DEPARTMENT: Public Works/Solid Waste

RECOMMENDED ACTION AND JUSTIFICATION:

Due to the lack of suitable trucks and the short time frame involved, waive the formal bid process and authorize the Solid Waste division to purchase a new 2006 Kenworth T-800 Roll-off truck for $131,935 and authorize the Board Chairman to sign the required documents for the purchase.

One of the essential pieces of equipment for operation of the compost facility is a roll-off truck. When material is brought to the compost facility it is loaded onto a conveyor system. The conveyor belt inclines upward to an elevated area where recyclable materials and metals are removed from the waste and dropped into metal bins below. When the bins are full they will be hoisted onto the roll-off truck and moved to the recycling area or the landfill as appropriate.

Because we did not have adequate funds to pay cash for all the equipment needed for the compost facility and landfill, our original plan was to buy a used roll-off truck which we estimated would cost around $50,000-55,000. After many weeks of looking for a suitable used truck we have been unable to locate one that would meet our needs and is in good condition. There are also not many new trucks available, and the trucks come with different roll-off systems, different axle weights and so forth.

We recently found a roll-off truck that is being manufactured that meets our specifications. The total price of the truck including the roll-off system is $131,935, which is less than some other new trucks we have looked at that didn’t even include a roll-off system. We have the option to purchase this truck before it’s placed on display at the dealership, and we want to take advantage of this opportunity. We are therefore requesting approval from the Board to waive the formal bid process and authorize the purchase of the truck, with the terms being $55,000 down and the balance of $76,935 being financed. The $55,000 is already budgeted in the fixed asset line item for heavy equipment (0641).

Central California Kenworth was able to provide a quick financing quote from Citicapital with a term of 60 months and an interest rate of 10.90%. This interest rate is what is available to us with no credit review. We are currently working to obtain better financing terms, but this process takes some time as the lending companies require audited financial statements and other documentation that they review. There is a scarcity of roll-off trucks that meet our needs and if this particular truck is placed on the dealer’s lot we may lose the chance to buy it.

BACKGROUND AND HISTORY OF BOARD ACTIONS:

On December 6, 2005, the Board authorized the Public Works Department to operate the compost facility, landfill and recycling center, Res. No. 05-574. On December 20, 2005, the Board approved a budget action that included transferring funds for the purchase of equipment, Res. No. 05-609. We informed the Board at the December 20th meeting that we would return at a later time with a specific request pertaining to the roll-off truck, once a suitable truck had been found.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

Do not authorize the purchase, which might mean that we would have to rent a truck to use at the compost facility until another suitable truck was found that could be purchased.

Revised Dec. 2002
Financial Impact? (X) Yes ( ) No  Current FY Cost: $6,748  Annual Recurring Cost: $20,242 (maximum)
Budgeted In Current FY? ( ) Yes (X) No ( ) Partially Funded
Amount in Budget: $ 0-
Additional Funding Needed: $ 6,748
Source:
Internal Transfer X
Unanticipated Revenue 4/5's vote
Transfer Between Funds 4/5's vote
Contingency 4/5's vote
( ) General ( ) Other

CLERK'S USE ONLY:
Res. No.: Ord. No. _____
Vote – Ayes: _____ Noes: _____
Absent: _____
( ) Approved
( ) Minute Order Attached  ( ) No Action Necessary

The foregoing instrument is a correct copy of the original on file in this office.
Date: _________________
Attest: MARGIE WILLIAMS, Clerk of the Board
County of Mariposa, State of California
By: __________________________
Deputy

COUNTY ADMINISTRATIVE OFFICER:
( ) Requested Action Recommended
( ) No Opinion
Comments:

CAO: 244

Revised Dec. 2002
COUNTY of MARIPOSA
P.O. Box 784, Mariposa, CA 95338 (209) 966-3222

LEE STETSON, CHAIR
JANET BIBBY, VICE CHAIR
LYLE TURPIN
DIANNE A. FRITZ
BOB PICKARD

DISTRICT I
DISTRICT III
DISTRICT II
DISTRICT IV
DISTRICT V

MARIPOSA COUNTY BOARD OF SUPERVISORS

MINUTE ORDER

TO: DANA HERTFELDER, Public Works Director

FROM: MARGIE WILLIAMS, Clerk of the Board

SUBJECT: WAIVE THE FORMAL BID PROCESS AND AUTHORIZE THE SOLID WASTE DIVISION TO PURCHASE A NEW 2006 KENWORTH T-800 ROLL-OFF TRUCK FOR $131,935 AND AUTHORIZE THE BOARD CHAIRMAN TO SIGN RESOLUTION 06-62

THE BOARD OF SUPERVISORS OF MARIPOSA COUNTY, CALIFORNIA

ADOPTED THIS Order on February 21, 2006

ACTION AND VOTE:

Dana Hertfelder, Public Works Director;
Waive the Formal Bid Process and Authorize the Solid Waste Division to Purchase a 2006 Kenworth T-800 Roll-off Truck for $131,935 and Authorize the Chairman of the Board of Supervisors to Sign the Required Documents for the Purchase; and Approve Budget Action Transferring Funds in the Solid Waste Fund for Payment on the Truck ($6,748)

BOARD ACTION: Discussion was held with Dana Hertfelder and Carl Casey, Public Works Administrator. Dana clarified that this is not a dump truck, and he advised that the truck will be used to move bins, etc., at the landfill. Dana and Carl advised of their review of financing options and recommendation to enter into a seven-year agreement with Municipal Services Group, Inc.; and they advised that the budget action would not be necessary. Discussion was held. (M)Bibby, (S)Fritz, Res. 06-62 was adopted waiving the formal bid process based on the uniqueness and limited opportunities to purchase this type of vehicle; authorizing the purchase of the roll-off truck as recommended with financing through Municipal Services Group, Inc./Ayes: Unanimous.

Cc: Chris Ebie, Auditor
Mary Hodson, Deputy County Administrative Officer
File