




**PUBLIC WORKS DEPARTMENT
MEMORANDUM #09-43**

DATE: September 24, 2009

TO: Honorable Mayor Kathleen M. Novak and City Council Members

FROM: William Simmons, City Manager 
David Willett, P.E., Director of Public Works 
Norman Bell, Public Works Superintendent 

SUBJECT: Accelerated Purchase of Automated Trash Trucks CB-1698

BACKGROUND:

On May 6, 2009, the City of Northglenn received bids for an automated trash truck (IFB 2009-14). Rush Truck Center of Denver, Colorado was awarded the bid for the purchase of a Peterbilt 320 cab and chassis with a McNeilus Autoreach automated packer in the amount of **\$193,482.00**.

The terms of the bid allowed for a three (3) year purchase agreement subject to annual appropriation of funds. The bidder's price was guaranteed with the exception of incremental price increases from the manufacturer of the cab and chassis and packer unit. McNeilus has indicated an incremental price increase for a packer unit effective October 1, 2009 of \$2,553.21.

In 2010, federal requirements for class 8 heavy trucks will require the addition of Tier III emission equipment consisting of an additional particulate filter, injection and exhaust heating systems. We have received information from Rush Truck Center that the Tier III compliant Peterbilt units ordered next year will experience an increase of \$19,090.25 over the current unit price. A complete automated truck and packer unit purchased next year would be **\$215,125.46**, for a total increase of \$21,643.46 over the current price.

Currently, the conversion of manual rear load trash trucks is scheduled to be completed by the fall of 2011 with one (1) new automated truck being purchased in 2010 and two (2) in 2011.

City Council has expressed interest in accelerating the purchase of the remaining 3 automated trucks. After further discussion with the vendor, staff successfully negotiated with Rush Truck Center and McNeilus to waive the incremental price increase if an order can be placed prior to October 15, 2009. If the remaining 3 automated trucks could be ordered by or before October 15th, these units could be delivered late 2009 or early 2010 at the unit price of \$193,482.00 vs. \$215,125.46 producing a cost reduction of **\$64,930.38**. Appropriate reductions in staffing levels next year would provide further reductions in expenditures.

BUDGET IMPLICATIONS:

Sufficient funding is available in the Sanitation Fund for the purchase of three (3) trucks. An Appropriation Ordinance is required to issue a Purchase Order.

RECOMMENDATION:

Staff recommends approval of the attached Supplemental Appropriation Ordinance transferring \$580,446.00 from the Sanitation Fund into 2009 fund balance to issue a Purchase Order to Rush Truck Center for the purchase of three (3) automated trash trucks.

STAFF REFERENCE:

Norman Bell, Public Works Superintendent nbell@northglenn.org or 303.450.4005.

