

**Lee County Board Of County Commissioners
Agenda Item Summary**

Blue Sheet No. 20041635

1. REQUESTED MOTION:

ACTION REQUESTED: Approve Bid Waiver # W-050112 to waive the formal quoting process and authorize the purchase for Solid Waste of one Volvo L-110E loader from Flagler Construction Equipment, LLC at a price of \$145,441 using a 36 month lease/purchase agreement with an interest rate of 3.79% and including trade-in of a 1994 Volvo Michigan L-120 rubber tire wheel loader. Monthly payment will be \$4,292.39. Also, authorize the Board Chairman on behalf of the BOCC to execute and sign the Volvo Lease-Purchase Agreement at time of delivery.

WHY ACTION IS NECESSARY: Expenditures exceeding \$50,000 require Board approval.

WHAT ACTION ACCOMPLISHES: Provides the County and its contracted operator (Covanta) with a replacement loader to be used for loading and handling solid waste and ash residue at the waste to energy facility. (The loader currently in use has logged over 17,000 hours of use and has become increasingly costly to maintain.) Savings to taxpayers: approximately \$8,500. Covanta will reimburse the County the total cost of the loader. (Please see Background.)

**2. DEPARTMENTAL CATEGORY:
COMMISSION DISTRICT #**

A8B

3. MEETING DATE:

12-21-2004

4. AGENDA:

- CONSENT
- ADMINISTRATIVE
- APPEALS
- PUBLIC
- WALK ON
- TIME REQUIRED:

**5. REQUIREMENT/PURPOSE:
(Specify)**

- STATUTE
- ORDINANCE
- ADMIN. AC-4-1
- CODE
- OTHER

6. REQUESTOR OF INFORMATION:

- A. COMMISSIONER
- B. DEPARTMENT **Public Works**
- C. DIVISION **Solid Waste**

BY: **Lindsey Sampson, P.E., Director**

Lindsey Sampson 12/8/04

BACKGROUND:

--BACKGROUND BEGINS ON PAGE TWO--

8. MANAGEMENT RECOMMENDATIONS:

9. RECOMMENDED APPROVAL:

A Department Director	B Purchasing or Contracts	C Human Resources	D Other	E County Attorney	F Budget Services				G County Manager
<i>J. Sander</i> 12-9-04	<i>Janet Sheehan</i> 12-9-04		<i>N/A</i>	<i>KWE</i> for schedule 12/9/04	OA 12/9/04	OM 12/9/04	Risk 12/9/04	GC 12/9/04	<i>J. Sander</i> 12-9-04

10. COMMISSION ACTION:

- APPROVED
- DENIED
- DEFERRED
- OTHER

Rec. by CoAtty
Date: 12/9/04
Time: 11:30
Forwarded To:
<i>B. Sander</i>

RECEIVED BY COUNTY ADMIN:
<i>PF</i>
12-9-04
1:50
COUNTY ADMIN FORWARDED TO:
<i>PF</i>
12/9/04
11:30 AM

--BACKGROUND CONTINUED FROM PAGE ONE--

On May 11, 2004, the BOCC approved Bid Waiver # W-040413 for the purchase of a Volvo front-end-loader that is operated and maintained by Covanta Lee, Inc., the contractor operating the waste to energy facility (WTE). Under the WTE operating/maintenance agreement, Covanta provided the original equipment as part of the County's purchase of the facility, and maintains and/or replaces the equipment during the 20-year agreement. The County purchased a replacement loader pursuant to the bid waiver and Covanta reimbursed the County for this expenditure.

Covanta has now requested that the County purchase another loader, identical to the one purchased earlier this year, to replace a second loader used at the WTE facility. Again, all maintenance and replacement costs (except State sales tax) are provided by Covanta per the WTE Service Provider Agreement. If the County purchases this equipment, then it will not be required to reimburse Covanta for the sales tax; saving approximately \$8,500.

This time, however, Covanta is requesting that the County utilize a three-year lease/purchase agreement such that Covanta will reimburse the County all costs on a monthly basis. The selection of the Volvo is based on Covanta's 10-year maintenance experience with this type of loader; and that the Volvo has the more powerful engine in this class of loaders.

