



City Council

Approval of a Resolution Authorizing a Contract Amendment with Western Peterbilt, LLC, for Six Waste Collection Trucks

Agenda Date: 5/7/2024
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Type: resolution **Version:** 1 **Status:** Passed

Title

Approval of a Resolution Authorizing a Contract Amendment with Western Peterbilt, LLC, for Six Waste Collection Trucks

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve a Resolution authorizing an Amendment to the Supplemental Terms and Conditions with Western Peterbilt LLC, a Washington limited liability company, doing business as Dobbs Peterbilt, for the purchase of six waste collection trucks.

Report

Issue:

Whether to o approve a Resolution authorizing an Amendment to the Supplemental Terms and Conditions with Western Peterbilt LLC, a Washington limited liability company, doing business as Dobbs Peterbilt, for the purchase of six waste collection trucks.

Staff Contact:

Gary Franks, Director of Waste ReSources, Public Works Department, 360.753.8780

Presenter(s):

None - Consent Calendar Item.

Background and Analysis:

On June 8, 2022, the City and the Contractor entered into an agreement for the purchase of six waste collection trucks under the Sourcewell Master Contract No. 060920 ("Agreement") with Western Peterbilt, LLC, a Washington limited liability company, doing business as Dobbs Peterbilt (Western Peterbilt). The Agreement included Supplemental Terms & Conditions.

The term of the Agreement was to run until August 1, 2024, with compensation not to exceed Two Million Seven Hundred Fifty-five Thousand One Hundred Twenty-one and 86/100 Dollars

(\$2,755,121.86).

The City and the Contractor desire to amend the Supplemental Terms & Conditions to increase compensation and extend the term. This increase in compensation and term is necessary due to unforeseen changes in market conditions related to supply issues, delays related to shortages, and price increases due to the COVID-19 Pandemic, which have significantly increased the Contractor's costs.

Amendment 1 of the Supplemental Terms & Conditions will extend the term to August 1, 2025 with an increase in compensation not to exceed Three Million Eighty-Six Thousand Eight Hundred Twenty-Nine and 65/100 Dollars (\$3,086,829.65). This is a \$331,707.79 increase in total cost or approximately \$55,000 per truck.

Waste Resources within the Public Works Department has the need to replace six (6) refuse collection trucks. These trucks were on a seven-year lifecycle, and due to be replaced back in 2018. Because the trucks have run an additional six years, they've become unreliable, resulting in frequent breakdowns and failures impacting service delivery.

Fleet Operations Services conducted extensive research for refuse collection trucks. Utilizing a cooperative purchase contract through Sourcewell, formerly National Joint Power Alliance (NJPA), Western Peterbilt, LLC was the one vendor that could provide the refuse trucks which best matched the needs of Waste Resources.

All remaining provisions of the Supplemental Terms & Conditions dated June 8, 2022, and not here amended or supplemented remain as written in the Supplemental Terms & Conditions and continue to be in full force and effect.

Climate Analysis:

Currently, the truck chassis have been built and are being transported to the body manufacturer and cannot be altered to accommodate electrification.

In March of 2022, the utility hired a consultant to assist with updating its six-year Waste Resources Utility Master Plan. As part of the plan, we asked the consultant (Cascadia Consulting and their sub-consultant Bell & Associates) to research fleet electrification options to include truck availability, cost, and environmental benefit. The research findings informed the strategies and actions set forth in the Waste Resources Management Plan that was adopted by City Council in April of 2023. The research showed:

- The solid waste industry is still in the early stages of developing electric garbage and recycle trucks.
- The net greenhouse gas benefit was in the 70 percent to 85 percent range when compared to internal combustion engines (ICE) vehicles.
- Planning level estimates includes additional expenses for installation of charging infrastructure between \$250,000 and \$500,000 for infrastructure to be installed. The City is not set up with charging for heavy duty trucks at this time.
- Electric garbage and recycle trucks currently cost about 50 percent more than internal combustion engine (ICE) vehicles. That equates to an additional \$200,000 per truck.
- It was recommended to phase in electric garbage trucks slowly, and focus first on light-duty vehicles, and rear-load collection trucks.

While the waste utility is interested in fleet electrification, technology is still not at the point where it can meet operational requirements. Residential Automated Side Load (ASL) trucks are still being developed, and not yet capable of operating a full day without recharging. Their run time is a maximum of 4 to 5 hours on a full charge. They are also heavier, which limits their carrying capacity. In accordance with the Waste Resources Management Plan, the utility will conduct a new study in 2026.

Equity Analysis:

Amending this Agreement has no implications regarding the City's equity work and goals.

Neighborhood/Community Interests (if known):

None known.

Financial Impact:

Staff recommends amending the Supplemental Terms and Conditions with Western Peterbilt for the six refuse collection trucks to extend the term and compensation. Funds are available in the Waste Resources Fleet Capital Fund to cover the increase.

Options:

1. Approve a Resolution authorizing an Amendment to the Supplemental Terms and Conditions with Western Peterbilt LLC, a Washington limited liability company, doing business as Dobbs Peterbilt, for the purchase of six waste collection trucks. These much-needed trucks will continue to be manufactured and delivered to the City.
2. Do not approve a Resolution authorizing Amendment 1 to the Supplemental Terms & Conditions with Western Peterbilt to extend the term and increase the compensation. Direct staff to renegotiate the terms which will result in further delay and increased costs.
3. Take other action.

Attachments:

Resolution
Agreement