

# Agenda Report

June 18, 2018

**TO:** Honorable Mayor and City Council  
**FROM:** Department of Public Works  
**SUBJECT:** AUTHORIZE PURCHASE ORDER CONTRACT WITH LOS ANGELES TRUCK CENTERS, LLC DBA VELOCITY TRUCK CENTERS FOR PURCHASE OF TWO SIDE LOADING REFUSE PACKERS FOR A TOTAL OF \$711,830

## **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; and
2. Accept the bid dated May 14, 2018 submitted by Los Angeles Truck Centers, LLC dba Velocity Truck Centers in response to specifications for two side loading refuse packers, and authorize the issuance of a purchase order contract with Los Angeles Truck Centers, dba Velocity Truck Centers in an amount not to exceed \$711,830.

## **BACKGROUND:**

The Department of Public Works, Street Maintenance and Integrated Waste Management (SMIWM) 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. Two side loading refuse packers (equipment numbers 2241 and 2243) are in need of replacement. The vehicles being replaced are 11 years old with 104,683 and 125,944 miles respectively, and have reached the end of 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 \$12,000 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 one 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 two 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 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.

On April 25th, 2018, a Notice Inviting Bids for two side loading refuse packers was published in the *Pasadena Journal* and posted on Planet Bids, which generated notices to 364 vendors. Ten vendors downloaded the bid documents and 25 were local. One bid was received by the bid closing date of May 14th, 2018. The bid result is as follows:

Bidder	Amount(\$)
1. Los Angeles Truck Centers, LLC DBA Velocity Truck Centers	Fontana, CA \$711,830

Staff evaluated the bid proposal and determined Los Angeles Truck Centers, LLC DBA Velocity Truck Centers to be a responsive and responsible bidder with a reasonable bid price for two side loading refuse packers. 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 \$7.13 million. This includes the purchase of four side loading refuse packers for \$1,293,340 in 2016, one water tanker truck for \$197,000 in 2016, three side loading refuse packers for \$896,396 in 2013, one mini rear loader for \$119,427 in 2013 and a refuse roll-off truck for \$197,182 in 2010.

Staff contacted the three prospective bidders that build refuse vehicles. The three prospective bidders downloaded the documents but did not submit a bid. One prospective bidder was unresponsive. One bidder informed staff that they were overloaded with municipal fiscal year end bids and chose not to respond to this bid. The third prospective bidder would have been a subcontractor as they only provide CNG fueling systems, not the actual vehicles.

**COUNCIL POLICY CONSIDERATION:**

By providing the Public Works Department with the proper equipment to perform its function, the proposed purchase furthers the City Council's Strategic Plan goals to ensure public safety and increase conservation and sustainability.

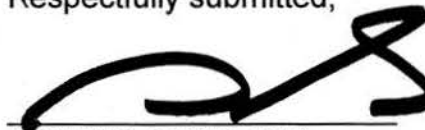
**ENVIRONMENTAL IMPACT:**

This purchase complies with all SCAQMD rules and regulations for engine emissions and clean air standards in the South Coast basin.

**FISCAL IMPACT:**

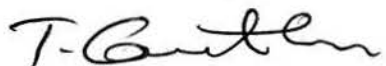
The cost of this action is \$711,830. Funding will be addressed by the utilization of existing budgeted appropriations in the Refuse Collection Fund (account 850500-40622019). Indirect and support costs such as maintenance and repair are anticipated to be \$300,000 per vehicle over the life of the vehicles and will be addressed annually by utilization of existing budgeted appropriations in the Department of Public Works operating budget account 861600-40622019.

Respectfully submitted,



ARA MALOYAN, P.E.  
Director of Public Works

Prepared by:



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Public Works Superintendent

Approved by:



STEVE MERMELL  
City Manager