



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
Jill Tibbs, Finance/Purchasing; Timothy Hardy, Management Analyst II
SUBJECT: CNG Rear Loader Solid Waste Truck - Request for Bids Specification No. ES15-
0692F – May 3, 2016
DATE: April 13, 2016

SUMMARY:

The Environmental Services Department recommends a contract be awarded to Western Peterbilt, LLC, Seattle, WA, in the amount of \$1,088,460 (\$1,104,360 minus trade-in allowance of \$15,900), plus applicable sales tax, budgeted from the ES Solid Waste Fund 4200, to purchase four compressed natural gas (CNG) rear loader trucks, for an initial one-year term, with the option to renew for two additional one-year terms, to purchase a total of seven CNG rear loader trucks, for a projected contract total of \$2,047,286.

STRATEGIC POLICY PRIORITY:

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

The CNG rear loaders will enable Solid Waste Management’s (SWM) truck fleet to operate more efficiently using CNG fuel and reduce environmental impacts by decreasing greenhouse gas and particulate emissions.

BACKGROUND:

ISSUE: The proposed rear loader trucks will replace four crane low forward cab rear loader trucks that have exceeded their 12-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 rear loader trucks will be used to collect solid waste from commercial customers.

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

ALTERNATIVES: The alternative to purchasing four CNG rear loader trucks would be to purchase diesel rear loader trucks. The traditional diesel trucks are less expensive, however fuel costs, maintenance costs, and carbon emissions are substantially higher than the CNG rear loader trucks. Purchasing diesel rear loader trucks doesn’t meet the City’s sustainability priorities.

COMPETITIVE SOLICITATION: Request for Bids Specification No. ES15-0692F opened March 15, 2016. Five companies were invited to bid, in addition to normal advertising of the project. Five submittals were received. Western Systems was the lowest bidder but was not selected because they did not comply with the specification requirements as outlined in the bid documents. Therefore Western Peterbilt, LLC is the lowest 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- Neway Cobra	Spokane, WA	\$1,088,460.00	
Western Peterbilt, LLC w/Solid Waste Systems-Leach 2R11	Spokane, WA	\$1,110,164.00	
Western Peterbilt, LLC w/Western Systems-Heil PT 5000	Spokane, WA	\$1,112,824.00	
Western Peterbilt, LLC w/ Solid Waste Systems- Wayne Phoenix	Spokane, WA	\$1,121,528.00	
Western Peterbilt, LLC w/Western Systems-Heil PT 1000	Spokane, WA	\$1,069,504.00	Did Not Meet Spec.

Pre-bid Estimate: \$1,040,000

The recommended award is one 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 percent 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, LLC, Seattle, WA, in the amount of \$1,088,460 (\$1,104,360 minus trade-in allowance of \$15,900), plus applicable sales tax, budgeted from the ES Solid Waste Fund 4200, to purchase four compressed natural gas (CNG) rear loader trucks, for an initial one-year term, with the option to renew for two additional one-year terms to purchase a total of seven CNG rear loader trucks, for a projected contract total of \$2,047,286.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
ES Solid Waste Fund 4200	ENV-00116	Various	\$2,047,286
TOTAL			\$2,047,286

* General Fund: Include Department

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
ES Solid Waste Fund 4200	512000	Various	\$2,047,286
TOTAL			\$2,047,286

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$1,088,460

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

FINANCE PURCHASING
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