

**City of Culver City, California
Agenda Item Report**

Meeting Date: 10/24/2011		Item Number: <u>C-8</u>	
CITY COUNCIL AGENDA ITEM: Authorize the Purchase of a Scout Truck (Amrep), Escape Hybrid (South Bay Ford), and Sanitation Rear Loader (Vehicles as Part of a Multi-Family Recycling Grant Program.			
Contact Person/Dept.: Catherine Vargas / PW		Phone Number 310-253-6411	
Fiscal Impact: Yes ☒ No ☐		Fiscal Impact: Yes ☒ No ☐	
Public Hearing: ☐		Action Item: ☐ Attachments: ☐	
Commission Action Required: Yes ☐ No ☒		Date: _____	
Public Notification: Meetings and Agendas – City Council (10/20/11)			
Department Approval: Charles D. Herbertson(10/12/11)		City Attorney Approval: Carol Schwab (10/19/11)	
Chief Financial Officer Approval: Jeff Muir (by M. Noller) (10/19/11)		City Manager Approval: John M. Nachbar (10/20/11)	
<u>RECOMMENDATION:</u> Staff recommends that the City Council authorize the purchase of two collection vehicles and one promotional vehicle as part of a CalRecycle Multi-Family Recycling Grant Program. <u>BACKGROUND:</u> On December 15, 2008, the California Department of Recycling (CalRecycle) awarded Culver City a grant in the amount of \$777,421 (CalRecycle Grant) to establish a multi-family recycling program in the Fox Hills area of the City. Unfortunately, three months after receiving notice of the grant award, due to the State's financial crisis, the City received a stop work order that froze the grant funds for an unspecified amount of time. On May 1, 2010, CalRecycle issued a letter stating the grant was no longer frozen and spending of grant funds could be started if the City desired. On May 26, 2010, staff from the Finance Department and the Public Works Department met with representatives from the State's Department of Conservation to review the grant scope, the reporting requirements, and the reimbursement process. On June 28, 2010, the City Council approved accepting the CalRecycle Grant, including the elements of purchasing vehicles, recycling bins, and marketing materials, and hiring consultants to assist with marketing and outreach.			

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DISCUSSION:

The CalRecycle Grant allows for the purchase of two collection vehicles to support the expansion of the multi-family mixed recycling program in the Fox Hills area; and a promotional vehicle to be used for transporting marketing materials and to function as a rolling billboard to promote beverage container recycling. After careful analysis of the City's recycling operation, Staff determined that a scout truck and rear loader is needed to support the expanded recycling program. None of these vehicles will be purchased through the City's Equipment Replacement Fund (ERF). Since staff recommends ultimate replacement of the Rear Loader and Scout Truck (at the end of their useful lives), staff will include these vehicles in the ERF's future amortization costs. Such amortization costs would be attributed to the Sanitation Fund's contribution to the ERF.

Scout Truck

The scout truck is a highly specialized vehicle that incorporates a custom built trash bin hauling apparatus on the rear of the vehicle. This complex apparatus contains a hydraulic and electrical system that enables the vehicle to transport loaded trash bins from subterranean parking garages and tight spaces. Because this is a very unique and special type of apparatus, there are a limited number of companies that can fabricate this vehicle to the City's specifications.

The City currently has four (4) scout trucks. Unfortunately, the Equipment Maintenance & Fleet Services Division struggles to maintain these vehicles because of the poor quality and problematic vendor warranty repairs. Staff does not recommend purchasing additional products from this vendor.

Amrep, a vehicle manufacturing company based in southern California, is willing to custom build a scout truck for the City. Staff approached Amrep because it is the only company that can build a scout truck to the City's specifications and performance standards. Since the scout truck operates in tight spaces, it is imperative that it is built using a small pick-up truck instead of a full size vehicle. The smaller form factor makes the fabrication and integration of the hoisting apparatus very difficult which limits the number of vendors that can build the vehicle. We have a long-standing relationship with Amrep and currently use other Amrep products. They are a local Southern California company, so parts acquisition and warranty service will be convenient. Amrep's price proposal of \$31,017.00 (plus tax) is based upon building the scout truck using the body of a Chevrolet Colorado Pick up. Due to the aforementioned quality issues with the prior vehicles supplied by another vendor, staff determined the prior vendor would not be responsive and responsible to the specifications. After reviewing the specifications with Amrep, it was determined that they are the only vendor in the area that can meet the specification and quality requirements for this particular vehicle. Therefore, staff recommends the

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City Council determine that conformance with the competitive bidding procedures would be contrary to the best interests of the City and waive the formal bid requirements per CCMC Section 3.07.075(E)(3) and approve the procurement of this vehicle from Amrep.

Escape Hybrid

The Equipment Maintenance & Fleet Services Division requested quotes for a new Ford Escape Hybrid Sport Activity Vehicle from local Ford Dealerships. The three quotes do not include state sales tax.

- 1) SouthBay Ford- \$28,888.54;
- 2) Santa Monica Ford-\$30,157; and
- 3) Wondries Fleet Group-\$31,004.30.

Based upon the lowest quote, staff recommends purchasing the vehicle from South Bay Ford.

Sanitation Rear Loader

EPO and Equipment Maintenance & Fleet Service Division staff collaborated on a specification for a Compressed Natural Gas (CNG) powered rear loader to enhance multi-family recycling collection. Velocity Vehicle Group provided the City with a recent, competitive bid Request for Proposal (RFP) documentation from the City of Beverly Hills for a rear loader that meets our requirements and specifications. This vehicle will be used to service the increases in recycling throughout the community. Particularly, the additional site specific needs of small multifamily locations that do not have maneuvering space for a standard size collection vehicle. This CNG powered rear loader meets the City's clean air requirements. The cost is \$240,500 plus applicable taxes.

Since the City will piggyback on the competitively bid RFP by the City of Beverly Hills, the purchase of this vehicle is exempt from bidding requirements per CCMC Section 3.07.045(G), which states: "Purchases of equipment, goods or supplies where competitive bid procedures have already been utilized by the City, another public agency...; provided, the equipment, goods or supplies are supplied to the City at the same or better price, as was obtained through the competitive bid procedures of that entity."

FISCAL ANALYSIS:

The vehicle purchase price and applicable sales tax will be entirely funded by the CalRecycle Grant (20267510). Vehicle maintenance, fuel, and amortization cost will be paid by the Sanitation Enterprise Fund. There is sufficient funding in 20267100.600800 – Refuse Collection Equipment Maintenance Charges to absorb

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the fuel and maintenance costs for this fiscal year. Future costs will be budgeted appropriately in subsequent fiscal years. The amortization charges will begin in Fiscal Year 2012/2013 and will include any "catch up" costs that may be needed to ensure the necessary amount for future vehicle purchases is ultimately captured.

<u>Vehicle</u>	<u>Purchase Price</u>	<u>Tax</u> (8.75%)	<u>Total Price</u>
Scout Truck (Amrep)	\$31,017.00	\$2,713.99	\$33,730.99
Sanitation Rear Loader (Velocity Vehicle Group)	\$240,500.00	\$21,043.75	\$261,543.75
Escape Hybrid (South Bay Ford)	\$28,888.54	\$2,527.75	\$31,416.29
Grand Total	\$300,405.54	\$26,288.49	\$326,691.03

ATTACHMENTS:

None

MOTION:

That the City Council:

1. With respect to the purchase of the Scout Truck, determine that conformance with the competitive bidding procedures would be contrary to the best interests of the City and waive the formal bid requirements per CCMC Section 3.07.075(E)(3); and,
2. Authorize the purchase of a Scout Truck vehicle from Amrep in an amount not to exceed\$33,730.99; and,
3. Authorize the purchase of a Sanitation Rear Loader vehicle in anamount not to exceed\$261,543.75; and,

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4. Authorize the purchase of an Escape Hybrid vehicle from South Bay Ford in an amount not to exceed \$31,416.29; and,
5. Authorize the City Attorney to review/prepare the necessary documents; and,
6. Authorize the City Manager to execute such documents on behalf of the City.