

REQUEST FOR COUNCIL ACTION CITY OF SAN DIEGO	CERTIFICATE NUMBER (FOR COMPTROLLER'S USE ONLY) N/A
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TO: CITY COUNCIL	FROM (ORIGINATING DEPARTMENT): Environmental Services	DATE: 08/06/2012
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SUBJECT: Exercise Option Year 1 of As-Needed Contract for Automated Side-Loading Refuse Packers and Authorization to Purchase Replacement Packers with Los Angeles Truck Center, LLC, DBA San Diego Freightliner.

PRIMARY CONTACT (NAME, PHONE): Chris Sandoval, 858-526-2301	SECONDARY CONTACT (NAME, PHONE): Mary Valerio, 858-526-2355
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COMPLETE FOR ACCOUNTING PURPOSES

FUND	720011				
DEPT / FUNCTIONAL AREA					
ORG / COST CENTER	2113140012				
OBJECT / GENERAL LEDGER ACCT	516017				
JOB / WBS OR INTERNAL ORDER					
C.I.P./CAPITAL PROJECT No.					
AMOUNT	\$0.00	\$0.00	0.00	0.00	0.00

FUND					
DEPT / FUNCTIONAL AREA					
ORG / COST CENTER					
OBJECT / GENERAL LEDGER ACCT					
JOB / WBS OR INTERNAL ORDER					
C.I.P./CAPITAL PROJECT No.					
AMOUNT	0.00	0.00	0.00	0.00	0.00

COST SUMMARY (IF APPLICABLE): This action will allow the City to cash purchase four (4) replacement recycling vehicles in accordance with the current Purchase Contract for Bid No. 10008789-10-E. Estimated total cost, including sales tax and California tire tax, is \$992,000 dollars from Fund No. 720037 (Fleet Svc RP-700048, Recycling Fund).

ROUTING AND APPROVALS

CONTRIBUTORS/REVIEWERS:	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED
Environmental Analysis	ORIG DEPT.	Gonaver, Chris	8/13/2012
Equal Opportunity Contracting	CFO		
Liaison Office	DEPUTY CHIEF		
Financial Management	COO	Goldstone, Jay	9/10/2012
Comptroller	CITY ATTORNEY	Lowenberg, Grace	9/10/2012
	COUNCIL		

		PRESIDENTS OFFICE			
PREPARATION OF:	<input checked="" type="checkbox"/> RESOLUTIONS	<input type="checkbox"/> ORDINANCE(S)	<input type="checkbox"/> AGREEMENT(S)	<input type="checkbox"/> DEED(S)	
<p>1. Authorize the Chief Financial Officer to expend an amount not to exceed the amount budgeted from Fund No. 720011 (Fleet Svc RP-100000, General Fund) and Fund No. 720037 (Fleet Svc RP-700048, Recycling Fund) to replace aging Automated Side-Loading Refuse Packers for the trash and recycling collection fleets respectively during the initial one-year term of the as-needed agreement with Los Angeles Truck Center, LLC, dba San Diego Freightliner (LATC), as-needed and as funds become available, in accordance with the Fleet Services motive equipment purchase plan approved by Council and contingent on the Comptroller's certification of funding availability.</p> <p>2. Authorize the execution of a first amendment to the agreement with LATC to extend the term of the agreement for one additional year from March 2, 2013 through March 1, 2014.</p> <p>3. Authorize the Chief Financial Officer to expend an amount not to exceed the amount budgeted from Fund No. 720011 (Fleet Svc RP-100000, General Fund) and Fund No. 720037 (Fleet Svc RP-700048, Recycling Fund) for the purchase of Automated Side-Loading Refuse Packers for the trash and recycling fleets respectively under the first amendment to the agreement with LATC, as needed and as funds become available, in accordance with the Fleet Services motive equipment purchase plan approved by Council and contingent on the adoption of the applicable Annual Appropriations Ordinance and the Comptroller's certification of funding availability.</p> <p>4. Authorize the Mayor or his designee to exercise one or more options to extend the agreement in accordance with its terms, and authorize the expenditure of funds therefore, in an amount not to exceed the amount budgeted from Fund No. 720011 (Fleet Svc RP-100000, General Fund) and Fund No. 720037 (Fleet Svc RP-700048, Recycling Fund) for the purchase of Automated Side-Loading Refuse Packers for the trash and recycling fleets respectively, as-needed and as funds become available, in accordance with the Fleet Services motive equipment purchase plan, and contingent on the adoption of the applicable Annual Appropriations Ordinance and the Comptroller's certification of funding availability.</p>					
STAFF RECOMMENDATIONS:					
Approve the requested actions.					
SPECIAL CONDITIONS (REFER TO A.R. 3.20 FOR INFORMATION ON COMPLETING THIS SECTION)					
COUNCIL DISTRICT(S):		All			
COMMUNITY AREA(S):		All			
ENVIRONMENTAL IMPACT:		Pursuant to CEQA Guidelines Section 15378(b)(2) this activity constitutes ongoing administrative or maintenance activities, and therefore is not subject to the California Environmental Quality Act pursuant to CEQA Guidelines Section 15060(c)(3).			
CITY CLERK INSTRUCTIONS:		Send a copy of the resolution to Mark Caroccia, Motive Engineer, Public Works, MS 42 and Chris Sandoval, Motive Equip Engr, ESD/Collections, MS 1200A.			

