



TO: Board of Contracts and Awards
FROM: Michael P. Slevin III, P.E., Director, Environmental Services *M.P.S.*
Gary Kato, Division Manager, Solid Waste Management
COPY: City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator,
Joseph Parris, Finance/Purchasing, and Timothy Hardy, Management Analyst II
SUBJECT: Contract with Western Peterbilt, LLC for CNG Low Forward Cab Roll-Off
Trucks, Request for Bids Specification No. ES15-0010F – June 16, 2015
DATE: June 2, 2015

SUMMARY:

The Environmental Services Department recommends a contract be awarded to Western Peterbilt, LLC, Seattle, WA, in the amount of \$2,045,592, plus applicable sales tax, budgeted from the ES Solid Waste Fund 4200, for eight Compressed Natural Gas (CNG) Low Forward Cab Roll-Off trucks, for an initial one-year term, with the option to renew for two additional one-year terms in order to purchase two trucks in 2017-2018, for a projected contract total of \$2,582,560. The projected contract total included a five percent inflation factor over two years.

STRATEGIC POLICY PRIORITY:

- Assure outstanding stewardship of the natural and built environment.
- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

The CNG Roll-Off trucks reduce fuel use when compared to diesel trucks and also reduce environmental impacts by decreasing greenhouse gas and particulate emissions.

BACKGROUND:

ISSUE: The proposed Roll-Off trucks will replace ten Peterbilt Low Forward Cab Roll-Off trucks that have exceeded their ten-year life cycle; and are significantly worn and no longer cost effective to maintain and keep in service. The selected vehicles will use CNG fuel which results in lower carbon emissions and significant fuel savings. The Roll-Off trucks will be used to collect solid waste from commercial customers.

Staff is requesting to initially purchase eight trucks, with the option to renew the contract for two additional trucks in the 2017-2018 biennium. The projected contract total includes a projected five percent inflation factor over two years.

ALTERNATIVES: The alternative to purchasing new CNG Roll-off trucks would be to purchase diesel low forward cab Roll-Off trucks. The traditional diesel trucks are less expensive; however fuel costs, maintenance costs, and carbon emissions are substantially higher than the CNG Roll-Off trucks. Purchasing diesel Roll-Off trucks would not meet the City's Sustainability Priorities.

COMPETITIVE SOLICITATION: Request for Bids Specification No. ES15-0010F was opened April 14, 2015. Three companies were invited to bid in addition to normal advertising of the project. Three submittals were received. Western Peterbilt was the lowest bidder. The following table reflects the amount of the total award based on ten trucks purchased immediately.



<u>Respondent</u>	<u>Location (city and state)</u>	<u>Submittal Amount</u>
Western Peterbilt, LLC w/Solid Waste Systems Advantage Hoist	Seattle, WA	\$2,556,990
Western Peterbilt, LLC w/Western Systems Fab Shop Hoist	Tacoma, WA	\$2,583,350
Western Peterbilt, LLC w/Amrep	Ontario, CA	\$2,642,290

Pre-bid Estimate: \$2,400,000

The recommended award is 6.5 percent above the pre-bid estimate.

CONTRACT HISTORY: New contract.

SUSTAINABILITY: These vehicles are equipped with a CNG engine instead of a diesel engine contributing to a reduction in greenhouse gas emissions over diesel ranging from 23 to 88 percent.

SBE/LEAP COMPLIANCE: Not applicable.

RECOMMENDATION:

The Environmental Services Department recommends a contract be awarded to Western Peterbilt, LLC, Seattle, WA, in the amount of \$2,045,592, plus applicable sales tax, budgeted from the ES Solid Waste Fund 4200, for eight Compressed Natural Gas (CNG) Low Forward Cab Roll-Off trucks, for an initial one year term, with the option to renew for two additional one-year terms in order to purchase two trucks in 2017-2018, for a projected contract total of \$2,582,560. The projected contract total included a five percent inflation factor over two years.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
ES Solid Waste Fund 4200	ENV-00116	Various	\$2,582,560
TOTAL			\$2,582,560

* General Fund: Include Department

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
ES Solid Waste Fund 4200	512000	Various	\$2,582,560
TOTAL			\$2,582,560

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$2,045,592

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes