

**City of Palmer
Action Memorandum No. 16-043**

Subject: Authorize the City Manager to Negotiate and Execute a Purchase Agreement with Western Peterbilt, Inc. for a Solid Waste Collection Vehicle in the Amount of \$330,500 Using the Governmental and Proprietary Procurement Process.

Agenda of: June 14, 2016

Council Action: APPROVED

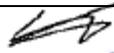
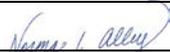
Originator Information:

Originator: Tom Healy, Public Works Director
Date: May 26, 2016 **Requested agenda date:** June 14, 2016

Department Information √:

Route to:	Department Director:	Signature:	Date:
	Community Development		
X	Finance		5/26/16
	Fire Department		
	Police Department		
X	Public Works		5/26/16

Approved for presentation by:

	Signature:	Remarks:
City Manager		
City Attorney		
City Clerk		

Certification of Funds:

Total amount of funds listed in this legislation: \$ 330,500

This legislation (√):

- Has no fiscal impact Creates a positive impact in the amount of: \$ _____
 Creates a negative impact in the amount of: \$ 330,500

Funds are (√):

- Budgeted Line item(s): 05-01-10-6053
 Not budgeted Affected line item(s): _____

General fund unassigned balance (after requested budget modification): \$ _____

Enterprise unrestricted net position (after requested budget modification): \$ _____

Director of Finance Signature: 

Attachment(s):

- Western Peterbilt, Inc. letter dated 5/16/16
- Municipality of Anchorage purchase order dated 5/4/15

Summary Statement: The City's 2016 budget contains \$420,000 to purchase a new solid waste collection vehicle and attachments, as well as refuse containers. The Municipality of Anchorage publicly bid for the procurement of two solid waste collection vehicles in 2015, with the result that Western Peterbilt, Inc. was awarded the contract.

City code section 3.21.230, Governmental and proprietary procurements, subsection A. 2., allows the City to obtain equipment if the terms of a previously bid governmental procurement can be extended. In this case, Western Peterbilt's contract with Anchorage allows the City to purchase the vehicle under Anchorage's bid and award process for a total amount of \$330,000. The purchase includes a Peterbilt chassis and cab, a Wittke body and a Curotto Can collection basket. It is in the City's interest to approve this purchase and method of purchase to gain the benefit of a publicly bid vehicle.

Administration Recommendation: Authorize Action Memorandum 16-043.



WESTERN PETERBILT, INC



"The best service. mile after mile"

2756 Commercial Drive, Anchorage, Alaska
OFFICE: 907-276-2020 FAX: 907-276-2164 CELL: 907-244-0742

Letter of Clarification

TO: *Tom Healy and All Concerned – City of Palmer*
FROM: *Kelly Hanson*
AT: *Western Peterbilt LLC of Alaska*
ON: *Monday, May 16, 2016*
SUBJECT: *Bid and PO Summary and Attachment – Municipality of Anchorage*

In the interest of offering the best service, pricing and ease of purchase to the City of Palmer – Western Peterbilt LLC and Yukon Equipment is providing the opportunity to leverage the pricing and completed bid process achieved by the Municipality of Anchorage.

The bid process (ITB 2015B002) was completed by the MOA February 13, 2015. This bid was open to all bidders providing a front-load refuse collection system. There were two bids received for this process, and of that, one was determined to be non-responsive.

Western Peterbilt LLC was the responsive primary bidder with a Peterbilt 320 chassis and the Wittke Starlight body – built by LaBrie and offered by Yukon Equipment. From this process – purchase order number MOABU-0020150726 was issued in response to this bid for a quantity of (2) frontload units. The PO was subsequently modified to reflect a horsepower increase to 385HP @ 1450 FT-LBS for a total price of \$316,078.00 per unit.

A second PO (MOABU-0020151328) was issued for a third unit by the Municipality – this is the purchase order and unit that we have cloned for the City of Palmer. From this unit, there were additions and subtractions made to arrive at the final quoted price.

Major subtractions from that unit were the Fire Suppression System and Auto Lubrication system that the MOA requires, as well as some related fabrication costs. Major additions made for the City of Palmer were a Curotto Can RH automated pickup can, spare wheels and tires for front and rear and a second attendee for the final inspection of the unit.

The final quoted price for this unit – complete and delivered to the City of Palmer is \$330,500.00. This amount is secured for 30-45 days to allow the City of Palmer to execute their review and issue a purchase order. Delivery for the unit is approx. 240 days after the receipt of order.

Please review all of the information supplied, and let me know what questions you may have.

Best Regards,

Kelly O. Hanson
Sales Manager – Alaska
Western Peterbilt / Western Peterbilt / Western Truck Center

Purchase Order

CHANGE ORDER - REPRINT

Municipality of Anchorage

Purchasing Department
 PO Box 196650
 632 W. 6th Avenue, Suite 520
 Anchorage AK 99519-6650
 Phone: (907) 343-4590
 Fax: (907) 343-4595

Vendor: 0000000676
 Western Peterbilt Inc
 2756 Commercial Dr
 Anchorage AK 99501
 USA
 Fax: 907-276-2164

Purchase Order	Date	Revision	Page
MOABU- 0020150726	05/04/2015	1-05/18/2015	1
Payment Terms	Freight Terms	Ship Via	
NET 30	Destination, FRT Allowed	See Detail	
Buyer: Obney, William H		Currency Code: USD	

Ship To: Solid Waste Services Department
 Administration
 1111 East 56th Avenue
 Anchorage AK 99518
 USA

Bill To: Accounts Payable Division
 PO Box 196650
 632 West 6th Avenue
 Suite 510
 Anchorage AK 99519
 USA

Tax Exempt? Y Tax Exempt ID: N/A

Line-Schd Item	Description	Req ID	Quantity	UOM	PO Price	Extended Amt	Due Date
1 - 1	TWO (2) REFUSE FRONT LOADING GARBAGE TRUCKS	0000028083	1.00	LOT	595,670.00	595,670.00	01/31/2016
Schedule Total						595,670.00	
					Ship Via: BEST MEANS		
1 - 2	TWO (2) REFUSE FRONT LOADING GARBAGE TRUCKS	0000028083	1.00	LOT	30,000.00	30,000.00	01/31/2016
Schedule Total						30,000.00	
purchase of 2 frontload straight fork garage trucks per the attached specs.							
					Ship Via: VENDOPTION		
Item Total						625,670.00	

Western Peterbilt ITB 2015B002 Dated 2-12-2015 Assembly Memorandum number AM 157-2015

Total amount of this Purchase Order shall not exceed \$625,670.00. The municipality expects, but does not guarantee, to expend the value amount listed on this order.

***** Pricing Determined through Competitive Quotes *****

All terms, conditions, plans, specifications (and Addenda) set forth in Invitation to Bid ITB2015B002 and resulting Bid Proposal are here by incorporated in and made part of this purchase

Total PO Amount 625,670.00

AMENDED TO 4316,078.00 EA FOR HP INCREASES

All shipments, shipping papers, invoices, and correspondence must be identified with our Purchase Order Number. Overshipments will not be accepted unless authorized by Buyer prior to shipment.

Authorized Signature

[Handwritten Signature]
 4/18/15