.95

RECOMMENDATION

Recommendation of the General Services Director that City Council:

- A) Authorize issuance of a “Special Opportunity” purchase order to Rush Truck Center of Pico Rivera, California in the amount of \$197,070.95 including sales tax and tire fees, to furnish one (1) new and unused 2009 model year CNG-fueled Peterbilt Model 320 Refuse Roll-Off Truck with AMREP Truck Body.
- B) Appropriate \$197,070.95 from the Sanitation Enterprise Fund balance to the Fleet Services Vehicle Replacement Fund.

Funding

Funding is available from the Sanitation Enterprise Fund balance.

BACKGROUND

The proposed vehicle purchase is a scheduled replacement for the vehicle listed below:

Veh. #	Year	Make	Model	Mileage	Condition
9071	1987	Peterbilt	320	133,000	Very Poor

ANALYSIS

The proposed vehicle purchase will replace a 23-year old Roll-Off Truck in the City's Sanitation fleet. The Sanitation Division has only two (2) Roll-off Trucks in its inventory, one of which received a top to bottom refurbishment two years ago. Though the refurbishment has made the other truck (9067) more reliable and has extended its lifespan, staff recommends against another such refurbishment on 9071 due to the problematic refurbishment project that was experienced with 9067 (delays, etc.).

A special opportunity purchase is justified for the following reasons;

1. The present mechanical condition of 9071 is very poor, with extensive and costly repairs necessary if the City were to elect to keep it in the fleet longer. The truck is 23 years old.
2. The proposal for the new truck represents a cost savings of \$14,000.00 due to the fact that the truck is already built, ready for delivery and is considered old stock by Rush Truck Center.
3. Rush Truck Center is also offering a "clean engine tax credit" in the form of a rebate check to the City in the amount of \$10,500.00, payable during the next tax filing for Rush Truck Center (approximately April 2011). This will bring the net cost of the truck down to \$186,570.95.

Section 22.3.18 of the City's Municipal Code – Exception; Special Opportunity Purchase states: "Special opportunity purchases may be made by the City Manager where:

a) The City Council finds that a proposed purchase that is subject to this Article is either below the current market price and will result in a significant cost savings to the City, or that the proposed purchase is not more than the current market price, and that significant time will be saved in delivery or installation of the equipment by such a purchase; and

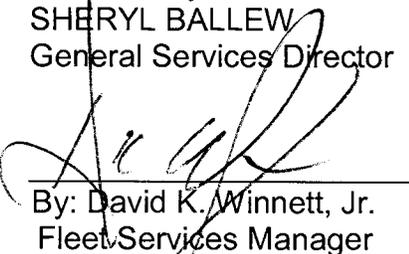
b) The City has a current need for the item or items of property to be purchased."

CONCUR:


 Sheryl Ballew
 General Services Director


 LeRoy J. Jackson
 City Manager

Respectfully submitted,
 SHERYL BALLEW
 General Services Director


 By: David K. Winnett, Jr.
 Fleet Services Manager