COUNCIL ACTION
EXECUTIVE SUMMARY SHEET
CITY OF SAN DIEGO

DATE: 08/06/2012

ORIGINATING DEPARTMENT: Environmental Services

SUBJECT: Exercise Option Year 1 of As-Needed Contract for Automated Side-Loading Refuse Packers and Authorization to Purchase Replacement Packers with Los Angeles Truck Center, LLC, DBA San Diego Freightliner.

COUNCIL DISTRICT(S): All

CONTACT/PHONE NUMBER: Chris Sandoval/858-526-2301

DESCRIPTIVE SUMMARY OF ITEM:

Authorize the purchase of replacement packers with Los Angeles Truck Center, LLC, DBA San Diego Freightliner during the current contract year, and exercise option year 1 of As-Needed Contract for Automated Side-Loading Refuse Packers.

STAFF RECOMMENDATION:

Approve the requested actions.

EXECUTIVE SUMMARY OF ITEM BACKGROUND:

The City collects and transports refuse, curbside recyclables, and yard waste by means of refuse and recycling packers and delivers waste to landfills or recycling centers throughout the San Diego area. Each collection vehicle drives about 28,000 miles a year on city streets and off-road at the landfill. The typical useful life of a heavy duty refuse or recycling collection vehicle is 7 years, depending on its duty cycle and the amount of on/off-road usage.

The City issued a Request for Bid (RFB) on March 23, 2011 for the purchase of Automated Side Loading refuse packers. Los Angeles Truck Center, LLC, dba San Diego Freightliner was selected as the bidder whose bid best met the City's requirements and gained the best economic advantage to the City. Council approved the agreement and authorized funding up to \$5,000,000 to purchase replacement refuse packers. The agreement became effective March 2, 2012, for a one-year term and may be renewed for up to four additional one-year terms.

At the time the agreement was before Council for approval, the Environmental Services Department indicated that it expected to replace 40 - 65 refuse packers over the potential five-year life of the contract. During the first year of the agreement, the City has ordered a total of 20 replacement packers. Each packer takes about one year to manufacture at an initial a cost of approximately \$248,000 inclusive of all vehicle safety cameras, two way radios, sales taxes and tire taxes. The initial funding amount approved by Council has been exhausted. Funding for four additional collection vehicles is budgeted in the Fleet Services vehicle replacement sub-fund (720037). ESD recommends authorizing the expenditure of these funds so the City can continue to replace its aging fleet in accordance with the existing refuse packer replacement schedule and to support the department's effort to increase recycling throughout the City.

The Environmental Services Department also recommends exercising the first option year to extend the term of the agreement from March 2, 2013 through March 1, 2014, in order to continue the scheduled replacement of aging refuse packers as funding is available in vehicle replacement funds 720011 (GF) and 720037 (RF). The agreement provides for a maximum, negotiated price adjustment in option years. The adjusted, not to exceed per vehicle cost of \$258,500 is inclusive of all vehicle safety cameras, two way radios, sales taxes and tire taxes. Terms are net thirty (30) days.

