



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; Jill Tibbs, Finance/Purchasing; and
Timothy Hardy, Management Analyst II
SUBJECT: Purchase of six Peterbilt 567 Refuse Transfer Tractors, Washington State
Contract No.01513 – October 4, 2016
DATE: September 12, 2016

SUMMARY:

The Environmental Services Department recommends a contract be awarded to Western Peterbilt, LLC, Seattle, WA, in the amount of \$981,709, plus applicable sales tax, budgeted from the ES Solid Waste Fund 4200, to purchase six Peterbilt 567 Transfer Tractors with automatic transmissions to haul refuse to the landfill.

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 Cummins ISX15 engine proprietary system consists of a Diesel Particulate Filter and Selective Catalytic Reduction technology for near-zero emissions. The engines capabilities to reduce emissions align with the City's commitment to assure outstanding stewardship of the natural and built environment.

BACKGROUND:

ISSUE: The transfer tractors will replace trucks that are significantly worn and no longer cost effective to maintain and keep in service. This contract is based on State of Washington Contract No. 01513, which was competitively solicited by the state and is valid until June 2018. This purchase is subject to the prices, terms, and conditions of State Contract No. 01513, and meets the City of Tacoma's competitive solicitation requirements by means of an interlocal cooperative purchasing agreement with the state.

Staff is requesting to initially purchase two trucks, with the intent to purchase four additional trucks in the 2017-2018 biennium.

ALTERNATIVES: Solid Waste Management (SWM) could go through a competitive bidding process to purchase the tractors and award the contract to the lowest bidder. SWM could potentially incur higher costs by bidding out just six units versus the quantities of trucks sold from the state contract.

COMPETITIVE ANALYSIS: State of Washington Contract No. 01513 is a competitively solicited contract which is valid until June 3, 2018, and includes the specified Peterbilt 567 refuse transfer tractors with automatic transmissions to be purchased. The pricing on the State Contract is historically very competitive because of the potential quantities being sold from this contract.

CONTRACT HISTORY: New contract.



SUSTAINABILITY: The tractor is equipped with the Cummins ISX15 engine to deliver two percent better fuel economy versus the 2012 ISX15, resulting in less carbon dioxide emissions. A Compressed Natural Gas engine is currently not available for the 15 liter semi-tractor.

RECOMMENDATION:

The Environmental Services Department recommends a contract be awarded to Western Peterbilt, LLC, Seattle, WA, in the amount of \$981,709, plus applicable sales tax, budgeted from the ES Solid Waste Fund 4200, to purchase six Peterbilt 567 Transfer Tractors with automatic transmissions to haul refuse to the landfill.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
ES Solid Waste Fund 4200	ENV-00116	Various	\$981,709
TOTAL			\$981,709

* General Fund: Include Department

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
ES Solid Waste Fund 4200	512000	Various	\$981,709
TOTAL			\$981,709

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$327,236

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

FINANCE PURCHASING

SEP 20 2016 15:14:40