Funds are available: OB5340840100.506430

Please see attachments:

- (1) Division Request for Bid Waiver
- (2) Justification for Waiver Purchase
- (3) Blue Sheet No. 20040494 – 5/11/04 Approval of Waiver # 040413
- (4) Flagler Construction Equipment, LLC Quotation



Lee County
SOUTHWEST FLORIDA

INTEROFFICE MEMORANDUM

ATTACHMENT #1

FROM

SOLID WASTE DIVISION

Phone: (239) 338-3302 Fax: (239) 338-3304

Date: December 8, 2004

TO: Janet Sheehan, Director
Purchasing

From: Lindsey J. Sampson, P.E.
Director

SUBJECT: Request for Bid Waiver and Sole Source Vendor

The Solid Waste Division is requesting a bid waiver for the purchase of a Volvo L-110E rubber tire wheel loader from a sole source vendor, Flagler Construction Equipment, LLC. This loader is a replacement unit for a similar unit (Michigan/Volvo loader) that is 10 years old and has approximately 17,000 hours running time.

This loader, like the old one, is owned by the County but is operated and maintained by Covanta Energy under the Operations and Maintenance Agreement for the WTE facility. The old loader was purchased by Covanta as part of its obligations under the construction contract for building the WTE and became a County asset when the facility was accepted by the County for commercial operation. Covanta has the obligation, during the 20-year term of the WTE operations/maintenance agreement to repair and replace this equipment as necessary. Because the maintenance/repair requirements of the loader have now become frequent, and the machine has surpassed its useful life, it is time for replacement.

If the County purchases this equipment directly, it will avoid the Florida sales tax amounting to approximately \$8,500. Additionally, Covanta will reimburse the County for this purchase since it is Covanta's obligation under the WTE service agreement. If Covanta purchases the loader directly, then the County is obligated to reimburse Covanta for the sales tax portion in accordance with the WTE service agreement.

Covanta has reviewed similar equipment made by Caterpillar and John Deere. It has decided that the Volvo provides the highest value based on initial cost and long-term maintenance. Additionally, Covanta is pleased with the operating performance of the Volvo given its 10-year history with this equipment. Additionally, this loader will be identical to one that was purchased under similar circumstances only 3 months ago. Spare parts will be interchangeable between the two loaders.

For these reasons, the Division agrees with Covanta and is requesting the appropriate bid waiver and allowance for sole-source purchase.

ATTACHMENT #2

JUSTIFICATION FOR SOLE SOURCE AND/OR WAIVER PURCHASE

REQUISITION NUMBER _____

DATE NOV 30, 2004

DEPARTMENT PW

BUSINESS UNIT: SOLID WASTE

SUGGESTED VENDOR

FLAGLER CONSTRUCTION EQUIPMENT LLC

ITEM DESCRIPTION AND REASON FOR SOLE SOURCE AND/OR WAIVER:
(MAY ALSO BE ATTACHED AS A MEMO)

VOVLO L-110 E RUBBER TIRE WHEEL LOADER

PLEASE SEE ATTACHED MEMO

TECHNICAL CHARACTERISTICS:

SEE ATTACHED QUOTE FROM FLAGLER EQUIPMENT DATED 11/10/04 AND LETTER FROM
FLAGLER DATED 12/8/04

REASON FOR REQUESTING SOLE SOURCE:

ITEM MUST MATCH EXISTING EQUIPMENT, WHICH IS:

VOVLO L-110 E

ITEM IS A REPAIR PART FOR EXISTING EQUIPMENT, WHICH IS:

ITEM IS TO BE ATTACHED TO EXISTING ITEM, WHICH IS:

Technical Characteristics of Requested Item are Essential to our Needs Because:

Revision Date:

() NO OTHER MANUFACTURER OF THIS TYPE OF PRODUCT EXISTS

() OTHER MANUFACTURERS OF THIS TYPE OF PRODUCT DO NOT MEET OUR MINIMUM REQUIREMENTS:

MANUFACTURER'S NAME: _____

REASON: _____

MANUFACTURER'S NAME: _____

REASON: _____

MANUFACTURER'S NAME: _____

REASON: _____

() OTHER _____

MUST PERFORM PRICE OR COST ANALYSIS OR ATTACH NEGOTIATED PRICE QUOTE FROM VENDOR; LETTER FROM MANUFACTURER STATING SOLE SOURCE.

A) PRICE ANALYSIS PERFORMED

BASED ON: COVANTA WILL REIMBURSE THE COUNTY FOR ALL COSTS REQUIRED FOR THIS EQUIPMENT. ALSO, INFORMAL PRICE AND SPEC. COMPARISONS.

