

W. G. E. I.

## AGENDA COVER MEMO

Order Date: January 4, 2006

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TO: Lane County Board of Commissioners

DEPT: Public Works

PRESENTED BY: Phillip Guyette, Public Works Fleet Services Manager

AGENDA ITEM TITLE: In the Matter of Awarding a Contract to Farwest Truck Center in the amount of \$1,708,345.00 for the Purchase of Fifteen (15), New, 12-14 Yard Dump Trucks, with Fifteen (15) trade-ins, Contract FY05/06 FS-07.

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### I. MOTION

MOVE TO AWARD A CONTRACT TO FARWEST TRUCK CENTER IN THE AMOUNT OF \$1,708,345.00, FOR THE PURCHASE OF FIFTEEN (15) NEW, 12-14 YARD DUMP TRUCKS, WITH FIFTEEN (15) TRADE-INS, AS SPECIFIED IN CONTRACT FY05/06 FS-07.

### II. ISSUE OR PROBLEM

Shall Lane County approve awarding a contract to Farwest Truck Center for the purchase of Fifteen (15), New, 12-14 Yard Dump Trucks, required by Public Works Engineering Division?

### III. BACKGROUND/IMPLICATIONS OF ACTION

#### A. Board Action and Other History

Lane County Department of Public Works Engineering Division operates thirty-two (32) tandem-axle dump trucks for use in various road maintenance operations. In addition to general road maintenance work, these trucks are used to plow snow, haul water, sand, rock, and asphalt, to construction sites throughout Lane County. Twenty-five of these trucks are owned by the Fleet Services Division and rented to Engineering. The hourly rental fee includes the cost of operating and maintaining the truck. It also includes a contribution to the fleet replacement fund to pay for replacement trucks at the end of their lifecycle. The Engineering Division has historically taken ownership of seven (7) dump trucks after they were retired by Fleet at the end of the Fleet lifecycle. These seven (7) trucks are used during peak operational times, and as backups when the Fleet-owned dump trucks were being maintained. In recent years, road maintenance operations have grown to the point that these 'retired' dump trucks are being used nearly as much as the Fleet-owned trucks.

The Fleet Services Division received budget approval to replace eight (8) dump trucks as per established replacement criteria. These trucks have a scheduled lifecycle of 13 years or 10,000 hours. The Road Maintenance Division received budget approval, originally in the 2004-2005 budget, to replace the seven (7) Engineering-owned 'retired' dump trucks. These older units have been in service between 18 – 23 years and average more than 15,000 hours of use. Many of these dump trucks are no longer reliable enough for emergency services operations such as snow plowing or sanding. Growth in road maintenance operations have pressed these units into full-

time service many years past economic life. Additionally, replacement service parts for these old trucks are often difficult to locate, resulting in unacceptable equipment downtime.

This bid process was begun and restarted previously. The first time bids were invited, one vendor challenged the specification. The specification were revised and the process restarted. The second process ended when the County rejected all bids as not meeting County needs. The specifications were reviewed and it was determined that they focused on equipment dimensions such as wheel base and hood slope. This lead to confusion and questions as to the intent of some of the dimensional specifications. For this third process, performance specifications were added to clarify the purpose of many of the dimensional requirements. For example, cab width and window requirements related to operations on narrow rural roads and the need for increased visibility and turning capability to ensure safety and minimize accident potential.

Due to federally mandated engine changes in late 2006, staff believes it is urgent to complete this purchase before being forced to purchase equipment with version one of the new engine design. Current technology will adequately serve this equipment for its projected use-life. New engine designs typically include numerous design flaws and it takes a period of years to resolve these initial problems. The Road Maintenance Division cannot wait for the design flaws to be resolved and does not have the excess capacity to operate effectively with significant down time due to projected early design problems.

B. Policy Issues

None

C. Board Goals

Purchase of this equipment is necessary to provide direct and indirect services to the citizens of Lane County, to maintain satisfactory operations of the County's road system, and to meet the health, safety, and economic good of the citizens and industries of our community as defined in Section B3.a.2 of the Strategic Plan.

D. Financial and/or Resource Considerations

Eight (8) dump trucks were approved for purchase in the Fleet Services FY05/06 budget, and an additional seven (7) dump trucks were approved for purchase in the Road Maintenance FY04/05 budget and rolled-over into the FY05/06 budget. Sufficient funds are budgeted for this purchase, and the purchase price is within the budgeted amount.

E. Analysis

The specifications were written such that at least four (4) manufacturers could have submitted bids meeting all or most of the requirements. The County received three (3) responses from its invitation to bid. Two (2) bid packets were non-responsive and were disqualified for not providing a bid bond as required in the bid specifications. The sole responsive bid of \$1,708,345.00, with fifteen (15) trade-ins, was submitted by Farwest Truck Center with several minor acceptable deviations from the published specifications.

This bid solicitation contained many variables, making it potentially difficult to interpret. In addition to requesting bids for seven (7) trucks with an option to purchase up to eight (8) additional trucks, bidders were required to submit pricing on 19-options and bid on 15-trade-in units. Per Chapter II, Section 8 of the Lane County Home Rule Charter and ORS Chapter 190, it is the customary policy of Lane County to offer services to other public agencies when feasible. This bid was written with the intent of allowing Douglas County and Wallowa County to cooperatively purchase from this bid. Fourteen (14) of the nineteen (19) options called for in this solicitation were included for use by other Counties.

F. Alternatives/Options

1. Purchase the above described 15 (fifteen) dump trucks from Farwest Truck Center at this time.
2. Purchase eight (8) of the dump trucks that are scheduled for standard life-cycle replacement and have been in service 13 years. They have reached the end of economic life and may soon be too unreliable for use in emergency services operations. It is expected the trade-in value of these units will fall rapidly and maintenance costs and downtime will continue to accelerate.
3. Do not purchase the above described equipment units from Farwest Truck Center at this time.

**IV. RECOMMENDATION**

It is recommended that the Board approve entering into a contract with Farwest Truck Center for the Purchase of Fifteen (15), New, 12-14 Yard Dump Trucks, Contract no. FY05/06 FS-07.

**V. TIMING/IMPLEMENTATION**

Upon approval of the Board, a contract will be executed between Farwest Truck Center and the County Administrator.

**VI. FOLLOW-UP**

None.

**VII. ATTACHMENTS**

Board Order  
Bid Recap  
Bid Summary

IN THE BOARD OF COMMISSIONERS OF LANE COUNTY  
STATE OF OREGON

ORDER

(IN THE MATTER OF AWARDING A  
(CONTRACT TO FARWEST TRUCK  
(CENTER IN THE AMOUNT OF  
(\$1,708,345.00, FOR THE PURCHASE OF  
(FIFTEEN (15), NEW, 12-14 YARD DUMP  
(TRUCKS WITH FIFTEEN (15) TRADE- INS,  
(CONTRACT FY05/06 FS-07.

**WHEREAS**, at the duly publicized place and time on December 6, 2005, an authorized representative of the Department of Public Works, opened bids on the following:

Fifteen (15), New 12-14 Yard Dump Trucks with Fifteen, (15) Trade-Ins,  
Contract FY05/06 FS-07

**WHEREAS**, the County received three (3) responses from its invitation to bid. Two (2) bidders were disqualified for not providing a bid bond as required in the bid specifications. The sole acceptable bid of \$1,708,345.00, with fifteen (15) trade-ins, was submitted by Farwest Truck Center with several minor acceptable deviations and the Director of the Department of Public Works recommends that the bid be accepted; therefore it is hereby

**ORDERED** that the bid received from Farwest Truck Center be accepted as recommended; and it is further

**ORDERED** that a contract be awarded to Farwest Truck Center in the amount of \$1,708,345.00 in accordance with the bid specifications; and it is further

**ORDERED**, that a contract be executed in accordance with this Order and the bid specifications and the County Administrator be authorized to sign the contract.


**DATED** this 4<sup>th</sup> day of January, 2006.

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Chair  
Lane County Board of Commissioners

APPROVED AS TO FORM

Date 12-27-05 Lane County

  
OFFICE OF LEGAL COUNSEL

**FY05/06 FS-07 Bid Summary**

**FARWEST TRUCK CENTER**

(7) FLD1205D Dump Trucks @ \$123,403	\$863,821.00
(8) FLD1205D Dump Trucks @ \$122,588	\$980,704.00
(15) option V,D Snow Plow Hitch @ \$4,086	\$ 61,290.00
(15) option V,E Snow Plow Lights @ \$792	\$ 11,880.00
less (15) trade-in units(*)	<u>&lt;\$209,350.00&gt;</u>
<b>TOTAL BID AMOUNT</b>	<b>\$1,708,345.00</b>

**NW VOLVO TRUCKS**

(7) VHD84 Dump Trucks @ \$116,050.92	\$812,356.44
(8) FLD1205D Dump Trucks @ \$116,050.92	\$928,407.36
(15) option V,D Snow Plow Hitch @ \$3,136.00	\$ 47,040.00
(15) option V,E Snow Plow Lights @ \$720.00	\$ 10,800.00
less (15) trade-in units(*)	<u>&lt;\$201,500.00&gt;</u>
<b>TOTAL BID AMOUNT</b>	<b>\$1,597,103.80</b>

**ROBERTS MOTORS**

(7) T800 Dump Trucks @ \$134,227.00	\$939,589.00
(8) T800 Dump Trucks @ \$134,227.00	\$1,073,816.00
(15) option V,D Snow Plow Hitch	no-bid
(15) option V,E Snow Plow Lights	no-bid
less (15) trade-in units(*)	<u>&lt;\$250,000.00&gt;</u>
<b>TOTAL BID AMOUNT</b>	<b>\$1,763,405.00</b>

(\*) Trade-in asset numbers:

89100	93100
89101	93101
89102	93102
89103	93103
89104	93104
89105	93105
89106	93106
89108	

**CONTRACT FY05/06 FS-07**

Bid Opening: Tuesday, December 6, 2005, 2:15 p.m.

**BID RECAP**

**SEVEN(7), NEW, UNUSED AND CURRENT-MODEL, 69,200 GVW & 105,500 GCW, 4-AXLE, DIESEL-POWERED TRUCKS EQUIPPED WITH 12-14 CUBIC YARD DUMP BOXES, WITH SEVEN (7) TRADE-IN'S**

<u>VENDOR</u>	<u>MAKE/MODEL</u>	<u>AMOUNT/EACH</u>	<u>TOTAL AMOUNT</u>	<u>BID BOND/CHECK</u>
Farwest Truck Center	Freightliner FLD1205D	<b>(7) \$123,403.00</b>	<b>\$863,821.00</b>	Bid Bond
		<b>(8) \$122,588.00</b>	<b>\$980,704.00</b>	

**Optional Equipment:**

V, A Cab Corner Windows	1	\$Not Available	V, J CAT C15 Engine	1	\$ 1,820
V, B Pantographic Wipers	1	\$ Not Available	V, K Muncie PTO	1	\$ 3,317
V, C 410 HP Engine	1	\$ -4,022	V, L Hydraulic Pump	1	\$ Included
V, D Snow Plow Hitch	1	\$ 4,086	V, M 18-Speed Trans	1	\$ 635
V, E Snow Plow Lights	1	\$ 792	V, N Dump Body	1	\$ -825
V, F Delete Spotlight	1	\$ -70	V, O Tailgate	1	\$ 2,050
V, G Optional Color	1	\$ 840	V, P Sideboards	1	\$ 580
V, H Delete Spare Tires	1	\$ -285	V, Q Tool Box	1	\$ 125
V, I Rear Axle	1	\$ 4,025	V, R Hyd. Filter	1	\$ 140
			V, S Spreader Cntrl	1	\$ -1,250

**Trade-ins:**

<u>ASSET#</u>	<u>SERIAL#</u>	<u>TRADE-IN BID</u>	<u>ASSET#</u>	<u>SERIAL#</u>	<u>TRADE-IN BID</u>
83103	DVA37399	\$ 8,090	93102	PR819199	\$16,090
89100	KH651287	\$12,090	93103	PR819200	\$16,090
89101	KH651288	\$12,090	93104	PR819204	\$16,090
89102	KH651289	\$12,090	93105	PR819202	\$16,090
89103	KH651286	\$12,090	93106	PR819203	\$16,090
89104	KH651281	\$12,090			
89105	KH651285	\$12,090			
89106	KH651284	\$12,090			
89108	KH651283	\$12,090			
93100	PR819198	\$16,090			
93101	PR819201	\$16,090			

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<u>VENDOR</u>	<u>MAKE/MODEL</u>	<u>AMOUNT/EACH</u>	<u>TOTAL AMOUNT</u>	<u>BID BOND/CHECK</u>
NW Volvo Trucks	Volvo VHD84	(7) \$116,050.92	\$812,356.44	Bid Bond (?)
		(8) \$116,050.92	\$928,407.36	

**Optional Equipment:**

V, A Cab Corner Windows	<u>1</u>	\$Not Available	V, J CAT C15 Engine	<u>1</u>	\$ Not Available
V, B Pantographic Wipers	<u>1</u>	\$ Not Available	V, K Muncie PTO	<u>1</u>	\$ -905
V, C 410 HP Engine	<u>1</u>	\$ 693	V, L Hydraulic Pump	<u>1</u>	\$ -1,005
V, D Snow Plow Hitch	<u>1</u>	\$ 3,136	V,M 18-Speed Trans	<u>1</u>	\$ 554
V, E Snow Plow Lights	<u>1</u>	\$ 720	V, N Dump Body	<u>1</u>	\$ 30,575
V, F Delete Spotlight	<u>1</u>	\$ -290	V, O Tailgate	<u>1</u>	\$ 2,050
V, G Optional Color	<u>1</u>	\$ 72	V, P Sideboards	<u>1</u>	\$ 580
V, H Delete Spare Tires	<u>1</u>	\$ -311	V, Q Tool Box	<u>1</u>	\$ 125
V, I Rear Axle	<u>1</u>	\$ Not Available	V, R Hyd. Filter	<u>1</u>	\$ 140
			V, S Spreader Cntrl	<u>1</u>	\$ -1,250

**Trade-ins:**

<u>ASSET#</u>	<u>SERIAL#</u>	<u>TRADE-IN BID</u>	<u>ASSET#</u>	<u>SERIAL#</u>	<u>TRADE-IN BID</u>
83103	DVA37399	\$ 6,000	93102	PR819199	\$16,000
89100	KH651287	\$12,500	93103	PR819200	\$14,000
89101	KH651288	\$12,000	93104	PR819204	\$15,000
89102	KH651289	\$12,000	93105	PR819202	\$15,000
89103	KH651286	\$12,000	93106	PR819203	\$15,000
89104	KH651281	\$12,000			
89105	KH651285	\$11,000			
89106	KH651284	\$11,000			
89108	KH651283	\$13,000			
93100	PR819198	\$15,000			
93101	PR819201	\$16,000			

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<u>VENDOR</u>	<u>MAKE/MODEL</u>	<u>AMOUNT/EACH</u>	<u>TOTAL AMOUNT</u>	<u>BID BOND/CHECK</u>
Roberts Motors	Kenworth T800	(7) \$134,227	\$ 939,589	No Bond/Check
		(8) \$134,227	\$1,073,816	

**Optional Equipment:**

V, A Cab Corner Windows	1	\$450	V, J CAT C15 Engine	1	\$ _____
V, B Pantographic Wipers	1	\$ Standard	V, K Muncie PTO	1	\$ _____
V, C 410 HP Engine	1	\$ 430	V, L Hydraulic Pump	1	\$ _____
V, D Snow Plow Hitch	1	\$ _____	V,M 18-Speed Trans	1	\$ _____
V, E Snow Plow Lights	1	\$ _____	V, N Dump Body	1	\$ _____
V, F Delete Spotlight	1	\$ _____	V, O Tailgate	1	\$ _____
V, G Optional Color	1	\$ _____	V, P Sideboards	1	\$ _____
V, H Delete Spare Tires	1	\$ _____	V, Q Tool Box	1	\$ _____
V, I Rear Axle	1	\$ _____	V, R Hyd. Filter	1	\$ _____
			V, S Spreader Cntrl	1	\$ _____

**Trade-ins:**

<u>ASSET#</u>	<u>SERIAL#</u>	<u>TRADE-IN BID</u>	<u>ASSET#</u>	<u>SERIAL#</u>	<u>TRADE-IN BID</u>
83103	DVA37399	\$10,000	93102	PR819199	\$18,000
89100	KH651287	\$15,500	93103	PR819200	\$18,000
89101	KH651288	\$15,500	93104	PR819204	\$18,000
89102	KH651289	\$15,500	93105	PR819202	\$18,000
89103	KH651286	\$15,500	93106	PR819203	\$18,000
89104	KH651281	\$15,500			
89105	KH651285	\$15,500			
89106	KH651284	\$15,500			
89108	KH651283	\$15,500			
93100	PR819198	\$18,000			
93101	PR819201	\$18,000			