

Agenda Report

September 19, 2016

TO: Honorable Mayor and City Council
FROM: Department of Public Works
SUBJECT: AUTHORIZE PURCHASE ORDER WITH LOS ANGELES FREIGHTLINER FOR PURCHASE OF FOUR REPLACEMENT AUTOCAR/NEW WAY COMPRESSED NATURAL GAS POWERED SIDE LOADING REFUSE PACKERS FOR AN AMOUNT NOT TO EXCEED \$1,293,340

RECOMMENDATION:

It is recommended that the City Council:

1. Find that this action is exempt under the California Environmental Quality Act (CEQA) in accordance with Section 15061(b)(3), the General Rule that CEQA only applies to projects that may have an effect on the environment;
2. Authorize a purchase order contract with Los Angeles Freightliner for the purchase of four Autocar/New Way compressed natural gas powered side loading refuse packers in an amount not-to-exceed \$1,293,340. Competitive Bidding is not required pursuant to City Charter Section 1002(H) contracts with other governmental entities or their contractors for labor, materials, supplies or services; and
3. It is further recommended that the City Council grant the proposed purchase order contract an exemption from the Competitive Selection process pursuant to Pasadena Municipal Code Section 4.08.049(B) contracts for which the City's best interests are served.

BACKGROUND:

The Department of Public Works, Street Maintenance and Integrated Waste Management (SWIWM) Division uses side loading refuse packers to collect residential mixed and yard waste, and recyclable materials from more than 25,000 residential customers on a weekly basis. Four side loading refuse packers (equipment numbers 02240, 02241, 02243, and 02244) are in need of replacement. The vehicles being replaced are all nine years old with 89,215, 89,792, 105,295, and 92,425 miles respectively. These vehicles will soon meet their useful life of ten years. Upon delivery

of the replacement refuse vehicles, these vehicles will be sent to auction per City policy. The estimated total salvage value of \$8,000 will be returned to the Refuse Collection Fund. Attachment A contains the vehicle condition report.

On June 21, 2010, the City Council adopted the 2010 Integrated Waste Management Operations Plan which outlines six goals to be achieved to ensure the City provides quality, cost-effective, and innovative services. Goal 1 calls for the City to provide effective vehicular assets through the management of repairs and timely vehicle replacements with alternative-fuel vehicles to ensure the availability of service to residents. In accordance with the Operations Plan, staff recommends replacement of four vehicles that will soon meet their useful life of ten years and have incurred high maintenance costs.

The replacement vehicles will be powered by compressed natural gas (CNG) in compliance with the South Coast Air Quality Management District (SCAQMD) Fleet Rule 1193 and with California Air Resource Board rules. These purchases will also help the City maintain an effective ultra-low emission and cost-efficient fleet essential for successful and timely delivery of waste collection services.

The City of Claremont, California recently completed a competitive bidding process for the purchase of three CNG side loading refuse packers and received proposals from two vendors (Gaskin Sales and Service of Fontana, CA, and Los Angeles Freightliner of Whittier, CA). The award was made to the lowest responsible/responsive bidder, Los Angeles Freightliner (LA Freightliner). The City of Claremont executed a purchase order (Number 11274) with LA Freightliner for the purchase of three Autocar/New Way side loading refuse packers for a purchase price of \$323,335 per vehicle. LA Freightliner has offered to extend this price to the City of Pasadena for four Autocar/New Way side loading refuse packers. The full purchase price to the City including applicable sales tax is \$323,335 per vehicle, for a total of \$1,293,340. Los Angeles Freightliner will deliver the vehicles within 210 days after the receipt of the order.

The City of Pasadena has done business with this vendor since 2001, including issuance of purchase orders for vehicles, parts, and supplies, for a total amount of approximately \$5.1 million. This includes the purchase of one CNG water tanker truck for \$197,000 in 2016, three side loading refuse packers for \$896,396 in 2013, and a refuse roll-off truck for \$197,182 in 2010.

Purchasing the requested vehicles from Los Angeles Freightliner is in the City's best interest as it reduces the amount of time required to take delivery of new equipment, eliminates the need to prepare bid specifications, review proposals, and award a competitive bid.

COUNCIL POLICY CONSIDERATION:

This purchase is consistent with the City Council's goals to increase conservation and sustainability, maintain fiscal responsibility and stability, and ensure public safety. Additionally, this purchase complies with United Nations Urban Environmental Accords Action 14, purchase of advanced emission controls on all public fleets to reduce particulate matter and smog-forming emissions by 50 percent by the year 2012.


ENVIRONMENTAL IMPACT:

This purchase complies with all South Coast Air Quality Management District rules and regulations for engine emissions and clean air standards in the South Coast Air Basin.

FISCAL IMPACT:


The cost of this action is \$1,293,340. Funding will be addressed by the utilization of existing budgeted appropriations in the Refuse Collection Fund (account 850500-40622019). It is anticipated that the entire cost will be spent during the current fiscal year. Indirect and support costs such as maintenance and repair are anticipated to be \$300,000 per vehicle over the life of the vehicles and will be addressed annually by utilization of existing budgeted appropriations in the Department of Public Works operating budget account 861600-40622019.

Respectfully submitted,



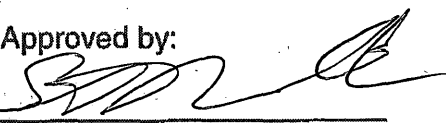
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Director of Public Works

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Approved by:



STEVE MERMELL
City Manager

Attachment A – Vehicle Condition Report