



Office of the City Manager

CONSENT CALENDAR
September 30, 2025

To: Honorable Mayor and Members of the City Council

From: Paul Buddenhagen, City Manager

Submitted by: Terrance Davis, Director, Public Works

Subject: Purchase Order with Coast Counties Peterbilt for Seven 2026 Model Peterbilt 520 Rear-Loader Refuse Trucks with McNeilus Bodies

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute a purchase order with Coast Counties Peterbilt for seven 2026 Peterbilt Model 520 rear-loader refuse trucks with McNeilus bodies, in an amount not to exceed \$3,800,000.

FISCAL IMPACTS OF RECOMMENDATION

The FY26 Adopted Public Works Department Equipment Maintenance (Fund 672) Budget includes \$1,000,000 of the funding required for this purchase. The \$2,800,000 balance of funding necessary will be added via Annual Appropriations Ordinance #1.

CURRENT SITUATION AND ITS EFFECTS

Several existing refuse trucks are reaching the end of their useful life and require replacement. This purchase will replace seven Rear Loader Refuse Collection Trucks that entered service in 2017. Since these trucks take at least 18 months to build, it is prudent of the Department to purchase them in advance to ensure continuity of service. The City's competitive bidding requirements for this purchase has been satisfied through the utilization of Sourcwell Contract No.032824-PMC.

Replacement trucks are needed by the Public Works Department to provide refuse, recycling, and green waste collection services in the City. This purchase order will support the City's fleet and is aligned with the City's Strategic Plan Priorities, advancing our goal to provide state-of-the-art, well-maintained infrastructure, amenities, and facilities.

BACKGROUND

The City Charter allows the City to purchase goods without undergoing a competitive bid process if the City utilizes pricing obtained by another entity through a competitive process. On February 8, 2024, Sourcwell released Request for Proposal No. 032824 for Class 4-8 Chassis and Cabs with Related Equipment, Accessories and Services. The solicitation was released for approximately fifty days, and thirty-five proposals were submitted. Upon review of

proposals, the Sourcewell Proposal Evaluation Committee selected Peterbilt Motors Company as the best most responsive proposer to meet the specifications thusly awarding Contract No. 032824-PMC.

On July 5, 2024, Peterbilt entered into a contract for 2026 Peterbilt Model 520 rear-loader refuse trucks with McNeilus bodies. Article 5, Section A of the referenced contract states that the contract will be extended to other California local and state governmental entities wishing to use the pre-negotiated prices and terms of this contract.

Throughout the year, Public Works purchases vehicles and equipment via cooperative contracts to ensure City departments receive the best pricing. These vehicles are specialized and require specialized equipment and installation. Once the new trucks have arrived, the replaced trucks will be sent to auction and have an estimated auction value of \$20,000 per truck. Auction proceeds of the auctioned equipment are returned to the Equipment Maintenance Fund to support future vehicle purchases.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

The City prioritizes procuring the most environmentally clean, most efficient vehicles available and will continue transitioning from diesel to renewable fuels toward an all-electric fleet, where technically feasible. These proposed new trucks will be fueled by renewable diesel and will be replaced at the end of their life with electric vehicles if available at that time. The Transfer Station requires significant charging infrastructure investments to accommodate electric heavy vehicles in the future. This is a component of the Zero Waste Strategic Plan which is currently under development.

RATIONALE FOR RECOMMENDATION

Purchasing 2026-model rear-loader refuse trucks is the most cost-effective option versus extending the life of older units, which is cost-prohibitive due to parts and downtime. The seven current 2017-model rear-loaders are due for replacement and are almost 10 years old which is the predicted lifespan of the truck. These refuse trucks have reached the end of their useful life due to high usage and expected wear and tear while operational. The most cost-effective action is to replace the seven current 2017-model year refuse trucks with 2026-model refuse trucks. These 2026-model refuse trucks have warranties that will additionally lower the cost of maintenance and repair throughout their useful life.

These vehicles require specialized supplies, equipment, and installation to ensure that they meet public safety and operational requirements. Piggybacking on pricing obtained through another public agency's competitive bidding process ensures that the City receives the most competitive pricing.

ALTERNATIVE ACTIONS CONSIDERED

Delaying the purchase of these refuse vehicles was considered but that action would increase the preventive maintenance and repair costs due to standard wear and tear. The refuse trucks would be inoperable while they undergo repairs with an increase in downtime as the refuse trucks age, which would cause an impact to community service and staff overtime. Purchasing used refuse trucks was also considered but that was determined to be high-risk. Delaying replacing the refuse trucks until a future fiscal year would additionally lead to delays in refuse collection.

Alternative refuse truck models were considered. However, purchasing the 2026 Peterbilt Model 520 rear-loader refuse trucks with McNeilus bodies, was found to be the lowest cost and highest value. Benefits of purchasing this type and model of refuse truck include the local repair shop support for both the cab and the truck body, thereby reducing potential downtime. The trucks are also equipped with Paccar PX-9 engines, which have an overall lower maintenance cost and should generate additional savings.

CONTACT PERSON

Joy Brown, Operational Manager, (510) 981-6629
Leticia Jauregui, Solid Waste & Recycling Manager, (510) 981-6362
Don Colbert, Acting Equipment Supervisor, (510) 981-6467

Attachments:
1: Resolution

RESOLUTION NO. ##,###-N.S.

PURCHASE ORDER: COAST COUNTIES PETERBILT FOR SEVEN PETERBILT
MODEL 520 REAR LOADERS WITH MCNEILUS BODIES

WHEREAS, seven rear loaders are needed by the City's Public Works Zero Waste Division; and

WHEREAS, vehicles must be replaced on a reasonable schedule to allow City employees to carry out their duties in a safe and effective manner; and

WHEREAS, unit numbers 06385, 06386, 06387, 06388, 06389, 06390 and 06391 are 2017 model refuse vehicles that are due for replacement and have reached the end of their useful life; and

WHEREAS, on February 8, 2024, Sourcewell released Request for Proposal No. 032824 for Class 4-8 Chassis and Cabs with Related Equipment, Accessories and Services. The solicitation was released approximately fifty days, and thirty-five proposals were submitted. Upon their review the Sourcewell Proposal Evaluation Committee selected Peterbilt Motors Company as the best most responsive proposer to meet the specifications thusly awarding Contract No. 032824-PMC; and

WHEREAS, the Peterbilt Motors Company authorized dealer for the City is Coast Counties Truck and Equipment CO. dba Coast Counties Peterbilt will take the lead in placing the order for the chassis and will provide service, pre-delivery inspection and preparation of the completed units for delivery to the City; and

WHEREAS, the rear loader bodies will be ordered by Coast Counties Peterbilt through Haaker Refuse Bodies, who is a McNeilus authorized dealer located in Hayward CA. Pricing for the bodies was applied from the Sourcewell McNeilus Financial dba McNeilus Truck & Mfg. Contract No. 032824-PMC; and

WHEREAS, for all contracts Sourcewell charges an administrative fee based upon the percentage of the sale, and that fee is paid by the Contractor directly to Sourcewell. For this purchase the fee will be paid by Peterbilt Motors Company and will not be passed onto the City.

WHEREAS, the Sourcewell contract bid procedures satisfy the procurement requirements of the City; and

WHEREAS, funds in the amount of \$2,800,000 are available in FY 2026.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to execute a purchase order for seven 2026 model Peterbilt 520 rear-loaders with bodies with Coast Counties Peterbilt in an amount not to exceed \$3,800,000.