



## Legislation Details (With Text)

**File #:** 17-231      **Version:** 1      **Name:**  
**Type:** Consent Item      **Status:** Passed  
**File created:** 4/12/2017      **In control:** City Council/Public Finance and Economic Development Authority/Parking Authority/Successor Agency to the Redevelopment Agency  
**On agenda:** 5/15/2017      **Final action:** 5/15/2017

**Title:** SUBJECT: Consider Granting Approval to Initiate a Pilot Garbage Truck Refurbishing Program, Allow Staff to Issue a Request for Qualifications for Selection of the Business to Perform the Refurbishing Work and Approves a Supplemental Appropriation from the Refuse Unappropriated Reserved Fund in the Amount of \$300,000 to Pay for the Program

### REPORT IN BRIEF

The Public Works Solid Waste Division requests permission to issue a request for qualifications to businesses to refurbish two existing garbage trucks and to establish a pilot program as an effort to reduce vehicle replacement costs. In addition, Public Works is requesting a supplemental appropriation from the Refuse unappropriated reserved fund to initiate and conduct the proposed program and work.

### RECOMMENDATION

City Council - Adopt a motion:

- A. Authorizing the Public Works Department to issue a Request for Qualifications for Refurbished Garbage Truck Providers;
- B. Appropriating funds from the Refuse Unappropriated Reserve fund 558 in the amount of \$300,000 to initiate and conduct the proposed program and work, and;
- C. Authorizing the City Manager or Assistant City Manager to execute any necessary agreements.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
5/15/2017	1	City Council/Public Finance and Economic Development Authority/Parking Authority/Successor Agency to the Redevelopment Agency	approved	Pass

*Report Prepared by: Dan Arnold Public Works Manager - Operations*

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## ALTERNATIVES

- 1. Approve, as recommended by the Director of Public Works or,
- 2. Approve, subject to other than recommended by (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

Title 3, Article III of the Merced Municipal Code, purchases over twenty five thousand dollars.

## CITY COUNCIL PRIORITIES

As provided for in the FY 2017/18 Council Priorities under Operational Sustainability.

## DISCUSSION

Currently the Public Works Solid Waste Division maintains 32 garbage trucks in active inventory. The average life of a typical garbage truck is 10-12 years. Over the last five years, Public Works has lost four garbage trucks to fires, resulting in the replacement of vehicles earlier than anticipated by Fleet Capital Replacement funds. Replacing trucks earlier than their projected life span prematurely draws down replacement funds and limits the City's ability to properly replace vehicles. In evaluating what methods other jurisdictions have used to address inventory issues, staff changed the type of truck purchased to reduce costs and enhance service delivery. This change has resulted in a savings of approximately \$50,000 per truck. Although this savings is significant, it does not adequately address the replacement needs of the Refuse truck inventory. In addition to modifying the truck type, staff also discovered that other jurisdictions have recently started refurbishing existing trucks to reduce replacement costs and extend the useful life of existing inventory.

Considering that this practice is relatively new, staff contacted specific jurisdictions, including the City of Phoenix, Arizona; Provo, Utah; Commerce City, Colorado; Coolidge, Arizona; Gila River Community, Arizona and Sacramento County to investigate the refurbishing process. Refurbished

trucks are completely stripped down and rebuilt with all new parts to include: new CARB certified clean air engines, new rebuilt transmissions, brakes, wiring harnesses, computer controls, etc. In addition, the truck bodies are completely rebuilt, hand sanded, and repainted. All jurisdictions shared that refurbished garbage trucks have been successful and are currently in use. The City of Phoenix also shared that the cost of refurbishing two garbage trucks was \$269,740, plus applicable taxes.

The Public Works Solid Waste Division is requesting permission to establish a pilot program that would allow for the refurbishment of two garbage trucks, one Automated Side Loader and one Front Loading Truck, which are nearing recommended replacement, to be refurbished. As part of this pilot program, staff is requesting an amount not to exceed \$300,000 to be appropriated from the Refuse Unappropriated Reserve Fund balance to cover the estimated cost. Staff is requesting permission to issue a Request for Qualifications to solicit bids and evaluate companies that are currently providing refurbishment services to the Refuse industry.

### **IMPACT ON CITY RESOURCES**

An appropriation from the Refuse Unappropriated Reserve Fund 558 would be necessary in the amount of \$300,000 for two City of Merced garbage truck refurbishments. Sufficient reserve funds exist to cover the cost.

### **ATTACHMENTS**

None