



# Memorandum MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

Reviewed by: [Signature] Date: 6/16/17  
General Manager

DATE: June 16, 2017  
TO: General Manager  
FROM: Equipment Maintenance Manager  
SUBJECT: Purchase of One New Caterpillar D8T Dozer

**RECOMMENDATION:** That the Board of Directors 1) Adopt Resolution 2017-14 authorizing the purchase of one new Caterpillar D8T Dozer using the preferential competitive pricing offered through the National Joint Powers Alliance (NJPA) program; and, 2) Accept the proposal by Quinn Company of Salinas, CA, dated June 15, 2017, to provide a Caterpillar D8T Dozer for the total price of \$915,875.00 (including sales tax, freight).

## BACKGROUND

In September 2015, staff recommended, and the Board of Directors approved, the purchase of a D8T Caterpillar dozer to replace Unit LF10 a 1999 D9R dozer that had reached the end of its useful life cycle. Moving to the smaller dozer at that time was based on similar changes being made industry wide, by large waste companies such as Waste Management and because of savings that can be realized in operating cost. The dozer is a critical piece of equipment utilized by the District's landfill operations to move large volumes of garbage, sand, dirt and cover materials.

Funds in the amount \$920,000 were included in the FY 2017/18 Capital Outlay Budget for this purchase. Staff has concluded that continuing with a D8 size machine is in the best interest of the District and meets the needs of the District landfill operations at this time. There are times when the use of a D9 size dozer may still be necessary, times such as spikes in customers delivering loads to the landfill, prolonged periods of adverse wet weather conditions, and unusual active face locations sometimes experienced when starting or concluding a new lift/layer at the active face, etc. Staff will continue to evaluate for future purchases.

The dozer scheduled for replacement is Unit LF09, a 1996 D8R Caterpillar dozer, with 23,500 hours of operation; the replacement of this dozer was deferred in FY 2016/17. Useful life expectancy of a dozer in a landfill operation is 18,000 to 20,000 hours of operation. Dozers such as Unit LF09 that have not been dedicated to the landfill face operation for their entire life cycle, can have longer service life due to less wear and abrasion on frame and outer body skin components.

Upon arrival of the new dozer, Unit LF09 will remain on site and be used to support other functions of landfill maintenance. Based on the last major component (engine/transmission) rebuild done on Unit LF09, the components have approximately 2,000 hours of reliable life expectancy in a maintenance activity role. Types of activities in this role are; slope maintenance, deck maintenance, daily cover, road maintenance etc. This machine is no longer capable of sustained frontline garbage pushing at the current daily tonnages being accepted.

The District has two frontline dozers dedicated to the landfill face operation, Unit LF16 a 2005 D9T dozer with 18,000 hours of usage and LF26 a 2015 D8T dozer with 3,500 hours of operation.

## DISCUSSION

From 2014 to 2016, the annual tonnage to the landfill has increased approximately 39% (140,183 tons). At these current tonnage levels the District's dozer fleet is not adequate. The need to always have two reliable dozers on the landfill face operation makes it necessary to add a third dozer to the District fleet capable of sustained frontline landfill activities. Unit LF16, the 2005 D9T is scheduled for replacement in FY 2018/19; this projection is based on being able to make this purchase of a new dozer and having it arrive on site by the end of 2017. Unit LF16 is rapidly approaching the point in its life cycle where it could experience periods of unreliability and needs to be moved into a back-up role to support LF26 and the new dozer.

Proper maintenance of these machines is very important and necessary as well, due to the brutal environment they work in every day. Only having two frontline capable dozers creates difficulty in performing maintenance activities critical to the longevity and reliability of these machines.

