



TO: Board of Contracts and Awards
FROM: Michael P. Slevin III, P.E., Director, Environmental Services *phj for*
Gary Kato, Division Manager, Solid Waste Management
COPY: City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator,
Jill Tibbs, Finance/Purchasing, and Timothy Hardy, Management Analyst II
SUBJECT: CNG Automated Side Loader Solid Waste Truck - Request for Bids Specification
No. ES16-0157F – August 9, 2016
DATE: July 25, 2016

SUMMARY:

The Environmental Services Department recommends a contract be awarded to Western Peterbilt, LLC, Seattle, WA, in the amount of \$1,393,207, plus applicable sales tax, budgeted from the ES Solid Waste Fund 4200, to purchase four Compressed Natural Gas (CNG) Automated Side Loader trucks, for an initial one-year term, with the option to renew for two additional one-year terms to purchase up to an additional eight CNG Automated Side Loaders, for a projected contract total of \$4,392,086.

STRATEGIC POLICY PRIORITY:

- Strengthen and maintain a strong fiscal management position.
- Foster neighborhood, community, and economic development vitality and sustainability.

The CNG Automated Side Loaders 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 automated side loader trucks will replace four automated side loader trucks that have exceeded their 10-year life cycle and are significantly worn and are 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 side loader trucks will be used to collect solid waste from residential and commercial customers.

Staff is requesting to initially purchase four trucks, with the option to renew the contract for an additional eight trucks, four in the 2017-2018 and four in 2019-2020 biennia. The projected contract total includes an estimated annual five percent inflation factor.

ALTERNATIVES: The alternative to purchasing four CNG Automated Side loader Trucks would be to purchase Diesel Automated Side Loader Trucks. The traditional Diesel Trucks are less expensive, however fuel costs, maintenance costs, and carbon emissions are substantially higher than the CNG Side Loader trucks. Purchasing Diesel Side Loader trucks doesn’t meet the City’s Sustainability Priorities.

COMPETITIVE SOLICITATION: Request for Bids Specification No. ES16-0157F was opened June 21, 2016. Four companies were invited to bid, in addition to normal advertising of the project. One submittal was received; Western Peterbilt, LLC was the sole bidder. 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, LLC w/Solid Waste Systems	Seattle, WA	\$1,393,207.44

Pre-bid Estimate: \$1,700,000
 The recommended award is 18 percent below the pre-bid estimate.

CONTRACT HISTORY: New contract.

SUSTAINABILITY: These vehicles will possess a CNG engine instead of a diesel engine contributing to 55 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, LLC, Seattle, WA, in the amount of \$1,393,207, plus applicable sales tax, budgeted from the ES Solid Waste Fund 4200, to purchase four Compressed Natural Gas (CNG) Automated Side Loader trucks, for an initial one-year term, with the option to renew for two additional one-year terms to purchase up to an additional eight CNG Automated Side Loaders, for a projected contract total of \$4,392,086.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
ES Solid Waste Fund 4200	ENV-00116	Various	\$4,392,086
TOTAL			\$4,392,086

* General Fund: Include Department

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
ES Solid Waste Fund 4200	512000	Various	\$4,392,086
TOTAL			\$4,392,086

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$1,393,207

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

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