

RESOLUTION NO. 2006-746

Adopted by the Sacramento City Council

October 17, 2006

PURCHASE OF NINE USED SOLID WASTE VEHICLES FROM THE CITY OF LOS ANGELES AND REFURBISHMENT/WARRANTY AGREEMENT WITH AMREP

BACKGROUND

- A. The City of Sacramento, Department of Utilities, Solid Waste Division, needs additional solid waste vehicles to meet new residential needs and expand the current level of services for programs now provided.
- B. The Solid Waste Division has the opportunity to purchase nine used solid waste vehicles from the City of Los Angeles. The initial purchase of these vehicles from the City of Los Angeles will save the City \$132,190 per vehicle.
- C. City Code Section 3.56.250 permits the purchase of surplus supplies from another public agency without going through the competitive bid process when it is found to be advantageous to the City.
- D. City Code Section 3.56.230 (C) permits the City Council to suspend the competitive bidding process for any purchase or contract when, upon two-thirds vote, it is determined that it is in the best interest of the City to do so.
- E. The Solid Waste Division has recommended suspending competitive bidding to select AMREP to provide refurbishment services and warranties for the used solid waste vehicles, because AMREP is the manufacturer of the vehicles and maintains a service center in the City of Sacramento.
- F. The immediate need for additional solid waste vehicles is for the implementation of weekly recycling as directed by the City Council on June 3, 2006. The purchase of the vehicles from the City of Los Angeles will allow the Solid Waste Division to implement the Council approved weekly recycling program by December 2006. The usual procurement process and ultimate delivery for a new refuse vehicle can take approximately 18 months. Weekly recycling will provide the opportunity for residents to reduce the size of their refuse container and thereby reduce their solid waste monthly cost.
- G. For these reasons, it is advantageous to the City to contract for purchase of the vehicles from the City of Los Angeles, and also is in the City's best interests to suspend competitive bidding so that the refurbishment and warranty agreement can be awarded to AMREP.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The City Manager is authorized to execute a contract with the City of Los Angeles to purchase nine used solid waste vehicles for a total amount not to exceed \$272,790.
- Section 2. In the best interests of the City, competitive bidding is suspended for an agreement to refurbish and provide warranties for the used solid waste vehicles purchased from the City of Los Angeles, and a nonprofessional services agreement to provide these services is awarded to AMREP, for an amount not to exceed a total cost of \$477,000.
- Section 3. The Finance Director is authorized to amend the Solid Waste operating budget (415-330-3363) in the amount of \$363,000 with a release from the Solid Waste Contingency Reserve (Fund 415) to cover the additional FY2006/07 Fleet O&M costs associated with the purchase of the nine used solid waste vehicles is approved.

Adopted by the City of Sacramento City Council on October 17, 2006 by the following vote:

Ayes: Councilmembers, Cohn, Fong, Hammond, McCarty, Pannell, Sheedy, Waters, and Mayor Fargo.

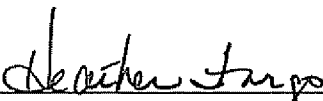
Noes: None.

Abstain: None.

Absent: Councilmember Tretheway.

Attest:


Shirley Concolino, City Clerk


Mayor, Heather Fargo