PLS SEE ATTACHED TABLE COMPARING SPECS AND QUOTES FROM COMPETING SUPPLIERS, KELLEY TRACTOR (CATERPILLAR) AND NORTRAX EQUIPMENT (JOHN DEERE).

THE PREFERRED EQUIPMENT IS A VOLVO BECAUSE OF EXPERIENCE AND THE FACT THAT IT HAS A LARGER BUCKET AND MORE HORSEPOWER THAN SIMILAR MODELS.

THE VOLVO IS MID-LINE BETWEEN THE TWO OTHER SUPPLIERS. COVANTA HAS USED TWO SIMILAR VOLVO FELs FOR THE PAST 10 YEARS. THE MACHINE THAT WAS REPLACED A FEW MONTHS AGO HAD OVER 20,000 HOURS LOGGED. THE MACHINE BEING REPLACED NOW HAS OVER 17,000 HOURS LOGGED. THIS REPRESENTS A HIGH LEVEL OF DEMAND AND SERVICE YEAR AFTER YEAR.

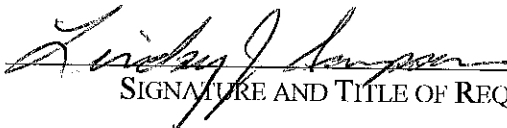
THE VOLVO EQUIPMENT HAS PROVEN ITS PRICE COMPETITIVE WHEN FACTORING LONG-TERM RELIABILITY AND MAINTENANCE FACTORS.

B) COST ANALYSIS PERFORMED:

BASED ON: 10 YEARS OF EXPERIENCE OPERATING AND MAINTAINING SIMILAR EQUIPMENT.

COVANTA WILL REIMBURSE THE COUNTY FOR ALL PURCHASE COSTS FOR THIS EQUIPMENT.

COVANTA BELIEVES THAT THE LONG TERM COST FOR THIS LOADER IS LOWER THAN OTHER SIMILAR EQUIPMENT BASED ON LONG TERM MAINTENANCE AND OPERATING EXPERIENCE.


SIGNATURE AND TITLE OF REQUESTER

I, Robert D. Franceschini, AUTHORIZED BUYER,
CONCLUDE THE FOLLOWING:

- SOLE SOURCE JUSTIFICATION IS ADEQUATE AND PURCHASE IS AUTHORIZED WITHOUT COMPETITIVE BIDDING.
- SOLE SOURCE JUSTIFICATION IS INADEQUATE AND REQUISITION IS RETURNED TO DEPARTMENT.
- DUE TO TIME RESTRAINTS PURCHASE IS AUTHORIZED WITHOUT COMPETITIVE BIDDING.
- COMPETITIVE/NON-COMPETITIVE BID WAIVER APPROVED.


BUYER

 12-9-04
PURCHASING DIRECTOR

Revision Date:

Rubber Tire Wheel Loaders

	Caterpillar	John Deere	Volvo	
	950GII	Model 644J	Model L-110E	
Horse Power	183	180	210	
Base Price	174,236	114,491	144,532	
Delete Base Bucket	N/A	(4,415)	N/A	
Air Cond	Incl.	2,300	Incl.	
Larger Bucket (1)	Incl.	8,700	9,612	
Front Windshield Guard	Incl.	2,990	1,786	
Front Frame Cover Guard	Incl.	1,700	420	
Front Frm Belly Guard	Incl.	677	1,340	
Rear Frm Belly Guard	N/A	N/A	1,532	
Extended Warranty	Incl.	4,418	6,219	
Air Susp Seat		213	Incl.	
Foam Filled L5 Tires	Incl.	17,500	Incl.	
Trade-In for Est'g Loader	(14,500)	(14,000)	(20,000)	
Total	\$ 159,736	\$ 134,574	\$ 145,441	

(1) Cat – 4.5 cy bucket, JD- 4.5 cy bucket, Volvo –7.2 cy bucket

**Lee County Board Of County Commissioners
Agenda Item Summary**

Blue Sheet No. 20040494

1. REQUESTED MOTION:

ACTION REQUESTED: Approve Bid Waiver # W-040413 to waive the formal quoting process – and accept three (3) quotes obtained by Solid Waste on an informal basis – to allow for the purchase of one Volvo L-110E loader from L.B. Smith, Co. at the competitively quoted price of \$141,441.

WHY ACTION IS NECESSARY: Expenditures exceeding \$50,000 require Board approval.

