



PUBLIC WORKS MEMORANDUM
#09-41

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

DATE: September 10, 2009

SUBJECT: Accelerated Purchase of Automated Trash Trucks

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**.

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. Once the conversion process has been completed, the Sanitation Division should realize operational efficiencies such that the implementation of curbside recycling could be ready to roll out by the end of 2011.

City Council members have expressed interest in additional dialogue about the possibility of implementing curbside recycling sooner than the end of 2011. If the remaining 3 automated trucks could be ordered between October and December 2009, these units could be delivered in the spring of 2010 at the unit price of \$196,035.21 vs. \$215,125.46 producing a cost reduction of **\$57,270.75**. In addition, it would be feasible to implement curbside recycling by fall 2010. Appropriate reductions in staffing levels 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 would be required to issue a Purchase Order.

RECOMMENDATION:

Staff recommends that an Ordinance be drafted appropriating \$588,105.63 from the Sanitation Fund to issue a Purchase Order to Rush Truck Center for the purchase of three (3) automated trash trucks.

STAFF REFERENCE:

Please contact Norman Bell, Public Works Superintendent at 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