



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, Joseph Parris, Finance/Purchasing; and
Timothy Hardy, Management Analyst II
SUBJECT: Purchase one Caterpillar Wheel Loader to be used at the Tacoma Recovery & Transfer
Center, Washington State Contract No. 16904 - April 28, 2015
DATE: April 10, 2015

SUMMARY:

The Environmental Services Department recommends a contract be awarded to N C Machinery Co, Tukwila, WA, in the amount of \$344,834, plus applicable sales tax, budgeted from the ES Solid Waste Fund 4200, to purchase one 2015 Caterpillar Wheel Loader to be used at the Tacoma Recovery & Transfer Center.

STRATEGIC POLICY PRIORITY:

- Foster neighborhood, community, and economic development vitality and sustainability.

This equipment purchase will reduce diesel exhaust emissions and eliminates particulate emissions.

BACKGROUND:

ISSUE: This equipment will replace one 2005 Komatsu WA380-5 that is extremely worn and no longer cost effective to maintain and keep in service. This contract is based on State of Washington (State) Contract No. 16904, which was competitively solicited by the State and is valid from June 2012 until December 31, 2015. This purchase is subject to the prices, terms and conditions of State Contract No. 16904 and meets the City of Tacoma's competitive solicitation requirements by means of an interlocal cooperative purchasing agreement with the state.

ALTERNATIVES: Environmental Services, Solid Waste Management (SWM) could go through a competitive bidding process to purchase a wheel loader and award the contract to the lowest bidder. However, staff anticipates increased unit and processing costs would be incurred if only a single unit was bid versus using state contract. Also, by using the state contract the City will receive quantity/volume pricing.

COMPETITIVE ANALYSIS: State of Washington Contract No. 16904 is a competitively solicited contract which is valid until December 31, 2015, and includes the specified 2015 Caterpillar 950M Wheel Loader. The pricing on the state contract is the most aggressive governmental pricing N C Machinery Co has bid because of the potential quantities being sold off this contract. The contract amount for the 2015 Caterpillar 950M Wheel Loader reflects the state contract base price of \$248,082, less \$17,265 for deducted equipment, plus \$114,017 for options, for a total amount of \$344,834, plus applicable sales tax.

CONTRACT HISTORY: New contract.

SUSTAINABILITY: The new wheel loader meets stringent Tier 4 Final Environmental Protection Agency's emission standards resulting in a reduction of 50 percent to 90 percent in particulate matter



emissions and 90 percent reduction in emissions of oxides of nitrogen (NOx). Other improvements include reduced fuel consumption, improved production and capability, enhanced visibility and safety.

RECOMMENDATION:

The Environmental Services Department, Solid Waste Management (SWM) Division recommends a contract be awarded to N C Machinery Co, in the amount of \$344,834.00, plus applicable sales tax, budgeted from the ES Solid Waste Fund 4200, to purchase one 2015 Caterpillar Wheel Loader to be used at the Tacoma Recovery & Transfer Center.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
ES Solid Waste Fund 4200			\$344,834
TOTAL			\$344,834

* General Fund: Include Department

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
ES Solid Waste Fund 4200	512000		\$344,834
TOTAL			\$344,834

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$344,834

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

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FINANCE PURCHASING