



TO: Board of Contracts and Awards
FROM: Kurtis D. Kingsolver, P.E., Public Works Director/City Engineer, *(KDK)*
Justin E. Davis, Facilities Division Manager, Public Works
Deanna Pollard, Fleet Parts and Contracts Manager, Fleet Services
COPY: City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator, and
Richelle, Krienke, Finance/Purchasing
SUBJECT: Purchase Five Peterbilt 567 Truck Cab and Chassis and one Peterbilt 567 Tractor,
Washington State Contract 01513 – February 23, 2016
DATE: February 2, 2016

SUMMARY:

The Public Works Department recommends a contract be awarded to Western Peterbilt, LLC, Fife, WA in the amount of \$935,546, plus applicable sales tax, budgeted from the Fleet Equipment Rental Capital General Fund 5400-GFCAP, to purchase five Peterbilt 567 truck cab and chassis and one Peterbilt 567 tractor.

STRATEGIC POLICY PRIORITY:

- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.
- Strengthen and support a safe city with healthy residents.

These trucks will be used to support the additional street improvement and maintenance projects associated with Propositions A and 3, recently passed by City of Tacoma voters on November 3, 2015, and will augment Public Works' existing fleet of trucks. The new trucks are more fuel efficient producing fewer emissions while delivering the required level of service and meeting the goal of the City's Climate Action Plan to reduce greenhouse gas emissions.

BACKGROUND:

These vehicles will be used to accomplish the objectives of Propositions A and 3. These propositions direct the City to repair and improve City residential streets through a number of methods including Hot Mix Asphalt overlays, surface treatments such as chip seal, and permanent pothole repair. Based on the improvement plan, additional vehicles and equipment are required. Specifically, these trucks will be used to transport various supplies, materials and heavy equipment to job sites.

ISSUE: If this purchase is not approved, it will result in a reduction and a delay of improvements committed to the citizens of Tacoma. Existing equipment is insufficient to accomplish the new service levels both in equipment quantity and vehicle capacities.

ALTERNATIVES: The alternative course of action would be to establish rental agreements. The lead time to establish rental agreements will result in a delay in planned improvements. Long-term equipment rental is more expensive and potentially adverse to the City's finances as a long-term liability. In addition, rental vehicles/equipment may not be available at peak paving times resulting in work stoppages.



COMPETITIVE SOLICITATION: State of Washington Contract 01513 was competitively bid and includes the equipment to be purchased. The current contract term is valid through June 3, 2018. Through an interlocal cooperative purchasing agreement the City will purchase the needed equipment at the prices, term, and conditions of this contract. The ability to participate in cooperative purchasing through state contracts provides the City increased savings by pooling resources to leverage the market through volume discounts.

CONTRACT HISTORY: This is a new contract.

SUSTAINABILITY: Peterbilt, a subsidiary of PACCAR, Inc., is committed to making the highest quality, most sustainable vehicles as well as reducing its environmental footprint in greenhouse gas emissions, water consumption, and waste. Many of the company’s manufacturing locations achieve “zero waste to landfill” by recycling, employing reusable containers, and composting food and paper waste.

SBE/LEAP COMPLIANCE: Not applicable.

RECOMMENDATION:

The Public Works Department recommends a contract be awarded to Western Peterbilt, LLC, Fife, WA, in the amount of \$935,546, plus applicable sales tax, budgeted from the Fleet Equipment Rental Capital General Fund 5400-GFCAP, to purchase five Peterbilt 567 truck cab and chassis and one Peterbilt 567 tractor.

FISCAL IMPACT:

The fiscal impact for the initial purchase is \$935,546, plus applicable sales tax.

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Fleet Equipment Rental Capital General Fund 5400-GFCAP	467600	5641500	935,546
TOTAL			\$935,546

* General Fund: Include Department

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Transfer from Street initiative Fund 1085	663025	6311108	935,546
TOTAL			\$935,546



FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$935,546

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED.

Expenses are budgeted and covered.

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FINANCE PURCHASING