



THE CITY OF SAN DIEGO
REPORT TO THE CITY COUNCIL

DATE ISSUED: August 16, 2011 REPORT NO: 11-116

ATTENTION: Natural Resources and Culture Committee

SUBJECT: Award of As-Needed Contract for Automated Side-Loading Refuse Packers and Authorization to Purchase Replacement Packers

REFERENCE: Furnish the City of San Diego with Automated Refuse Packers:
Bid No. 10008789-11-E

REQUESTED ACTION:

1. Award an as-needed contract to Los Angeles Truck Center dba San Diego Freightliner for the purchase of Automated Side-Loading Refuse Packers for the recycling and refuse collection fleets, in accordance with Bid No. 10008789-11-E, for one year with options to renew the contract for four additional one-year periods. The estimated cost per Refuse Packer is \$248,000, inclusive of all vehicle safety cameras, two way radios, sales taxes and tire taxes.
2. Authorize the expenditure of funds for the purchase of Automated Side-Loading Refuse Packers as needed and as funds become available in accordance with Fleet Services' Annual Motive Acquisition Plan approved by Council within the Public Works Department annual budget process and contingent on the Comptroller's certification of funding availability.
3. Authorize the Mayor to exercise one or more options to extend the agreement in accordance with its terms, and authorize the expenditure of funds for as-needed packer purchases in amounts not to exceed the budgeted amounts approved by Council and contingent on the Comptroller's certification of funding availability.

STAFF RECOMMENDATION:

Approve the requested actions.

SUMMARY:

The City collects and transports refuse, curbside recyclables, and yard waste by means of refuse and recycling packers which then deliver them to landfills or recycling centers throughout the San Diego area. Each collection vehicle is driven about 28,000 miles a year on both 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. Twenty-four potential bidders were contacted. The vendors invited to bid included both current and prior providers of heavy vehicles to the City. The RFB was also advertised on the City Purchasing & Contracting website and in the San Diego Daily Transcript. Nine bids were received from five vendors on May 9, 2011. Los Angeles Truck Center dba San Diego Freightliner proposed a cab, chassis, and engine that fully meets the City's specifications at the lowest price.

The Public Works Department and the Environmental Services Department recommend the award of the contract for the purchase of Automated Side-Loading Refuse Packers for the recycling and refuse collection fleets to Los Angeles Truck Center dba San Diego Freightliner, as the bidder whose bid best meets City requirements and gains the best economic advantage to the City, for an estimated per unit cost of \$248,000. This cost is inclusive of all vehicle safety cameras, two way radios, sales taxes and tire taxes. Terms are net thirty (30) days, as may be required, for a period of one (1) year, with options to renew the contract for four (4) additional one (1) year periods, with price escalation not to exceed twelve (12%) of prices in effect at the end of each prior contract year.

City Council approval is required to award a contract for goods in excess of \$1 million. The Environmental Services Department anticipates ordering 40 - 65 replacement vehicles during the potential five-year life of the contract, to be funded through vehicle replacement funds in accordance with Fleet Services' Annual Motive Acquisition Plan as approved by Council within the Public Works Department's annual budget.

FISCAL CONSIDERATIONS:

ESD anticipates acquiring at least two (2) side-loading refuse packers for the trash collection fleet during the first year of the contract with funds in the Fleet Services vehicle replacement sub-fund (# 720011) for an estimated total expenditure of \$496,000 for the two refuse packers. Additional refuse packers for both the trash and recycling fleets will be acquired on an as-needed basis and as funds become available.

Subcontractor Participation

AMREP, Inc. is the primary subcontractor providing AMREP HX450FL automated side-loader refuse packer bodies, an estimated 37% of the completed refuse packer's cost. Trans-Data Scales, Intec Video, heavy duty service laptop, and Motorola Digital radio subcontractors provide an estimated 4% of the completed refuse packer's cost.

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

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

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

Twenty-four potential bidders were contacted. Nine bids were received from five vendors on May 9, 2011.

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

Refuse and recycling collection vehicles service eligible residences in all City Council districts in the City of San Diego.



Chris Gonaver
Environmental Services Director



Jay M. Goldstone
Chief Operating Officer

CG: MV: cs