Challenges faced by District maintenance and operations staff are;

- Equipment used at the landfill face is subjected to harsh conditions and will sometimes require periods of 3 or more days in the shop during the oil change interval to address issues and damage that occur during operation. Additionally, in most cases just the proper cleaning and preparation of a landfill machine for its oil change and inspection takes an entire day.
- Availability of these machines for preventive maintenance activities; happening more often is only doing what absolutely needs to be done, and returning machine to service. This approach will eventually lead to down time out in the field.
- Routine or unexpected component and undercarriage work; these types of repairs when needed, can result in one to three weeks of a machine being out of service while repairs are being made, thus leaving one machine to do the job.
- Ability to schedule maintenance and repair work without causing hardship on operations.

## PURCHASE CONTRACT

The District is a member of the National Joint Powers Alliance (NJPA). As presented in the attached brochure, NJPA is a public agency serving member agencies across the country as a municipal contracting agency. NJPA establishes and provides nationally leveraged and competitively solicited purchasing contracts under the guidance of the Uniform Municipal Contracting Law (M.S. 471.345 Subd. 15). The Joint Exercise of Power Law (M. S. 471.59) allows its members to legally purchase through its contracts without duplicating their own competitive bidding process and requirements. The result of this cooperative effort is a high-quality selection of nationally leveraged, competitively bid contract solutions to allow member agencies access to top national contract volume pricing. Quinn submitted a proposal using the preferential competitive pricing offered through the NJPA program, to provide a new Caterpillar D8T dozer, for the total price of \$915,875.00 (including freight and sales tax).

## FINANCIAL IMPACT

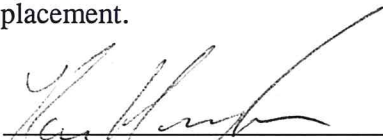
Staff estimates savings in fuel and maintenance cost of \$65,000 annually with the use of a D8 size dozer versus a D9 size dozer in District landfill operations. Expected life cycles for frontline dozers are 10 to 12 years. Funds totaling \$920,000 are included in the FY 2017/18 Capital outlay portion of the budget for this purchase. Quinn Caterpillar has also included a 5 year or 10,000 hour extended powertrain and hydraulic warranty worth \$38,000, at no charge to the District.

## STRATEGIC PLAN

The purchase of this dozer is not related to the District's Strategic Plan, although it facilitates compliance with Federal and State mandated emission regulations.

## CONCLUSION

It is therefore recommended that the Board of Directors: 1) Adopt Resolution 2017-14 authorizing the purchase of the new Caterpillar D8T Dozer without competitive bidding using the preferential competitive pricing offered through the NJPA program; and 2) Accept proposal by Quinn Company of Salinas, CA, to provide a new Caterpillar D8T Dozer for a total price of \$915,875.00 (including freight and sales tax). Estimate delivery of a new D8 dozer is currently 5 to 6 months from time of order placement.

  
\_\_\_\_\_  
Ron Mooneyham

Attachment



Board of Directors  
Monterey Regional Waste Management District

**RESOLUTION NO. 2017-14**

**AUTHORIZING THE PURCHASE WITHOUT COMPETITIVE BIDDING OF ONE  
CATERPILLAR D8T DOZER UTILIZING THE COMPETITIVE PRICING PROGRAM OFFERED  
THROUGH THE NATIONAL JOINT POWERS ALLIANCE (NJPA) PROGRAM**

**-oOo-**

**WHEREAS**, the Monterey Regional Waste Management District has a requirement for a new landfill operations dozer; and

**WHEREAS**, NJPA establishes and provides nationally leveraged and competitively solicited purchasing contracts under the guidance of the Uniform Municipal Contracting Law (M.S. 471.345 Subd. 15). The Joint Exercise of Powers Laws (M.S. 471.59) allows its members to legally purchase through its contracts without duplicating their own competitive bidding process and requirements. The result of this cooperative effort is a high quality selection of nationally leveraged, competitively bid contract solutions to help meet the challenging needs of current and future member agencies.

**WHEREAS**, when the competitive bidding requirement is satisfied through the NJPA contracts, therefore, such duplication of our own competitive bidding process is not required; and

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Monterey Regional Waste Management District, as follows:

That the Board does hereby authorize the purchase of a Caterpillar D8T Dozer for a total cost of \$915,875.00 (including freight and sales tax), offered through the competitive pricing program of the NJPA, from Quinn Company of Salinas as described in that Company's proposal dated June 15, 2017.

