



Legislation Text

File #: 16-210, **Version:** 1

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SUBJECT: Garbage Truck Rental Agreement Extension and Supplemental Appropriation

REPORT IN BRIEF

Approve the original rental agreement, extend a current garbage truck rental agreement for this fiscal year and request a supplemental appropriation from the unappropriated refuse reserve fund 558 in the amount of \$36,000 to extend a rental agreement for an additional five months into the next fiscal budget year.

RECOMMENDATION

City Council - Adopt a motion:

- A. Approving original rental agreement and extending the current Big Truck Rental agreement for one more month for this fiscal year; and,
- B. To extend the same Big Truck Rental agreement for an additional five months for the next fiscal year, which will extend through November 30, 2016.
- C. Approving a supplemental appropriation from the unappropriated refuse reserve fund 558 in the amount of \$36,000 to extend a rental agreement for the additional five months into the next fiscal budget year, ending November 30, 2016; and,
- D. Authorizing the City Manager to execute the necessary documents.

ALTERNATIVES

- 1. Approve, as recommended by staff; or,
- 2. Approve, subject to other than recommended by staff (identify specific findings and/or conditions amended to be addressed in the motion); or,
- 3. Deny; or,
- 4. Refer to staff for reconsideration of specific items; or,
- 5. Continue to a future meeting (date and time to be specified in the motion).

AUTHORITY

Article V. - Emergency Purchases

3.04.330 - Generally.

In the event an emergency arises which requires the immediate purchase of materials, supplies,

equipment or contractual services, the city manager may authorize the purchasing supervisor to secure in the open market at the lowest obtainable price, any such materials, supplies, equipment or contractual services, even though the amount thereof exceeds the sum of twenty-five thousand dollars (\$25,000.00). In each such instance the purchasing supervisor shall submit to the city manager, through proper authority, a full written report of the circumstances of such emergency, including a written explanation from the department head requesting the purchase, and a description of the items purchased.

As used in this chapter, an emergency shall be deemed to exist if:

- A. There is a great public calamity; or
- B. There is immediate need to prepare for national or local defense; or
- C. There is a breakdown in machinery or an essential service which requires the immediate purchase of materials, supplies, equipment or contractual services to protect the public health, welfare or safety; or
- D. An essential department operation affecting the public health, welfare or safety would be greatly hampered if the prescribed purchasing procedure would cause an undue delay in procurement of the needed materials, supplies, equipment, or contractual services.

CITY COUNCIL PRIORITIES

N/A

DISCUSSION

The Public Works Solid Waste Division is requesting Council approval to extend the current rental agreement of a 40-cubic-yard front-loading garbage truck from Big Truck Rentals, LLC. The Solid Waste Division currently uses four commercial front-loader garbage trucks to provide refuse and recycling services to our Merced business community. Due to major breakdowns of our one spare front-loading truck, and due to those repairs necessary to bring that truck back into service exceeding threshold expenditures, we no longer have a spare truck. Therefore; if another truck breaks down, then the other operable trucks share the load of completing the daily refuse service for that route. This places extra stress on the existing garbage truck fleet, adds overtime to the other route drivers, and delays normal refuse service to many of our business customers.

The Department has previously rented a front-loading truck from Big Truck Rental, LLC with good success and we are currently renting a front-loading truck again from them, but will exceed the current \$28,000 expenditure threshold to rent this truck for one more month. Therefore, the Solid Waste Division is requesting approval for the additional expenditure of \$7,200 to extend the current rental agreement through the end of this fiscal year and approve a new five-month rental agreement for the next fiscal year in the amount of \$36,000, extending the agreement through November 30, 2016.

A new front-loading garbage truck was ordered on March 10, 2016, but takes six to eight months before we actually receive the new truck. Until then, having no spare front-loading truck could create an emergency situation if we lose more than one front-loading truck due to breakdowns. Therefore; this is an urgent request.

IMPACT ON CITY RESOURCES

Through prudent spending of our current fiscal budget, the Solid Waste department can pay for the one-month extension of \$7,200 out of our current operating budget, but will need a supplemental appropriation from the unappropriated refuse reserve fund 558 in the amount of \$36,000 to cover the cost of the five-month rental agreement, which extends to November 30, 2016.

ATTACHMENTS

1. Attachment 1 - 1-Month Big Truck Rental Extension
2. Attachment 2 - 5-Month Big Truck Rental Extension
3. Attachment 3 - Big Truck Master Rental Agreement