



Folsom City Council Staff Report

MEETING DATE:	10/12/2021
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 10725 – A Resolution Rescinding and Replacing Resolution No. 10671 and Authorizing the City Manager to Execute an Agreement with Western Truck Parts and Equipment Company, LLC to Purchase Six Solid Waste Collection Vehicles
FROM:	Public Works Department

RECOMMENDATION / CITY COUNCIL ACTION

The Public Works Department recommends that the City Council pass and adopt Resolution No. 10725 – A Resolution Rescinding and Replacing Resolution No. 10671 and Authorizing the City Manager to Execute an Agreement with Western Truck Parts and Equipment Company, LLC to Purchase Six Solid Waste Collection Vehicles.

BACKGROUND / ISSUE

The Public Works Department must maintain a fleet of collection vehicles that is able to provide an efficient and reliable solid waste collection service. The City’s requirement for these collection vehicles is based on the need to replace its aging fleet (pursuant to the Solid Waste Division’s approved replacement schedule) in order to maintain current service levels. The vehicles being purchased will augment current vehicles in support of the new organics collection mandate.

On July 27, 2021, the Folsom City Council authorized the City Manager to execute an agreement with Western Truck Parts and Equipment Company, LLC (Western Truck) to purchase three automated side loader collection vehicles and two front loader collection vehicles. The following week the Solid Waste Division (Solid Waste) was notified by Western Truck that Peterbilt, the manufacturer of the chassis, had invalidated their quotes due to rising costs and would have to rebid our vehicles. We were also advised that it could be more than two years after placing the order to receive the vehicles.

As of the writing of this staff report we have not received updated bids for the Peterbilt vehicles. Western Truck has provided alternative bids using a different manufacturer, Crane Carrier, for the chassis. The turnaround time to receive the Crane Carrier vehicles is anticipated to be around one year which is typical for this type of purchase.

In addition to changing the chassis manufacturer, Solid Waste is requesting authorization for a total of six vehicles rather than the five that were originally approved. The Solid Waste Fiscal Year 2021-22 budget included seven heavy duty collection vehicles. At the time of the previous request Solid Waste had intended to order five vehicles in an initial order then two more in a subsequent order. Due to the increase in cost per vehicle and the delay of the initial order, Solid Waste is now requesting authorization for all Fiscal Year 2021-22 heavy-duty collection vehicle purchases, which is one less than anticipated by the budget due to the extent of the price increases.

This resolution will authorize the City Manager to execute an agreement with Western Truck for the purchase of four automated side loader collection vehicles and two front loader collection vehicles. The total cost for the purchase of these vehicles will not exceed \$2,328,408.55. Sufficient funds to purchase the replacement vehicles are budgeted and available in the Fiscal Year 2021-22 Solid Waste Operating Fund (Fund 540).

POLICY / RULE

Section 2.36.120 of the Folsom Municipal Code states, in part, that contracts for supplies, equipment, services, and construction with an estimated value of \$62,657 or greater shall be awarded by the City Council.

Section 2.36.170 of the Folsom Municipal Code permits cooperative purchasing agreements for the procurement of any supplies, equipment, service, or construction with one or more public procurement units in accordance with an agreement entered into or between the participants.

ANALYSIS

Sourcewell, which was previously known as the National Joint Powers Agency, is a national cooperative purchasing entity of which the City of Folsom is a member. The City has purchased numerous items through Sourcewell.

Western Truck has a current contract with Sourcewell for solid waste collection vehicles at a price that has been assessed to be fair, reasonable and competitive.

Sourcewell contract number #060920-CRN will be utilized for the purchase of solid waste collection vehicles.

- Three (3) New Way Automated Side Loaders with Crane Carrier chassis - \$394,697.41 per vehicle

- One (1) New Way Automated Side Loader with Crane Carrier chassis - \$397,899.74 per vehicle
- Two (2) New Way Front Loaders with Crane Carrier chassis - \$373,208.29 per vehicle

This price includes taxes, tire fees and delivery.

Each of the vehicles listed will be outfitted with a New Way manufactured body. Western Truck was able to lock in the pricing on the first three (3) side loaders and the two (2) front loaders at the time of our initial quote in June. The price on the fourth side loader reflects a price increase on the New Way body since the initial quote for fewer vehicles.

Solid Waste maintains a master vehicle replacement schedule which includes a 3% annual escalation factor. This has historically been a reliable method of estimating cost increases. Budget adjustments were used to account for minor variations between Solid Waste estimates and actual pricing. In Fiscal Year 2021-22, the price for side loaders is 13% higher than last year and the price for front loaders is 16% higher than our last purchase in Fiscal Year 2019-2020. Due to the substantial increases, the amount budgeted for heavy duty collection vehicles is over \$200,000 short to purchase the seventh vehicle planned in the budget. Other vehicles and equipment have also experienced unanticipated increases. The decision not to purchase the seventh vehicle will ensure Solid Waste has the funding necessary to proceed with the remaining light duty vehicle and equipment purchases planned in the budget.

FINANCIAL IMPACT

A total of \$2,777,783 has been appropriated within the Fiscal Year 2021-22 Solid Waste Operating Budget to purchase vehicles. The Department is requesting that the new contract be authorized for a not to exceed amount of \$2,328,408.55. Sufficient funds to purchase the replacement vehicles are budgeted and available in the Fiscal Year 2021-22 Solid Waste Operating Fund (Fund 540).

ENVIRONMENTAL REVIEW

This action is exempt from environmental review under the California Environmental Quality Act (CEQA).

ATTACHMENT

1. Resolution No. 10725 – A Resolution Rescinding and Replacing Resolution No. 10671 and Authorizing the City Manager to Execute an Agreement with Western Truck Parts and Equipment Company, LLC. to Purchase Six Solid Waste Collection Vehicles
2. Resolution No. 10671 – A Resolution Authorizing the City Manager to Execute an Agreement with Western Truck Parts and Equipment Company, LLC to Purchase Five Solid Waste Collection Vehicles

Submitted,

Marcus Yasutake, ACTING PUBLIC WORKS DIRECTOR

Attachment 1

Resolution No. 10725

RESOLUTION NO. 10725

A RESOLUTION RESCINDING AND REPLACING RESOLUTION NO. 10671 AND AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH WESTERN TRUCK PARTS AND EQUIPMENT COMPANY, LLC TO PURCHASE SIX SOLID WASTE COLLECTION VEHICLES

WHEREAS, on July 27, 2021, the City Council Approved Resolution No. 10671 authorizing the City Manager to execute and agreement with Western Truck Parts and Equipment Company, LLC to purchase five solid waste collection vehicles; and

WHEREAS, the vehicles approved for purchase by Resolution No. 10671 are no longer available at the previously quoted price; and

WHEREAS, the Public Works Department has validated its need to purchase four automated side loader and two front loader solid waste collection vehicles based on an approved replacement and expansion schedule; and

WHEREAS, this purchase will be made through Sourcewell, which used its recognized cooperative purchasing agreement to award a contract to Western Truck Parts and Equipment Company, LLC in an amount not to exceed \$2,328,408.55; and

WHEREAS, sufficient funds are available in the Fiscal Year 2021-22 Solid Waste Fund (Fund 540) Budget which included \$2,777,783 for the purchase of vehicles; and

WHEREAS, staff recommends the execution of a contract with Western Truck Parts and Equipment Company, LLC for the purchase of four automated side loader and two front loader solid waste collection vehicles; and

WHEREAS, the agreement will be in a form acceptable to the City Attorney:

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom:

1. Hereby rescinds Resolution No. 10671 in its entirety; and
2. Hereby authorizes the City Manager to execute an agreement with Western Truck Parts and Equipment Company, LLC to purchase four New Way Automated Side Loader and two New Way Front Loader Solid Waste Collection Vehicles with Crane Carrier chassis for the Public Works Department at a not to exceed amount of \$2,328,408.55.

PASSED AND ADOPTED this 12th day of October 2021, by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

Michael D. Kozlowski, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK

Attachment 2

Resolution No. 10671

RESOLUTION NO. 10671

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH WESTERN TRUCK PARTS AND EQUIPMENT COMPANY, LLC. TO PURCHASE FIVE SOLID WASTE COLLECTION VEHICLES

WHEREAS, the Public Works Department has validated its need to purchase three automated side loader and two front loader solid waste collection vehicles based on an approved replacement and expansion schedule; and

WHEREAS, this purchase will be made through Sourcewell, which used its recognized cooperative purchasing agreement to award a contract to Western Truck Parts and Equipment Company, LLC in an amount not to exceed \$1,808,989.78; and

WHEREAS, sufficient funds are available in the Fiscal Year 2021-22 Solid Waste Fund (Fund 540) Budget which included \$2,777,783 for the purchase of vehicles; and

WHEREAS, staff recommends the execution of a contract with Western Truck Parts and Equipment Company, LLC. for the purchase of three automated side loader and two front loader solid waste collection vehicles; and

WHEREAS, the agreement will be in a form acceptable to the City Attorney:

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom authorizes the City Manager to execute an agreement with Western Truck Parts and Equipment Company, LLC. to purchase three New Way Automated Side Loader and two New Way Front Loader Solid Waste Collection Vehicles with Peterbilt chassis for the Public Works Department at a not to exceed amount of \$1,808,989.78.

PASSED AND ADOPTED this 27th day of July 2021 by the following roll-call vote:

AYES: Councilmembers: Howell, Rodriguez, Aquino, Chalamcherla, Kozlowski

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ABSTAIN: Councilmembers: None



Michael D. Kozlowski, MAYOR

ATTEST:


Lydia Konopka, DEPUTY CITY CLERK

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