



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: JUNE 13, 2023

FROM: GENERAL SERVICES DEPARTMENT WARDS: ALL

SUBJECT: PURCHASE OF TEN COMPRESSED NATURAL GAS AUTOMATED SIDE-LOADING REFUSE TRUCKS IN THE AMOUNT OF \$4,732,853.50 AND TWO COMPRESSED NATURAL GAS REAR-LOADING REFUSE TRUCKS IN THE AMOUNT OF \$830,715.85 FROM VELOCITY TRUCK CENTERS FOR PUBLIC WORKS SOLID WASTE DIVISION FOR A TOTAL AMOUNT OF \$5,563,569.35.

ISSUE:

Approve the purchase of ten compressed natural gas automated side-loading refuse trucks in the amount of \$4,732,853.50 and two compressed natural gas automated rear-loading refuse trucks in the amount of \$830,715.85 from Velocity Truck Centers of Whittier, California for Public Works Solid Waste Division for a total amount of \$5,563,569.35.

RECOMMENDATIONS:

That the City Council approve the purchase of ten compressed natural gas automated side-loading refuse trucks in the amount of \$4,732,853.50 and two compressed natural gas automated rear-loading refuse trucks in the amount of \$830,715.85 from Velocity Truck Centers of Whittier, California for Public Works Solid Waste Division for a total amount of \$5,563,569.35.

BACKGROUND:

The American Rescue Plan Act (ARPA) established the Coronavirus State and Local Fiscal Recovery Funds (Fiscal Recovery Funds) to aid eligible state, local, territorial, and Tribal governments. These funds may be used to respond to pandemic response needs including mitigation and prevention, support to communities and populations most impacted by the COVID-19 pandemic, and fill revenue shortfalls.

On February 7, 2023, the City Council approved the proposed second tranche ARPA expenditure plan to consider for the second allocation in the amount of \$36,767,594. The first tranche allocation of \$36,767,594 was approved by City Council on November 9, 2021 bringing the total ARPA funding to \$73,535,189. The second tranche ARPA expenditure plan continues to address needs as defined by Federal ARPA guidelines. The Public Works Solid Waste Division received a total amount of \$9,000,000 for revenue replacement and \$6,500,000 of that amount is for the purchase of Refuse Trucks.

The Public Works Department Solid Waste Division operates a fleet of 38 automated refuse trucks to pick up residential trash, recycling, and green waste from residences throughout the City of Riverside. Over the years, the replacement of refuse trucks has not been consistent, which has led to a vehicle shortage as well as an aging fleet. Currently, there are 5 refuse trucks that have been out of service for an extended period of time due to various reasons, such as accidents, irreparable fire damage, or major repairs that are very costly. Also, the recommended service life for refuse trucks ranges from 8 to 10 years, and there are currently 18 refuse trucks that have been in service for 10 or more years. Each vehicle will be replaced in accordance with the City’s equipment replacement plan and federal, state and local environmental regulations.

DISCUSSION:

Sourcwell is a national service cooperative created to provide government procurement resources and solutions to members in government, education, and nonprofit sectors. Since the City of Riverside is a member of Sourcwell, Autocar Truck, LLC and Crane Carrier Company, LLC are able to provide the best overall government pricing in accordance with Cooperative Agreement Number 060920-ATC and Cooperative Agreement Number 060920-CRN that currently expire on August 1, 2024. Velocity Truck Centers is an authorized dealer for Autocar Truck, LLC and Crane Carrier Company, LLC, as allowable within the terms of the cooperative agreements, and has offered pricing consistent with the discount in the agreements.

The utilization of the Sourcwell contract is in accordance with Purchasing Resolution No. 23914, Section 602(f) which states that, “Competitive Procurement through the Informal Procurement or Formal Procurement process shall not be required in any of the following circumstances: ...(f) When Cooperative Purchasing is available and undertaken or when goods can be obtained through Federal, State and/or other public entity pricing contracts or price agreements”. Due to the volume of sales accessible to vendors through the use of Cooperative contracts, they provide either lower set pricing or deeper discounts than would generally be available via competitive procurement by a single agency.

The City is receiving a discount in the amount of \$568,969.13 on the ten compressed natural gas automated side-loading refuse trucks purchased from the Sourcwell contract, which reduced the total cost from \$5,301,822.63 to a revised cost of \$4,732,853.50.

Unit Price	Sales Tax (8.75%)	Misc. Fees	Total
\$421,124.00	\$36,848.35	\$15,313.00	\$473,285.35
Total For 10 Trucks			\$4,732,853.50

The City is receiving a discount in the amount of \$50,443.56 on the two compressed natural gas rear-loading refuse trucks purchased from the Sourcwell contract, which reduced the total cost from \$881,159.41 to a revised cost of \$830,715.85.

Unit Price	Sales Tax (8.75%)	Misc. Fees	Total
\$373,462.00	\$32,677.93	\$9,218.00	\$415,357.93
Total For 2 Trucks			\$830,715.85

These vehicles meet the requirements of South Coast Air Quality Management District Rule 1193 (Clean on-road residential and commercial refuse collection vehicles), which requires public and commercial solid waste collection fleets to acquire alternative-fuel heavy-duty vehicles to reduce pollutant emissions.

The Purchasing Manager concurs that the recommendation is in accordance with Purchasing Resolution No. 23914, Section 602(f), which states, “Competitive Procurement through the Informal Procurement and Formal Procurement process shall not be required in any of the following circumstances: ...(f) When Cooperative Purchasing is available and undertaken or when Goods can be obtained through Federal, State and/or other public entity pricing contracts or price agreements.”

The Public Works Director concurs with this report.

STRATEGIC PLAN ALIGNMENT:

The recommended purchase of the twelve new refuse trucks for the Public Works Solid Waste Division contributes to Envision Riverside Strategic Priority No. 4 *Environmental Stewardship* and Goal No. 4.6 – Implement the requisite measures to achieve citywide carbon neutrality no later than 2040.

The recommended purchase aligns with EACH of the five Cross-Cutting Threads as follows:

1. **Community Trust** – This action builds community trust by ensuring that the Public Works Solid Waste Division has safe and reliable low-emission vehicles available for use when performing operational tasks.
2. **Equity** – This action will benefit the entire community because it enhances city-wide services.
3. **Fiscal Responsibility** – The General Services Fleet Management Division is proposing this purchase in accordance with Purchasing Resolution 23914, Formal Procurement process to ensure the best price, terms and conditions are negotiated.
4. **Innovation** – This purchase provides the Public Works Solid Waste Division operators with the specialized equipment that is necessary for their operations.
5. **Sustainability & Resiliency** – This action will result in vehicles which meet the very stringent South Coast Air Quality Management District (SCAQMD) requirements as well as Environmental Protection Agency (EPA) emissions regulations. These newer compressed natural gas (CNG) vehicles produce significantly less carbon emissions than the older vehicles.

FISCAL IMPACT:

The total fiscal impact of the action is \$5,563,569.35. The funds are budgeted and available in the Refuse Fund, Solid Waste Collection, account number 4130100-462100.

Prepared by: Carl Carey, General Services Director
Certified as to availability of funds: Edward Enriquez, Interim Assistant City Manager/Chief Financial Officer/Treasurer
Approved by: Edward Enriquez, Interim Assistant City Manager/Chief Financial Officer/Treasurer
Approved as to form: Phaedra A. Norton, City Attorney

Attachments:

1. Sourcewell Contract #060920-ATC
2. Sourcewell Quote (Side-Loading Refuse Trucks)
3. Sourcewell Contract #060920-CRN
4. Sourcewell Quote (Rear-Loading Refuse Trucks)