



TO: Board of Contracts and Awards
FROM: Michael P. Slevin III, P.E., Director, Environmental Services
 Gary Kato, Division Manager, Solid Waste Management
COPY: City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator, and
 Jessica Tonka, Finance/Purchasing; Timothy Hardy, Management Analyst II
SUBJECT: CNG Automated Side Loader Solid Waste Truck – Request for Bids Specification
 No. ES16-0477F – December 13, 2016
DATE: November 28, 2016

M.P.S. *JK*

SUMMARY:

The Environmental Services Department recommends a contract be awarded to Western Peterbilt, Inc., Seattle, WA, in the amount of \$1,323,456.32, plus applicable sales tax, budgeted from the ES Solid Waste Fund 4200, to purchase four Compressed Natural Gas (CNG) Automated Side Loader trucks (ASL), for an initial one-year term, with the option to renew for two additional one-year terms to purchase a total of 17 Automated Side Loaders, for a projected contract total of \$5,961,343.

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 ASL will enable Solid Waste Management’s truck fleet to operate more efficiently using CNG fuel and reduce environmental impacts by decreasing greenhouse gas and particulate emissions.

BACKGROUND:

ISSUE: The proposed ASL trucks will replace four Peterbilt 320 ASL trucks that have exceeded their 10-year life cycle and are significantly worn and no longer cost effective to maintain and keep in service. The selected vehicles will have CNG capabilities contributing to less carbon emissions and significant fuel savings. The ASL trucks will be used to collect solid waste from residential customers.

Staff is requesting to initially purchase four trucks, with the option to renew the contract for 13 additional trucks between years 2017-2019. The projected contract total includes an estimated five percent inflation factor over two years.

ALTERNATIVES: The alternative to purchasing CNG ASL Trucks would be to purchase Diesel ASL trucks. The traditional diesel trucks are less expensive, however fuel costs, maintenance costs, and carbon emissions are substantially higher than the CNG ASL trucks.

COMPETITIVE SOLICITATION: Request for Bids Specification No. ES16-0477F was opened November 22, 2016. Six companies were invited to bid, in addition to normal advertising of the project. One submittal was received. The table below reflects the amount of the total award.

<u>Respondent</u>	<u>Location (city and state)</u>	<u>Submittal Amount</u>
Western Peterbilt, Inc.	Seattle, WA	\$1,323,456.32

Pre-bid Estimate: \$1,200,000

The recommended award is 10.3 percent above the pre-bid estimate.



CONTRACT HISTORY: New contract.

SUSTAINABILITY: These vehicles will possess a CNG engine instead of a diesel engine contributing to 23 to 88 percent reduction in greenhouse gas emissions over diesel.

SBE/LEAP COMPLIANCE: Not applicable.

RECOMMENDATION:

The Environmental Services Department recommends a contract be awarded to Western Peterbilt, Inc., Seattle, WA, in the amount of \$1,323,456.32, plus applicable sales tax, budgeted from the ES Solid Waste Fund 4200, to purchase four CNG ASL, for an initial one-year term, with the option to renew for two additional one-year terms to purchase a total of 17 Automated Side Loaders, for a projected contract total of \$5,961,343.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
ES Solid Waste Fund 4200	ENV-00116	Various	\$5,961,343
TOTAL			\$5,961,343

* General Fund: Include Department

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
ES Solid Waste Fund 4200	512000	Various	\$5,961,343
TOTAL			\$5,961,343

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$1,323,456.32

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes