



AGENDA ITEM REVIEW FORM

APPROVED by Council

Date: 7/14/2021
Clerks Office: [Signature]

5. A.

Regular City Council Meeting

Meeting Date: 07/14/2021

Department Head: James Einwaechter, Assistant Director of Public Works, Public Works Department

Submitted By: James Einwaechter, Assistant Director of Public Works, Public Works Department

Action Requested: Motion

ITEM:

Discussion and possible action on any and all matters regarding the purchase of a new 2022 Peterbilt Solid Waste Truck with Scorpion body (side-loader) for the Public Works Department's Solid Waste Division. **(James R. Einwaechter, Assistant Director of Public Works).**

SUMMARY:

A new side-loading solid waste truck is required to replace an old deteriorating truck that is posing reliability/maintainability concerns and incurring increasing operation and maintenance costs for the City of San Luis. Compatible replacement parts are becoming increasingly difficult to source for our older solid waste vehicles. We received a non-competitive quote from Rush Truck Centers in the amount of \$330,587.60 for a new solid waste truck that meets the City's requirements and specifications, "mirroring" the specifications for the City's most recent solid waste truck purchase. Rush Truck Centers is the only vendor that provides both the sale and service (maintenance and repair) of new solid waste trucks in the State of Arizona. This vendor can also satisfy our requirement for a specific truck and body (side-loader) type, critical to our Fleet Services Division's ability to more efficiently and cost-effectively maintain an inventory of "like" vehicle and equipment assets. For these reasons, we recommend sole source procurement from Rush Truck Centers and the waiving of formal procurement procedures as allowed under City Code Section 3.05.010(H). This new truck was part of the Public Works Department's FY 2022 CIP request, which was recently approved by the Council in its adoption of the City's FY 2022 budget. The current quote of \$330,587.60 represents an increase to the \$312,530.86 estimate included in Public Work's FY 2022 budget request. The increase is attributable to increased manufacturing costs (particularly the price of steel). FY 2022 funds are available to transfer from multiple Solid Waste accounts to support the required \$18,056.74 budget transfer (that has already been initiated).

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO APPROVE THE PURCHASE OF A NEW SOLID WASTE TRUCK WITH SCORPION BODY IN THE AMOUNT OF \$330,587.60 FROM RUSH TRUCK CENTERS, APPROVE THE LOAN AND TRANSFER OF \$18,056.74 SHOWN ON THE FISCAL IMPACT STATEMENT AND TO WAIVE FORMAL PURCHASING PROCEDURES AS ALLOWED UNDER CITY CODE SECTION 3.05.010(H) FOR THE REASONS PRESENTED.

Fiscal Impact

IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM:	YES
CITY/STATE/FEDERAL FUNDS:	CITY
TOTAL:	\$330,587.60
BUDGETED AMOUNT:	\$312,530.86

AVAILABLE AMOUNT TO TRANSFER:

\$18,056.74

ACCT NAME & GL#/REMAINING BALANCE BEFORE PURCHASE: Solid Waste G/L
320-321-90000, Capital
Outlay-Equipment

FISCAL IMPACT STATEMENT (IF THIS IS A BUDGET TRANSFER, YOU MUST ATTACH THE BUDGET ADJUSTMENT FORM):

This new truck is budgeted in City's FY 2022 budget.

We are requesting council approval of budget transfer of \$18,100 as stated in the attached budget transfer form.

Staff recommends the purchase of the new solid waste truck, via a 5-year loan with 1st bank of Yuma. The City would pay 10% and the loan will cover 90% of the total cost of unit.

Capital Outlay Equipment 320-321-90000 \$ 330,587.60

Attachments

Budget Transfer Form

Updated Solid Waste Truck Quote