WHAT ACTION ACCOMPLISHES: Provides the County and its contracted operator (Covanta) with a replacement loader to be used for loading and handling solid waste and ash residue at the waste to energy facility. Savings to taxpayers: approximately \$8,500 (please see Background).

2. DEPARTMENTAL CATEGORY:
COMMISSION DISTRICT #

A8A

3. MEETING DATE:

05-11-2004

4. AGENDA:

CONSENT
 ADMINISTRATIVE
 APPEALS

PUBLIC
 WALK ON

TIME REQUIRED:

5. REQUIREMENT/PURPOSE:
(Specify)

STATUTE
 ORDINANCE
 ADMIN. AC-4-1
 CODE
 OTHER

6. REQUESTOR OF INFORMATION:

A. COMMISSIONER
B. DEPARTMENT Public Works
C. DIVISION Solid Waste

BY: Lindsey Sampson, P.E., Director

BACKGROUND: On April 27, 2004, the Division of Purchasing received a request from Solid Waste to prepare a request to waive the formal quoting process to purchase one Volvo loader. The existing loader – which is 10 years old and requires frequent servicing – belongs to the County, but all maintenance and replacement costs (except State sales tax) are provided by Covanta per the WTE Service Provider Agreement. If the County purchases this equipment, then it will not be required to reimburse Covanta for the sales tax, saving approximately \$8,500. The selection of the Volvo is based on Covanta's 10-year maintenance experience with this type of loader; and that the Volvo has the more powerful engine in this class of loaders.

Funds are available: OB5340840100.506430

Please see attachments:

- (1) Division Request for Bid Waiver
- (2) Tabulation Sheet Summarizing Quotes Received
- (3) L.B. Smith's Quotation

8. MANAGEMENT RECOMMENDATIONS:

9. RECOMMENDED APPROVAL:

A Department Director	B Purchasing or Contracts	C Human Resources	D Other	E County Attorney	F Budget Services				G County Manager
J. J. Jumper 4/29/04	N/A <i>Handwritten note: Handwritten signature</i>	N/A	N/A	S. J. Jumper 4/29/04	OA 4/29/04	OM 4/29/04	Risk 4/29/04	GC 4/29/04	J. J. Jumper 4/29/04

10. COMMISSION ACTION:

- APPROVED
- DENIED
- DEFERRED
- OTHER

Rec. by CoAtty
Date: 4/29/04
Time: 10:30 a.m.
Forwarded To: Handwritten signature
4/29/04

RECEIVED BY
COUNTY ADMIN: Handwritten signature
4/29/04
COUNTY ADMIN
FORWARDED TO: Handwritten signature
4/29/04



FLAGLER Construction Equipment, LLC

11700 Brewer Lane, N1

Fort Myers, Florida 33912

T: (239) 481-8554

F: (239) 481-3302

flagcr@com

To: Lee County Purchasing
P.O. Drawer 2238
Fort Myers, FL 33902-2230
(239) 335-2300

Date: December 8, 2004

Quotation:

One (1) New 2005 Model Volvo L110E Wheel Loader
Serial Number to be Determined. See Page 2 for Description and Options

Selling Price Delivered	\$165,441.00
Less Trade Value Volvo L120 Serial Number L120V61029	(\$20,000.00)
Unpaid Balance	\$145,441.00

36 Month Municipal Lease as Follows

Percentage Rate 3.79%

Monthly Payment \$4,292.39

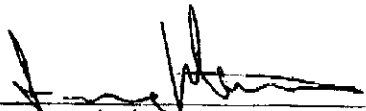
\$1.00 Buy Out at End of Lease

Flagler C.E. guarantees selling price, trade value, and lease figures provided we receive a commitment to purchase this machine by January 1, 2005.

DESCRIPTION

(1) New Volvo L-110E Rubber Tire Wheel Loader with all standard equipment to include the following options:

- A) 23.5/25L5 D-Lug 20 ply tires.
- B) Tires to be foam filled.
- C) Volvo A/C System.
- D) Volvo Sure Care Cab.
- E) Left hand arm rest.
- F) Volvo AM/FM/CD Player with radio mount kit.
- G) Tail light guards.
- H) Volvo Pin-on Bucket 118" 7.2 cu Yd. Refuse Bucket with 3 pc Edge saver.
- I) Front windshield guard.
- J) Front frame cover plate guard.
- K) Front frame belly guard
- L) Rear frame belly guard
- M) Center hinge point guard kit
- N) Volvo CAP6F warranty, see attached for details


Jerry Mariani
Sales Representative
Flagler C E.