

Council Meeting of  
August 10, 2010

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

**Members of the Council:**

**SUBJECT: General Services – Authorize cancellation of PO #2009-00001075 and authorize new PO to same vendor for Cooperative Purchase with City of Glendale for Three (3) New Street Sweepers; Two (2) of them Propane-fueled, and One (1) CNG-fueled.**

**Ref: City of Glendale PO # 6000015440 dated Jan. 2, 2010**

**Expenditure: \$827,003.57 (including sales tax and tire fees)**

**RECOMMENDATION**

Recommendation of the General Services Director that the City Council:

- a) Cancel City of Torrance PO # 2009-00001075 in the amount of \$236,225.90 to Haaker Equipment Company of La Verne, CA for one (1) Propane-fueled Street Sweeper.
- b) Authorize issuance of a purchase order to Haaker Equipment Company in the amount of \$827,003.57 including sales tax and tire fees, to furnish two (2) new and unused Propane-fueled Elgin "Crosswind J" Street Sweeper Trucks and one (1) new and unused CNG-fueled Elgin "Crosswind J" Street Sweeper Truck as a cooperative purchase with the City of Glendale, CA.
- c) Appropriate and transfer \$48,206.60 from the Sanitation Enterprise Fund balance to the Fleet Services Vehicle Replacement Fund Vehicles Acquisition account.
- d) Appropriate \$778,796.97 from the Fleet Services Vehicle Replacement Fund balance to the Fleet Vehicle Replacement Fund Vehicles Acquisition account.

**Funding**

Funding is available from the Sanitation Enterprise Fund and the Fleet Services Vehicle Replacement Fund.

## **BACKGROUND**

On July 7, 2009 your honorable body approved a purchase order to Haaker Equipment Company of La Verne, California, in the amount of \$236,225.90 including sales tax and tire fees, to furnish one (1) new and unused Propane-fueled Elgin "Crosswind J" Street Sweeper Truck as a cooperative purchase with the City of Arcadia.

During early July 2010, just prior to delivery of the aforementioned truck, staff discovered that the vendor had mistakenly ordered the sweeper built onto a conventional cab and chassis, not the "cab-over" style cab and chassis that the Sanitation Division had requested. Staff met with Haaker representatives in mid-July and they have agreed to re-do the order. The truck they had built will be sold to another entity.

During the course of discussions with Haaker it was revealed that the Cummins Engine Company has stopped manufacturing their small block (5.9 liter) engines in a propane configuration and will now focus exclusively on large block (8.9 liter) CNG engines for sales in California. Cummins finds it cost-prohibitive to have the California Air Resources Board certify their large block engine for propane use.

There are two (2) small block Cummins propane engines left, one of which will be used to build the City's replacement Sweeper for the truck that was built on the wrong chassis. The City has an opportunity to acquire that last Cummins propane engine if we add another Sweeper to our order. Staff feels it prudent to do so due to significant cost-savings running propane when compared to CNG. The City currently pays \$1.50 per gallon for propane versus \$2.23 per gallon for CNG. Propane vehicles are also less maintenance-intensive than comparable CNG vehicles.

Haaker is also offering yet a third truck at the same pricing as the propane trucks, though it will be outfitted with the larger 8.9 liter CNG engine. The cost savings achieved by taking advantage of this offer represents a \$7,000.00 discount.

The Sanitation Division of Public Works performs routine Street Sweeping services throughout the City. In order to accomplish this ongoing task, a fleet of seven (7) Street Sweepers is utilized. The City's normal replacement criterion for these vehicles is eight (8) years.

The Street Sweepers being replaced:

<b>Veh. #</b>	<b>Year</b>	<b>Make</b>	<b>Model</b>	<b>Mileage</b>	<b>Vehicle Condition</b>
9134	2000	Johnson	7000 Vacuum Street Sweeper	98,587	Poor
9135	2000	Johnson	7000 Vacuum Street Sweeper	118,274	Poor
9136	2000	Johnson	7000 Vacuum Street Sweeper	115,611	Poor

All three of the above sweepers are powered by diesel engines. In accordance with restrictions outlined in South Coast Air Quality Management District's (AQMD) "Fleet Rule 1186.1, Less Polluting Sweepers", the City is prohibited from purchasing diesel powered Street Sweepers when replacing existing vehicles. Instead, the rule requires us to purchase replacements powered by one of AQMD's "Alternative Fuels", which include Propane, Natural Gas, Fuel Cells, Gasoline, Ethanol or Battery-Electric.

In accordance with AQMD Fleet Rule 1186.1, and the City's "Alternative Fuel Strategy" as approved by the City Council on March 21, 2006, staff is recommending the use of both Propane and CNG with the new Street Sweepers which will ensure our compliance with the AQMD Rule and further contribute to the "greening" of the City's fleet.

### **ANALYSIS**

Staff has determined that the Elgin brand Street Sweeper best meets the needs of the City. Haaker Equipment Company was recently awarded the bid on a similar truck for the City of Glendale. Accordingly, staff recommends acquisition of this vehicle via the cooperative purchase provisions provided for in the City's Municipal Code.

The Torrance Municipal Code, (Section 22.3.15), (EXCEPTIONS COOPERATIVE PURCHASES) states;

"a) The provisions of this Article will not apply to purchases made pursuant to any cooperative governmental purchase program, which purchases will be made in accordance with such procedures and regulations as shall be established by the City Manager.

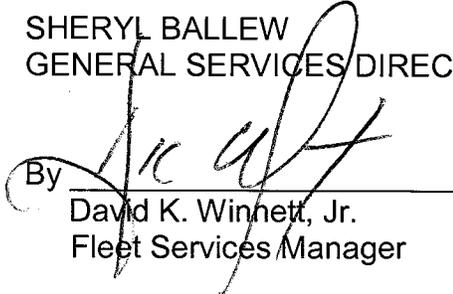
b) For the purposes of this Section, the term cooperative governmental purchase program means any combination between the City of Torrance and any other public agency or public agencies for the joint purchase of property or services".

Respectfully Submitted,

SHERYL BALLEW  
GENERAL SERVICES DIRECTOR

CONCUR:

  
Sheryl Ballew  
General Services Director

By   
David K. Winnett, Jr.  
Fleet Services Manager

  
LeRoy J. Jackson  
City Manager