FISCAL CONSIDERATIONS:

ESD anticipates acquiring at least four (4) side-loading refuse/recycling packers for the waste collection fleet with funds in the Fleet Services vehicle replacement sub-fund (#720037) during the initial contract term. Purchases are funded through vehicle replacement funds in accordance with Fleet Services' Annual Motive Equipment Purchase Plan as approved by Council within the Public Works Department's annual budget. The estimated total expenditure for four vehicles is anticipated to be \$992,000.00 dollars. Additional replacement collection vehicles for both the trash and recycling fleets will be acquired on an as-needed basis and as funds become available.

EQUAL OPPORTUNITY CONTRACTING INFORMATION (IF APPLICABLE):

This agreement is subject to the City's Equal Opportunity Contracting (San Diego Ordinance No. 18173, Section 22.2701 through 22.2708) and Non-Discrimination in Contracting Ordinance (San Diego Municipal Code Sections 22.3501 through 22.3517).

PREVIOUS COUNCIL and/or COMMITTEE ACTION (describe any changes made to the item from what was presented at committee):

Bid No. 10008789-11-E was awarded to Los Angeles Truck Center dba San Diego Freightliner via Resolution No. 307073 adopted November 2, 2011 authorizing expenditures in an amount not to exceed \$5 million.

Vehicle replacements, in compliance with the replacement schedule, are predicated upon Fleet Services' Annual Motive Equipment Purchase Plan as approved by Council within the Public Works Department's annual budget.

These actions are planned to be presented at the September 19, 2012 NR&C meeting.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: None

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

Refuse and recycling collection vehicles are utilized to collect waste from eligible residences in all City Council districts in the City of San Diego.

Gonaver, Chris
Originating Department

Goldstone, Jay
Deputy Chief/Chief Operating Officer

FIRST AMENDMENT TO AGREEMENT BETWEEN THE CITY OF SAN DIEGO
AND LOS ANGELES TRUCK CENTER LLC DBA SAN DIEGO FREIGHTLINER
FOR AS-NEEDED PURCHASES OF AUTOMATED SIDE-LOADING REFUSE PACKERS

This First Amendment to the Agreement between the City of San Diego and Los Angeles Truck Center LLC dba San Diego Freightliner for As-Needed Purchases of Automated Side-Loading Refuse Packers [First Amendment] is entered into by and between the City of San Diego, a municipal corporation, [City] and Los Angeles Truck Center LLC doing business as San Diego Freightliner [LATC], with offices located at 6006 Miramar Road, San Diego, California 92121, individually referred to as "Party" and collectively as "Parties."

RECITALS

WHEREAS, after a competitive process, the City and LATC entered into the Agreement between the City of San Diego and Los Angeles Truck Center LLC dba San Diego Freightliner for As-Needed Purchases of Automated Side-Loading Refuse Packers [Agreement]; and

WHEREAS, the term of the Agreement is for one year from March 2, 2012 through March 1, 2013, with options to renew the Agreement for up to four additional one-year periods; and

WHEREAS, the City desires to exercise the first option to renew the Agreement, and the Parties wish to enter into this First Amendment to the Agreement to extend its term for one additional year through March 1, 2014;

NOW, THEREFORE, in consideration of the above recitals and the terms, provisions, conditions, and obligations expressed herein, the City and LATC do hereby agree to amend the Agreement as follows:

AMENDMENTS

1. Term: The term of the Agreement is hereby extended for a period of twelve (12) months beginning March 2, 2013 through March 1, 2014.
2. Compensation. The City will compensate LATC for refuse packers furnished in accordance with the Agreement under the terms and conditions specified in the Agreement. For the period beginning March 2, 2013 through and including March 1, 2014, the total compensation to be paid to LATC for each refuse packer furnished in accordance with this Agreement shall not exceed the total Unit Cost specified in LATC's Bid in response to Request for Bid No. 10008789-11-E, Article I Pricing Page, Sections 1-4 and Article II Specific Provision, Section H, including applicable taxes, if any, of \$258,500. The City shall make payment to LATC for refuse packers furnished in accordance with this Agreement in the manner described in the General Provisions Section H. General Contractual Obligations, Subsection 7. Invoices.
3. Funding. LATC acknowledges that the Term of the Agreement extends over multiple City fiscal years, and LATC understands and agrees that work and compensation under this

Agreement is contingent on the City Council appropriating funding for and authorizing such work and compensation for those fiscal years. In the event sufficient funds are not duly appropriated and authorized for any given fiscal year, this Agreement may be terminated at the end of the fiscal year for which funding was appropriated and authorized. The City is not obligated to pay LATC for any amounts not duly appropriated and authorized by the City Council.