**PASSED AND ADOPTED** at a regular meeting by the Board of Directors of the Monterey Regional Waste Management District duly held on June 23, 2017, by the following votes:

**AYES:**

**NOES:**

**ABSENT:**

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Bruce Delgado, Chair of the Board

**ATTEST:**

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Timothy S. Flanagan  
General Manager/Secretary of the Board



Quinn Company  
 1300 Abbott Street  
 Salinas, CA 93901  
 (831) 775-3412

6/15/17

**MRWMD**  
**P.O. BOX 1670**  
**MARINA, CA 93933**

**Attn: Ron Mooneyham**

Quinn Company is pleased to furnish the following proposal for your consideration.

**ONE NEW CATERPILLAR D8T TRACK TYPE TRACTOR** with all the following standard equipment.

STRIKER BAR REAR (W/ BOX)  
 COUNTERWEIGHT, ADDITIONAL  
 GUARD, FAN DEBRIS  
 DRAINS, ECOLOGY, POWERTRAIN  
 VISIBILITY AR, BASIC  
 WINDOW SHADES  
 UNDERCARRIAGE, PPR, GUARDED  
 INSTRUCTION, DOMESTIC  
 CONTROL, BASIC, SINGLE TILT  
 ENGINE, THERMAL SHIELD  
 RADIATOR, 6.35 FPI, DEBRIS  
 FLUIDS, STANDARD  
 ALTERNATOR, 150AMP, DUCTED  
 ENGINE COOLANT, STD (-37C)  
 FILM, AFTERTREATMENT, ENGLISH  
 TRACK, 660MM / 26" ES, TRAP PPR  
 FINAL DRIVE, STANDARD, GUARDED  
 BATTERIES, HEAVY DUTY  
 CAB, ENHANCED DUAL PANE GLASS  
 MOUNT, LIGHT, WARNING STROBE  
 LIGHT, WARNING STROBE  
 NO CARRIER ROLLERS

8 SU DOZER, SINGLE TILT, GUARD  
 SYSTEM, FAST FILL  
 GUARD, BOTTOM POWERED  
 FAN, REVERSING, SINGLE TILT  
 GUARD, FUEL TANK  
 OIL CHANGE SYSTEM, HIGH SPEED  
 WASTE HANDLING ARRANGEMENT  
 FRAME, POWERED BOTTOM GUARD  
 SEAT, HEATED & VENTILATED  
 BRAKES, BASIC  
 INSTRUCTIONS, ENGLISH  
 OPERATORS AR, QUICK OPENING  
 HEATER, ENGINE COOLANT, 120V  
 LIGHTS, PREMIUM  
 CYLINDER, LIFT, STD  
 PRECLEANER W/ SCREEN  
 PRODUCT LINK, SATELLITE PL321  
 FAN SPEED, LOW, COLD WEATHER  
 ANTIFREEZE WINDSHIELD WASHER  
 PUSH ARMS, SINGLE TILT, STD  
 BLADE, 8SU LANDFILL WEAR PLATE  
 EPA EMISSIONS TIER 4 FINAL

**Machine List Price**  
 NJPA Member Discount  
**SUB TOTAL**  
 Sales Tax @ 7.75 %  
**TOTAL**

**1,160,000.00**  
 - 310,000.00  
**850,000.00**  
 + 65,875.00  
**915,875.00**

**Standard Caterpillar warranty – 12 month unlimited hour full machine warranty**

**5 Year or 10,000 hour powertrain and hydraulic warranty included at no charge by  
Quinn Caterpillar**

Thank you for the opportunity to present the above for you current equipment needs. If you have any questions, please do not hesitate to contact me.

Sincerely,  
Justin Brown  
Sales Representative  
Direct – 775-3412  
Cell – 594-8115

All prices are subject to all applicable taxes, availability and change without further notice.