Attachment: Sanitation Fund Pro Forma

SANITATION FUND - OPERATING

PLAN A

PROJECTED ESTIMATE - MANDATORY CONTAINERS W/O CURBSIDE RECYCLING

	2007 Final Actual	2008 Adopted Budget	2008 Amended Budget	2008 Year End Estimate	2009 Adopted Budget	2010 Projected Estimate	2011 Projected Estimate	2012 Projected Estimate	2013 Projected Estimate	2014 Projected Estimate	2015 Projected Estimate
Revenues											
Charges for Services	1,345,304	1,592,800	1,592,800	1,533,800	1,533,800	1,510,689	1,510,689	1,510,689	1,510,689	1,510,689	1,510,689
Fines and Forfeitures	-	-	-	-	-	-	-	-	-	-	-
Investment Earnings	95,533	55,000	55,000	65,000	55,000	36,787	36,787	36,787	36,787	36,787	36,787
Total Revenues	1,440,837	1,647,800	1,647,800	1,598,800	1,588,800	1,547,476	1,547,476	1,547,476	1,547,476	1,547,476	1,547,476
Expenditures											
Public Works	1,160,902	1,325,742	1,325,744	1,298,042	1,652,304	1,382,528	1,334,060	1,400,763	1,470,801	1,544,341	1,621,558
Overhead/Admin	239,240	321,710	321,710	260,999	274,239	91,739	91,739	91,739	91,739	91,739	91,739
Accelerated Truck Purchase						588,105			225,000	225,000	225,000
Total Expenditures	1,400,142	1,647,452	1,647,454	1,559,041	1,926,543	2,062,372	1,425,799	1,492,502	1,787,540	1,861,080	1,938,297
Excess (Deficiency) of Revenues Over (Under) Expenditures	40,695	348	346	39,759	(337,743)	(514,896)	121,677	54,974	(240,064)	(313,604)	(390,821)
Other Financing Sources (Uses)											
Capital Improvements	(22,387)	-	-	-	-	-	-	-	-	-	-
Transfer to CIP	-	-	-	-	-	-	-	-	-	-	-
Proceeds from Property Sales	153,900	-	-	-	-	120,000	30,000	-	30,000	30,000	30,000
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	172,208	348	346	39,759	(337,743)	(394,896)	151,677	54,974	(210,064)	(283,604)	(360,821)
Beginning Funds Available	1,426,499	1,398,139	1,598,707	1,598,707	1,638,467	1,638,467	1,243,571	1,395,248	1,450,222	1,240,158	956,554
Ending Funds Available	1,598,707	1,398,487	1,599,054	1,638,467	1,300,724	1,243,571	1,395,248	1,450,222	1,240,158	956,554	595,733

SPONSORED BY: MAYOR NOVAK

COUNCILMAN'S BILL

ORDINANCE NO.

No. CB-1698
Series of 2009

Series of 2009

A BILL FOR A SPECIAL ORDINANCE AMENDING THE 2009 BUDGET APPROPRIATING EXPENDITURES BY SUPPLEMENTAL APPROPRIATION, FOR THE PAYMENT OF THE COSTS AND EXPENSES OF THE MUNICIPAL GOVERNMENT, AGENCIES AND OFFICES OF THE CITY OF NORTHGLENN, COLORADO, FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2009.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NORTHGLENN, COLORADO, THAT THE 2009 BUDGET SHALL BE AMENDED AS FOLLOWS:

Section 1. Supplemental appropriations, transfer of appropriations and recognition of revenues.

(a) Sanitation Fund. Amend the 2009 General Fund budget to increase appropriations in the amount of \$580,446, as follows:

\$580,446 for the purchase of three automated trash trucks priced at \$193,482 each.

Recognize a decrease in 2009 Sanitation Fund unrestricted fund balance in the amount of \$580,446 represented by the above expenditure estimates.

Section 2. The City Council of the City of Northglenn, Colorado, hereby finds and declares that in making appropriations provided by this ordinance:

- (a) No appropriation for debt service has been reduced or transferred.
- (b) No appropriation has been reduced below any amount required by law to be appropriated.
- (c) No appropriation has been reduced by more than the unencumbered balance thereof.
- (d) In the case of each transfer of all or part of any unencumbered appropriation, such transfer has been requested and approved by the City Manager.
- (e) In the case of each reduction of an appropriation, the City Manager has rendered his report and recommendations thereon and has requested and approved such reduction.
- (f) In the case of the appropriation amendment, the City Manager has certified that there are funds available for appropriation.

Section 3. This Ordinance and each part, provision and section thereof, shall take effect on _____ of October, 2009.

INTRODUCED, READ AND ORDERED POSTED THIS _____ DAY OF _____, 2009.

KATHLEEN M. NOVAK
Mayor

ATTEST:

JOHANNA SMALL, CMC
City Clerk

PASSED ON SECOND AND FINAL READING THIS _____ DAY OF _____, 2009.

KATHLEEN M. NOVAK
Mayor

ATTEST:

JOHANNA SMALL, CMC
City Clerk

APPROVED AS TO FORM:

COREY Y. HOFFMANN
City Attorney