This First Amendment to the Agreement shall affect only the terms and/or conditions referred to herein. All other terms and conditions shall remain in full force and effect. This First Amendment to the Agreement shall be effective as of the date signed by the last party to sign it.

IN WITNESS WHEREOF, the City and LATC each have caused their duly authorized representatives to execute this First Amendment to the Agreement.

Los Angeles Truck Center LLC
doing business as San Diego Freightliner

City of San Diego,
a Municipal Corporation

By: _____

By: _____

Name: _____

Jeff Baer, Director

Title: _____

Purchasing & Contracting Dept.

Date: _____

Date: _____

I HEREBY APPROVE the form and legality of the foregoing First Amendment to the Agreement between the City of San Diego and Los Angeles Truck Center LLC doing business as San Diego Freightliner, this ____ day of _____, 2012.

JAN GOLDSMITH, City Attorney

By: _____

Grace C. Lowenberg
Deputy City Attorney

DOCKET SUPPORTING INFORMATION
CITY OF SAN DIEGO

DATE:

EQUAL OPPORTUNITY CONTRACTING PROGRAM EVALUATION

August 31, 2012

SUBJECT: Exercise Option Year 1 of As-Needed Contract for Automated Side-Loading Refuse Packers and Authorization to Purchase of Replacement Side-Loading Packers

GENERAL CONTRACTOR INFORMATION

Recommended Contractor: Los Angeles Truck Center dba San Diego Freightliner (Non Certified)

Total Amount: \$ 5,000,000. (Not To Exceed)

Funding Source: City of San Diego

Goals: 20% Voluntary/ 2% Bid

SUBCONTRACTOR PARTICIPATION

	<u>This Action</u>	<u>Cumulative</u>	<u>Percent</u>
AMREP, Inc (Non Certified)	\$ 1,653,900.	\$ 1,837,420.	36.75%
Infinity Wireless Solutions (Non Certified)	\$ 48,052.	\$ 48,052.	0.96%
Trans-Data Scales, Intec Video (Non Certified)	\$ 81,500.	\$ 101,340.	2.03%
Total Certified Participation	\$ 000.	\$ 000.	0.00%
Total Other Participation	\$ 1,783,452.	\$ 1,986,812.	37.784%
Total Sub contractor Participation	\$ 1,783,452.	\$ 1,986,812.	37.74%

EQUAL EMPLOYMENT OPPORTUNITY COMPLIANCE

Equal Opportunity: Required

Los Angeles Truck Center LLC dba San Diego Freightliner submitted a Work Force Report for their San Diego County employees dated September 7, 2011 indicating 31 employees in the Administrative Work Force. There are no significant underrepresented categories identified by EOC staff workforce report analysis.

This agreement is subject to the City's Equal Opportunity Contracting (San Diego Ordinance No. 18173, Section 22.2701 through 22.2708) and Non-Discrimination in Contracting Ordinance (San Diego Municipal Code Sections 22.3501 through 22.3517)

ADDITIONAL COMMENTS

Bids received from vendors on May 9, 2011; RFB 10008789-11-E for one year with options to renew the contract for four additional one-year periods; this extends term from March 2, 2013 through March 1, 2014

Goods & Services contracts are to be advertised, awarded and monitored by Purchasing & Contracting in accordance with Council Policy 100-10 dated 1/22/10.

