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Title: Approve the award of a cooperative purchase agreement with Ruckstell Sales of Fresno, California, for the purchase of 11 Mack model LR 64R side loading refuse trucks in the amount of \$4,718,065 for the Department of Public Utilities Solid Waste Management Division. Due to pandemic related supply constraints and global material shortages, price quote is valid through December 10, 2021.

Sponsors: Department of Transportation

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Attachments: 1. RFP, 2. Heil Contract, 3. Proposal Opening Record, 4. Combined Ads, 5. Proposal Eval, 6. Comment and Review, 7. Board Resolutions

Date	Ver.	Action By	Action	Result
12/9/2021	1	City Council	approved	Pass

REPORT TO THE CITY COUNCIL

FROM: BRIAN BARR, Assistant Director
Department of Transportation

BY: CLIFF TRAUGH, Business Manager
Department of Transportation/ Municipal Fleet Division

SUBJECT

Approve the award of a cooperative purchase agreement with Ruckstell Sales of Fresno, California, for the purchase of 11 Mack model LR 64R side loading refuse trucks in the amount of \$4,718,065 for the Department of Public Utilities Solid Waste Management Division. Due to pandemic related supply constraints and global material shortages, price quote is valid through December 10, 2021.

RECOMMENDATION

Staff recommends that Council approve the award of a purchase contract to Ruckstell Sales of Fresno, California, for the purchase of 11 Mack model LR 64R side loading refuse trucks in the amount of \$4,718,065.

EXECUTIVE SUMMARY

The Solid Waste Management Division, under the Department of Public Utilities, wishes to purchase 11 Mack model LR 64R side loading refuse trucks to replace units past their useful life. The 11 new units will be used by the Solid Waste Management Division to complete residential routes currently assigned to older trucks in need of replacement. The new trucks will be Heil 30-yard rapid rail bodies on LR 64R Mack chassis. This combination has been designed in response to the supply chain constraints facing the heavy truck industry. The Department of Transportation recommends this

purchase based on the age and mileage of the trucks identified for replacement. The units will be purchased through a competitively solicited cooperative procurement process administered by Sourcewell.

BACKGROUND

The Department of Public Utilities, Solid Waste Management Division is responsible for the collection of municipal solid waste, recyclables, green waste, and operation clean-up for over 111,000 residential customers. The 80 sanitation operators travel nearly 1.1 million miles, make over 17 million stops, and collect over 239,000 tons of material annually. The Solid Waste Management Division also oversees litter control and FresGO customer responses for 112 square miles.

To accomplish this mission, the Solid Waste Management Division operates 87 refuse collection trucks throughout the city. Due to extreme shortages of materials caused by global supply chain constraints, heavy truck manufactures have increased lead times for new truck builds. The typical specification for City of Fresno side loader refuse trucks has been the 520 Peterbilt cab and chassis. The production of Peterbilt trucks will be decreased in 2022 and no new orders are being accepted. The local Peterbilt dealer has provided a lead time greater than 15 months, with a projected build date in the first quarter of 2023.

As the needs of our Solid Waste Management Division has not changed, Fleet Management has researched other manufactures and concluded Mack can provide a quality product at a price that is comparable to the Peterbilt. The lead time provided for the Mack product is approximately six to nine months sooner than Peterbilt, this combined with the price and quality has led the Department of Transportation to recommend the LR 64R Mack as the preferred cab and chassis for FY2022. This determination will be reassessed in FY2023 to ensure we are continuing to provide the best equipment, quickly and cost effectively.

The new LR 64R Mack side loading refuse trucks will be powered by Liquid Natural Gas, which has proven to be both economical and environmentally conscious. The equipped L9N "Near Zero" engines produce only one tenth of the allowable NOX greenhouse gas emissions and meet the latest EPA standards set in 2017 for this type of equipment.

The side loading refuse trucks are on an eight year or 120,000-mile replacement schedule which has been established by the Fleet Management Division as the optimum replacement time. Currently, 11 units have been identified for replacement as they are over this limit by both age and mileage.

The equipment will be purchased utilizing competitively solicited cooperative procurement process administered by Sourcewell. The purchase price per unit is \$428,915. This price includes the Sourcewell discount applied to city purchases as well as delivery and sales tax at 8.35%. The Purchasing Division has approved this contract and recommends Council to approve.

Due to pandemic related supply constraints and global material shortages, price quote is valid through December 10, 2021.

ENVIRONMENTAL FINDINGS

By the definition provided in the California Environmental Quality Act (CEQA) Guidelines Section 15378, the award of this contract does not qualify as a "project" as defined by CEQA.

LOCAL PREFERENCE

Local preference is not applicable because the trucks will be purchased by means of a cooperative purchase agreement.

FISCAL IMPACT

No general funds will be used to purchase these items. The funding to cover the purchase cost of the 11 Mack model LR 64R side loading refuse trucks has been included in the FY2022 adopted budget under the operations of the Solid Waste Management Division. The source of funding for this project is the Community Sanitation Fund, generated by the collection of customer user fees.

Attachments:
RFP

Heil Contract
Proposal Opening Record
Combined Ads
Proposal Eval
Comment & Review
Board Resolutions