TO: HONORABLE CITY COUNCIL
FROM: CITY MANAGER DEPARTMENT: PUBLIC WORKS
DATE: AUGUST 4, 2008 CMR: 328:08
SUBJECT: ADOPTION OF A BUDGET AMENDMENT ORDINANCE FOR THE FISCAL YEAR 2008-09 TO PROVIDE AN ADDITIONAL APPROPRIATION OF $80,000 TO VEHICLE REPLACEMENT FUND, CAPITAL IMPROVEMENT PROGRAM PROJECT VR-07800, AND APPROVAL OF A PURCHASE ORDER WITH COAST COUNTIES TRUCK AND EQUIPMENT COMPANY IN AN AMOUNT NOT TO EXCEED $744,138 FOR THE PURCHASE OF TWO 10-12 YARD DUMP TRUCKS, A 3,600-GALLON WATER TRUCK AND A TRANSFER DUMP TRUCK AND TRAILER SET

RECOMMENDATION
Staff recommends that Council:

1. Adopt the attached Budget Amendment Ordinance (BAO) in the amount of $80,000 (Attachment A) to provide an additional appropriation to Vehicle Replacement Fund, Capital Improvement Program (CIP) Project, Scheduled Vehicle and Equipment Replacements, VR-07800, for the purchase of a transfer dump truck and trailer set (transfer dump).

2. Approve and authorize the City Manager or his designee to execute a purchase order with Coast Counties Truck and Equipment Company in an amount not to exceed $744,138 for the purchase of two 10-12 yard dump trucks, a 3,600-gallon water truck, and the transfer dump noted in item 1 above.

DISCUSSION
Vehicle Replacement Fund CIP Project VR-07800 authorizes the replacement of three 10-12 yard dump trucks and a 3,600-gallon water truck. Each of these trucks is at the end of its useful life, and cannot meet current exhaust emissions standards without a costly emissions retrofit. Two of the dump trucks and the water truck will be replaced “in-kind”; the third dump truck will be upgraded to a transfer dump to provide additional load-carrying capacity for the in-house streets maintenance program. The $80,000 incremental cost of this upgrade will be funded by a transfer from the Streets Maintenance CIP Project PE-86070 to the Vehicle Replacement Fund CIP in accordance with the attached BAO.
The more expensive transfer dump is needed to accommodate the quantity of pavement spoils that will be generated by a self-loading asphalt grinding machine that was recently ordered and is expected to be in service by December 2008. Using a grinder to mill the asphalt is much more efficient than the current method of breaking up the pavement and loading it in large chunks; however, because the grinder is more efficient, it will fill the streets crew’s existing 10-12 yard dump trucks much faster, necessitating many more trips to the dump site. The transfer dump, with its 30-yard capacity, will accommodate nearly three times the amount of material, which will significantly reduce the number of trips to the dump site. This will increase labor efficiency, reduce fuel consumption, and lower carbon emissions. In addition, the truck’s additional capacity will be very beneficial when material needs to be hauled out of the area subsequent to the closure of the City’s landfill.

A Request for Quotation (RFQ) for medium duty trucks was sent to eight vendors on May 27, 2008. Bids were received from two qualified vendors on June 17, 2008, as listed on the attached bid summary (Attachment B). Bids ranged from a high of $744,138 (for all bid items) to a low bid of $193,953 (for the water truck only). The bid for the water truck submitted by West-Mark did not meet specifications, so it could not be considered for award. Vendors not responding indicated that they did not submit a bid because they were too busy to respond.

Staff has reviewed all bids submitted and recommends that the bid submitted by Coast Counties Truck and Equipment Company be accepted and that Coast Counties Truck and Equipment Company be declared the lowest responsible bidder.

Staff has checked references supplied by the vendor for previous contracts and has found no significant complaints.

**RESOURCE IMPACT**
In fiscal year 2006-07, Council appropriated $3.6 million to CIP Project VR-07800 to cover the costs of scheduled replacements of vehicles and equipments. In the second quarter of fiscal year 2006-07, Council appropriated an additional $175,000 to this project to provide funding for the acquisition of a self-loading asphalt grinding machine to be used primarily for the street maintenance project. The existing balance of the appropriation is not sufficient to cover the increased cost of a dump truck and trailer set.

A Budget Amendment Ordinance is necessary to move the appropriation of $80,000 from the Street Maintenance CIP PE-86070 to Vehicle Replacement CIP VR-07800 for the purchase of the transfer dump to be utilized in the street maintenance program. The proposed BAO has no impact on any reserve balance.

**POLICY IMPLICATIONS**
Authorization of the contract does not represent any change to the existing policy.

**ENVIRONMENTAL REVIEW**
This is not a project as defined in Section 21065 of the California Environmental Quality Act. The trucks being supplied are in conformance with all applicable emissions laws and regulations, and will emit significantly fewer exhaust emissions than the vehicles they are replacing.
ATTACHMENTS
Attachment A: Budget Amendment Ordinance (includes Exhibit A: CIP page)
Attachment B: Bid Summary
Attachment C: Certification of Nondiscrimination

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