RW

Prior Contract Documents:

To view a copy of the Dealer bid submitted (144 pages) or the signed agreement (3 pages), please contact the following:

Chris Sandoval
City of San Diego, Motive Eqp Engr
858-526-2301
sandovalc@sandiego.gov

Following are the file names:

1. Bid 10008789-11-E_Exhibit C.pdf
2. Agreement No 307073_LA-TC ASL.pdf

RESOLUTION NUMBER R-_____

DATE OF FINAL PASSAGE _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF
SAN DIEGO AUTHORIZING AN AMENDMENT TO THE
AGREEMENT WITH LOS ANGELES TRUCK CENTER FOR
THE PURCHASE OF AUTOMATED REFUSE PACKERS; AND
AUTHORIZING EXPENDITURES FOR THOSE PURCHASES.

WHEREAS, in November 2011, by Resolution No. R-307073, the City Council authorized an agreement with Los Angeles Truck Center, LLC, doing business as San Diego Freightliner, to furnish the City with automated side-loading refuse packers, as needed, for a term of one year, with options to renew the agreement for up to four additional one-year periods [Agreement]; and

WHEREAS, the City Council expressed a desire to monitor purchases under the Agreement and authorized funding up to \$5,000,000; and

WHEREAS, the City has ordered 20 refuse packers to date during the initial term of the Agreement and the initial funding has been exhausted; and

WHEREAS, the City wishes to continue the scheduled purchase of replacement refuse packers to continue replacing the City's aging fleet; and

WHEREAS, the City also wishes to exercise the option to renew the Agreement for an additional year, extending the term from March 2, 2013 through March 1, 2014; NOW,
THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego, as follows:

1. That the Chief Financial Officer is authorized to expend an amount not to exceed the amount budgeted from Fund No. 720011, Fleet Svc RP-100000 General Fund, for the purchase

of additional refuse packers for the City's refuse collection fleet and from Fund No. 720037, Fleet Svc RP – 700048 Recycling Fund, for the purchase of additional refuse packers for the City's recycling fleet, under the above Agreement, as needed and as funds become available, in accordance with the Fleet Services motive equipment purchase plan approved by Council, and contingent on adoption of the annual Appropriations Ordinance for the applicable fiscal year and the Comptroller's first issuing one or more certificates demonstrating that the funds are available.

2. That the Mayor or his designee is hereby authorized to execute, for and on behalf of the City, an amendment to the Agreement to provide automated side-loading refuse packers, as needed, for an additional one-year term from March 2, 2013 through March 1, 2014, and under the terms and conditions set forth in the First Amendment, on file with the City Clerk as Document No. RR-_____.

3. That the Chief Financial Officer is authorized to expend an amount not to exceed the amount budgeted from Fund No. 720011, Fleet Svc RP-100000 General Fund, for the purchase of additional refuse packers for the City's refuse collection fleet and from Fund No. 720037, Fleet Svc RP – 700048 Recycling Fund, for the purchase of additional refuse packers for the City's recycling fleet, under the above First Amendment, as needed and as funds become available, in accordance with the Fleet Services motive equipment purchase plan approved by Council, and contingent on adoption of the annual Appropriations Ordinance for the applicable fiscal year and the Comptroller's first issuing one or more certificates demonstrating that the funds are available.

4. That the Mayor or his designee is authorized to exercise one or more options to extend the above Agreement, under the terms and conditions set forth in the Agreement, and the Chief Financial Officer is authorized to expend an amount not to exceed the amount budgeted

from Fund No. 720011, Fleet Svc RP-100000 General Fund, and from Fund No. 720037, Fleet Svc RP – 700048 Recycling Fund, solely and exclusively for the purchase of refuse packers for the City’s refuse collection fleet and recycling collection fleet, respectively, as needed, in accordance with the Fleet Services annual motive equipment purchase plan approved by Council and contingent on adoption of the annual Appropriations Ordinance for the applicable fiscal year and the Comptroller’s first issuing one or more certificates demonstrating that the funds are available.

APPROVED: JAN I. GOLDSMITH, City Attorney

By Grace C. Lowenberg
Grace C. Lowenberg
Deputy City Attorney

GCL:mb
09/10/12
Or.Dept:ESD
Doc.No:427616

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at its meeting of _____.

ELIZABETH S. MALAND, City Clerk

By _____
Deputy City Clerk

Approved: _____
(date)

JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor