

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

336



**FROM:** Waste Management Department

**SUBMITTAL DATE:**  
April 15, 2013

**SUBJECT:** Sole Source Purchase of One (1) Caterpillar D8T Track Type Tractor

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve the Sole Source Purchase of one (1) Caterpillar D8T Track Type Tractor from Johnson Machinery in the amount of \$777,279.24; and
2. Authorize the Purchasing Agent to issue a Purchase Order for the cost as noted.

**BACKGROUND:** Johnson Machinery is the authorized Caterpillar distributor for Riverside County. The Caterpillar D8T is the best choice of machine for use in a landfill environment as it utilizes a trademarked high drive design with an elevated-sprocket final drive arrangement, wherein the final (track) drive is elevated approximately five feet above the bottom of the tracks. The elevated-sprocket final drive is preferred for landfill operations because the higher placement of the final drive limits contact with trash and debris encountered in a landfill environment, thereby, reducing the likelihood of damage.  
(continued)



\_\_\_\_\_  
Hans W. Kernkamp, General Manager-Chief Engineer

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 777,279.24	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ N/A	Budget Adjustment:	No
	Annual Net County Cost:	\$ N/A	For Fiscal Year:	12/13

<b>SOURCE OF FUNDS:</b> Waste Management Annual Approved Budget	<b>Positions To Be Deleted Per A-30</b>	<input type="checkbox"/>
	<b>Requires 4/5 Vote</b>	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:**

APPROVE  
  
BY: \_\_\_\_\_  
Steven C. Horn, MPA

**County Executive Office Signature**

Purchasing:   
Departmental: \_\_\_\_\_  
Assistant Director

Consent     Policy  
 Consent     Policy

Dept't Recomm.: \_\_\_\_\_  
 Per Exec. Ofc.: \_\_\_\_\_

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RECEIVED RIVERSIDE COUNTY

**Prev. Agn. Ref.:** \_\_\_\_\_

**District:** All

**Agenda Number:** \_\_\_\_\_

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RCED APR 18/13 PM 2:35

APPROVED:  
\_\_\_\_\_  
Clerk/Board of Supervisors

RECEIVED RIVERSIDE COUNTY  
CLERK/BOARD OF SUPERVISORS  
2013 APR 23 PM 12:28

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In comparison, the conventional final drive placement location of other machine manufacturers, including those manufactured by John Deere and Komatsu, are at ground level and are constantly in direct contact with trash and debris. This direct contact increases the likelihood of damage and the potential for final drive failure which would necessitate the need for costly and time consuming repairs.

Additionally, Caterpillar has a vast service and parts support network in the local area including the Johnson Machinery service facility which is capable of performing any repair and overhaul need on any Caterpillar machine. Johnson Machinery also offers a 97% fill rate (within 24 hours) for parts on this model. This commitment dramatically reduces machine down time ensuring maximum operational productivity and cost effectiveness. Other manufactures are not as well supported in the area.

**PRICE REASONABLENESS:** Johnson Machinery is offering Waste Management a governmental discount in the amount of \$275,497.34 off of the list price of this machine and is a local vendor within Riverside County. This discount is identical to that offered to the Federal Government by Caterpillar's Defense and Federal Products Division. Additionally, Johnson Machinery is a local vendor within Riverside County.





**Riverside County**  
**Waste Management Department**

*Hans W. Kernkamp, General Manager-Chief Engineer*

**Date:** April 15, 2013  
**From:** Hans W. Kernkamp, General Manager-Chief Engineer **Dept:** Waste Management  
**To:** Board of Supervisors  
**Via:** Melissa Etter, Buyer I  
**Subject:** **Sole Source Procurement; Request for Purchase of One (1) Caterpillar D8T Track Type Tractor (Dozer)**

The below information is provided in support of my Department requesting approval for a sole source. Outside of a duly declared emergency, the time to develop a statement of work or specifications is not in itself justification for sole source.

- 1. Supply/Service being requested:** Purchase of one (1) Caterpillar D8T Track Type Tractor (Dozer)
- 2. Supplier being requested:** Johnson Machinery, vendor code 298
- 3. Alternative suppliers that can or might be able to provide supply/service:** None. Johnson Machinery is the Caterpillar authorized distributor for Riverside County.
- 4. Extent of market search conducted:** Past requests for product quotes, online research and discussion with Hawthorne Cat and Quinn Company representatives, both authorized Caterpillar distributors, in regards to territory and sales.
- 5. Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide:** The Caterpillar D8T utilizes an elevated-sprocket final drive arrangement, wherein the final (track) drive is elevated approximately five feet above the bottom of the tracks. The elevated-sprocket final drive is preferred for landfill operations, because the higher placement of the final drive reduces the likelihood of damage from debris encountered in a landfill environment in comparison to the conventional final drive placement location of other machine manufacturers, which is constantly in contact with trash and debris. A similar machine, Komatsu D155AX-5SL, uses a conventional final drive that contacts the bottom of the tracks directly and debris can become entangled in the drive, resulting in failure.
- 6. Reasons why my department requires these unique features and what benefit will accrue to the county:** Johnson Machinery supports many D8 series dozers operating in landfills and construction operations throughout Riverside and San Bernardino Counties. The Johnson Machinery service facility is capable of performing any repair and overhaul needed on any machine that they represent. Johnson also offers a 97% fill rate (within 24 hours) for parts on this model. This commitment dramatically reduces machine down time, ensuring maximum operational productivity.
- 7. Price Reasonableness including purchase price and any ongoing maintenance or ancillary costs from the supplier:** Johnson Machinery is offering a governmental discount of \$275,497.34 off of the list price. This price is good through June 30, 2013. This is the deepest manufacturer's discount allowed to governmental agencies only and in line with the cost offered to the Federal Government by Caterpillar's Defense and Federal Products Division. Additionally, Johnson Machinery is a local vendor within Riverside County.




8. Does moving forward on this product or service further obligate the county to future similar contractual arrangements or any ongoing costs affiliated with this sole source? (Maintenance, support, or upgrades, if so, please explain). No. Johnson Machinery is offering a one (1) year standard warranty and Waste Management has contracts in place for parts and service as needed.

9. **Period of Performance:** One-time purchase of a complete Caterpillar D8T Track Type Tractor as specified in quote #106208-01 for a total cost of \$777,279.24.

*(Provide a defined period of performance. Please note multi-year terms require Board approval, unless renewable in one year increments and the Purchasing Agent approves the terms.)*

  
\_\_\_\_\_  
Department Head Signature / Hans W. Kernkamp Date 4/15/13

Purchasing Department Comments:

<u>Approve</u>	Approve with Condition/s	Disapprove
Not to exceed: \$ <u>777,279<sup>24</sup></u>	<input checked="" type="checkbox"/> One time	Annual Amount through _____
 _____ Purchasing Agent	<u>4-16-13</u> Date	<u>13-444</u> Approval Number (Reference on Purchasing Documents)







Quote 106208-01

March 5, 2013

RIVERSIDE COUNTY WASTE MANAGEMENT DEPARTMENT  
14310 FREDERICK ST  
MORENO VALLEY CA  
California  
92553-9000

Attention: KURT VANDUSEN

Dear Sir,

We would like to thank you for your interest in our company and our products, and are pleased to quote the following for your consideration.

CATERPILLAR Model: D8T Track Type Tractors

YEAR: 2013

We wish to thank you for the opportunity of quoting on your equipment needs. This quotation is valid for machines ordered prior to July 1, 2013, after which time we reserve the right to re-quote. If there are any questions, please do not hesitate to contact me.

Sincerely,

Eric Gfeller  
Machine Sales Representative

**CATERPILLAR Model: D8T Track Type Tractors**

**STANDARD EQUIPMENT**

**POWERTRAIN**

C15 ACERT diesel engine with EUI  
 (Electronic Unit Injection)  
 EPA/ARB Tier 4 Interim and EU Stage  
 IIIB Certified Engine with  
 aftertreatment  
 24-volt electric start  
 High performance single  
 plane cooling system  
 Aftercooler, air-to-air (ATAAC)  
 Air filter, with electronic service  
 indicator  
 Coolant, extended life  
 Fan, suction, hydraulically driven  
 Fuel priming pump, electric  
 Sound attenuated exhaust system  
 Parking brake, electronic

Precleaner, strata-tube dust ejector  
 Prescreener  
 Shift management  
 Automatic directional and downshift  
 Controlled-throttle, load-compensated  
 Enhanced Autoshift  
 Starting aid, automatic ether  
 Torque divider  
 Transmission, electronically-controlled  
 powershift, 3F/3R speed  
 Four planet, double-reduction  
 planetary final drives  
 Transmission control module, electronic  
 Turbocharger  
 Water separator  
 Rollers and idlers, lifetime lubricated

**UNDERCARRIAGE**

Rollers and idlers, lifetime lubricated  
 Sprocket rim segments, replaceable  
 Suspension-type undercarriage  
 8-roller tubular track roller frame  
 (Carrier roller ready)  
 Track adjusters, hydraulic

Track guide  
 24 inch (610 mm) PPR moderate service  
 grouser with sealed and lubricated  
 track (44 section)  
 Two-piece master links  
 Hydraulics, independent steering and

**HYDRAULICS**

Hydraulics, independent steering and  
 work tool pumps  
 Hydraulics, electronically controlled,

load-sensing dozer lift and tilt  
 Electronically enabled quick drop valve  
 Alternator, 150 amp

**STARTERS, BATTERIES, AND ALTERNATORS**

Alternator, 150 amp  
 Batteries, heavy duty

Starting receptacle, auxiliary  
 Alarm, back-up

**ELECTRICAL**

Alarm, back-up  
 Converter, 24V to 12V

Diagnostic connector  
 Horn, forward warning

**OPERATOR ENVIRONMENT**

Rops mounted air conditioner  
Armrest, adjustable  
Advisor operator interface  
    Electronic monitoring system  
    Diagnostic service information  
    Operator preferences  
Cab, ROPS/FOPS, sound suppressed  
Deactivation switch, hydraulic controls  
Access\ egress lighting  
    with shutdown timer  
Decelerator pedal  
Governor switch, electronic

Heater and ventilation  
Mirror, rearview  
Radio-ready  
Provision for wire passage in/out of cab  
Interior LED courtesy lights  
Seat, cloth, air-suspension  
Seatbelt, retractable  
Steering control, direction and speed  
control thumb switches with recall  
    button  
Wipers, two speed  
CD ROM Parts Book

**OTHER STANDARD EQUIPMENT**

CD ROM Parts Book  
Engine enclosures  
Equalizer bar, pinned  
Front pull device  
Guards, bottom hinged  
Grade control ready  
HVAC box - corrosive resistant  
Mounting, lift cylinders  
Oil cooler, hydraulic

Product link ready  
S.O.S. sampling ports  
Steering, electronically controlled  
power differential  
Vandalism protection for fluid  
    compartments  
Engine compartment service light  
Six lights package

**MACHINE SPECIFICATIONS**

<b>Description</b>	<b>Reference No</b>	<b>List Amount</b>
D8T TRACTOR - 3	379-0250	\$701,690.00
GUARD, FAN DEBRIS	238-9658	\$923.10
STRIKER BARS, FRONT	241-3811	\$7,038.00
GUARD, FAST FUEL	278-8950	\$463.08
SERVICE PACKAGE	325-4818	\$352.92
LANGUAGE, ADVISOR, 1	335-9416	
GUARD, FUEL TANK	339-3077	\$2,968.20
SEAT, CLOTH, AIR SUSPENSION	341-8561	
RADIATOR, 6.35 FPI, DEBRIS	350-0217	\$2,264.40
CATERPILLAR PRODUCT LINK PL522	351-2351	
PAINT, BLADE	368-3377	\$2,366.40
8 RIPPER MS W/ STRIKER BAR	379-0236	\$59,517.00
FLUIDS, STANDARD	379-0240	
INSTRUCTIONS, DOMESTIC	379-0256	
ENGINE, THERMAL SHIELD	379-0261	\$12,637.80
HYDRAULICS, RIPPER	379-0265	\$4,926.60
CONTROL, BASIC, SINGLE TILT	379-0268	
UNDERCARRIAGE, PPR, GUARDED	379-0277	\$4,503.30
VISIBILITY AR, SINGLE CAMERA	379-0285	\$4,605.30
FUEL SYSTEM, FAST FILL	380-2383	\$2,279.70
FAN, SINGLE TILT, REVERSING	380-2386	\$3,891.30
ENGINE COOLANT, STD (-37C)	382-5934	
CAB, ENHANCED DUAL PANE GLASS	382-9560	\$6,140.40
BOTTOM GUARDS, SEALED	383-8241	\$1,152.60
TRACK, 24" ES, PPR	384-2961	\$3,743.40
ALTERNATOR, 150AMP, DUCTED	384-4447	\$468.18
PRECLEANER, TURBINE W/SCREEN	384-4453	\$2,815.20
FINAL DRIVE, STANDARD, GUARDED	384-4604	\$15,657.00
BRAKES, STANDARD	384-4605	
LIGHTS, PREMIUM	384-6494	\$1,606.50
BATTERIES, HEAVY DUTY	384-8305	
MOUNT, LIGHT, WARNING STROBE	384-8720	\$186.66
LIGHT, WARNING STROBE	384-8833	\$994.50
HEATER, ENGINE COOLANT (120V)	385-0235	
8 SU/U DOZER, SNGL TILT GUARD	385-2596	\$30,865.20
BLADE, 8U LANDFILL WEAR PLATE	385-2625	\$38,566.20
CARRIER ROLLERS, SUSPENDED	385-4730	\$4,824.60
CYLINDERS, LIFT, STANDARD	386-0490	\$11,730.00

Description	Reference No	List Amount
FRAME, STANDARD	386-1802	
WASTE HANDLING ARRANGEMENT	386-7001	\$5,967.00
OPERATORS AR, QUICK OPENING	386-7007	\$606.90
OIL CHANGE SYSTEM, HIGH SPEED	388-1705	\$826.20
TOOTH, MULTISHANK RIPPER	4T-8987	\$15,759.00
2000/14/EC EXT.SND/PWR CERTIF.	0G-6039	
PACK, DOMESTIC RAIL, MTTT	0P-8026	\$596.70
LANE 3 ORDER	0P-9003	

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List Price	\$952,933.34
Freight, Prep and Assembly	\$18,296.00
<b>TOTAL</b>	<b>\$971,229.34</b>
Johnson / Caterpillar Governmental Discount	(\$275,497.34)
Extended Powertrain Warranty	\$11,971.00
Fox Valley Fire Suppression	\$10,000.00
Center Punch Tracks @ Johnson Machinery	\$2,000.00
<b>Net Balance Due</b>	<b>\$719,703.00</b>
CA Sales Tax (8%)	\$57,576.24
<b>After Tax Balance</b>	<b>\$777,279.24</b>

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**WARRANTY**

Standard Warranty:        12 Months/Unlimited Hrs of Operations  
 Extended Warranty:        Extended Powertrain Warranty 60 Months / 5000 Hours

**F.O.B./TERMS**

Riverside - Construction

**ADDITIONAL CONSIDERATIONS**

- Lead time for this machine is approximately 16-19 weeks at the time of quote.

Accepted by \_\_\_\_\_ on \_\_\_\_\_

\_\_\_\_\_  
 Signature

## TERMS AND CONDITIONS

**1. Agreement of sale:** any terms and provisions of buyer's orders which are inconsistent with the terms and provisions hereof are rejected, will not be binding on the seller nor considered applicable to the sale or shipment referred to herein, unless buyer shall notify seller in writing within fifteen (15) days after receipt of this proposal by buyer. Acceptance of the terms and conditions hereof by buyer shall be indicated, and in the absence of such notification, the sale and shipment by the seller of the products covered hereby shall be conclusively deemed to be subject to the terms and conditions hereof. No waiver, alteration, or modification of the provisions hereof shall be binding on the seller unless agreed to in writing by a duly authorized official of seller at its headquarters office(s). Waiver by either party of any default by the other shall not be deemed a waiver by such party of any default of the other which may thereafter occur.

**2. Prices:** prices and payment terms shown on the face of this proposal apply. Inadvertent error in either prices or terms is subject to correction.

**3. Taxes:** the seller's prices do not include any sales, use, and excise property or similar taxes which seller may be required to pay in connection with filling any of buyer's orders. The amount of any applicable present or future such tax shall be paid by the buyer as an additional charge or in lieu thereof, the buyer shall provide the seller with a tax exemption certificate acceptable to the taxing authorities.

**4. Warranty:** Caterpillar warrants new earthmoving, construction and materials handling machinery (other than lift trucks) and attachments therefore sold by it to be free from defects in material and workmanship subject to the following provisions. During the first six months after date of delivery of the product to the initial user, a new or repaired part, whichever Caterpillar elects, along with the labor for installation of such new or repaired part, will be provided in place of any parts which are found upon its inspection to be defective in material or workmanship. Such parts and labor will be provided without charge to the user during normal working hours at a place of business of a Caterpillar dealer or other establishment authorized by Caterpillar, but this warranty does not include any costs for transporting the product to such place of business or establishment. Replacement parts provided under the terms of this warranty are warranted for the remainder of the warranty period applicable to the product in which installed as if such parts were original components of that product. No warranty is made with respect to items supplied by Caterpillar on special order nor with respect to tires made by others when such tires are warranted by their respective makers. This warranty does not apply to Caterpillar brand bias ply and beadless tires, ground engaging tools or Caterpillar brand batteries - to all of which different warranties apply. This warranty is expressly in lieu of any other warranties, express or implied, including any warranty of merchantability or fitness for a particular purpose. Remedies under this warranty are expressly limited to the provision and installation of parts, as specified above, and any claims for other loss or damages of any type (including without limitation loss from failure of the product to operate for any period of time, other economic or moral loss, or direct, immediate, special, indirect or consequential damage) are expressly excluded as used in this warranty. The term "Caterpillar" means Caterpillar Inc. or one of its subsidiaries, whichever last sold the product involved.

**5. Liability and claims:** seller's liability on any claim of any kind, including claims for negligence, or for any loss or damage, arising out of, or connected with, or resulting from any order accepted by seller, or from the manufacture, sale, delivery, resale, repair or use of any products covered by, or furnished under, such an order, shall in no case exceed the price allocable to the product or part thereof which gives rise to the claim. In no event shall seller be liable for special or consequential damages; any claims against seller for shortages by it in making shipments shall be made in writing to seller within fifteen (15) days after receipt of shipment. Seller's responsibility for shipments ceases upon delivery to a carrier. And any claims for shortages, delays or damages occurring thereafter shall be made direct to the carrier, the fulfillment of any order accepted by seller is subject to strikes, labor disputes, lockouts, accidents, fires, delays in manufacture or in transportation or delivery of materials, floods, severe weather or other acts of god, embargoes, or governmental actions. Or any other causes beyond the reasonable control of seller, whether similar to, or different from the causes above enumerated, and any such cause shall absolve seller from any liability to buyer.

**6. Changes:** seller may, at any time, without notice, make changes (whether in design, materials, the addition of improvements, or otherwise) in any product, and may discontinue the manufacture of any product, all in its sole discretion, without incurring any obligations of any kind as a result thereof, whether for failure to fill an order accepted by seller or otherwise.

**7. Compliance with laws:** seller will comply with all applicable federal laws, and represents that any goods to be delivered under an order placed pursuant hereto will be produced in compliance with the requirements of the fair labor standards act of 1938, as amended.

**8. Shipments:** shipment dates are approximate. Shipments of products under an order accepted by seller shall be subject to the approval by seller of buyer's financial condition at the time of shipment. Whether or not credit terms are specified elsewhere, seller may, at its option, condition shipments under any order accepted by seller upon receipt of satisfactory security or of cash before shipment. If, at buyer's request, shipment of products on an order accepted by seller is delayed more than thirty (30) days after the shipment date specified on the face hereof, or the date products are ready for shipment, whichever is later, seller may require immediate payment in full and/or assess additional charges for storage and other expenses incident to such delay.

**9.Cancellation:** in the absence of other written agreement between buyer and seller governing cancellation, any order accepted by seller may be cancelled by buyer only upon written notice to seller and payment of seller's cancellation charges. At buyer's request a statement of such charges will be furnished by seller prior to cancellation and charges will be not less than 20% of proposed selling price or accrued cost, whichever is greater.

**10. Indemnification:** buyer shall protect, hold harmless and indemnify seller from and against any and all demands, costs, liens, suits, judgments and penalties, and liabilities of every kind arising directly or indirectly, out of or wholly or partially caused by buyer in connection with or caused by buyers use or operation of this product, except for such seller liability as otherwise stated herein.

**11. Property** will be used in, \_\_\_\_\_, county, State of California. Lessee will not remove the property from this county without written permission from lessor.

**12. Insurance:** Lessee shall, at its expense, at all times from the time of delivery of equipment to lessee, maintain insurance against all risks of loss or damage from any cause for not less than the full replacement value thereof and shall carry public liability and property damage insurance covering the equipment. Such insurance shall be in the amounts and with insurance companies satisfactory to lessor, protecting lessor as an additional insured, and providing for ten (10) days written notice to lessor before any policy may be modified or cancelled. Lessee shall deliver to lessor evidence of insurance.

**13.** Lessee agrees not to part possession or sublet this equipment without the written consent of the lessor and to pay all attorney's fees, collection charges, or other expense occasioned by lessee's failure to comply with the provisions hereof. In the event of default of payment, lessor may retake possession of this equipment.

**14.** Lessee shall use the equipment in a careful manner in conformity with all governmental laws, ordinances, regulations, and requirements and shall take reasonable and proper care thereof, and at his own expense and cost, make all necessary repairs and replacements except warranty items referenced herein, if any. In the event of default by the lessee in the payment of rent or otherwise, the lease shall terminate immediately at the option of the lessor. Unless the equipment is returned or the lessor notified in writing to the contrary by the lessee before expiration of the rental period set forth above, the rental period shall be extended from month to month beyond the original period specified, at the option of the lessor. In the event of such extension of the rental period, lessee agrees to pay lessor rental payments at the rate specified above for any additional time the equipment is rented.

**15.** Title to the equipment shall at all times remain in the lessor, and lessee agrees to keep each item of equipment at all times free and clear from all claims, levies, liens, and legal processes. Equipment is and shall remain personal property.

**16.** Lessor shall at any time during reasonable business hours have the right to enter on lessee's premises where the equipment may be located or elsewhere to inspect the equipment or observe its use. At lessor's request, lessee shall give immediate notice of the exact location of the equipment. Lessee shall give lessor immediate notice of any attachment or other judicial process affecting any item of equipment.

**17.** It is expressly agreed and understood that the lessor shall not in any case or under any circumstances be held liable to any person including lessee for any loss or damage, or claim or judgment, or loss or damage of any kind or character whatsoever to persons or property, or otherwise arising from or in any manner connected with the use, operation, handling, or transportation of said property; and any and all claims for loss or damage are hereby specifically waived by lessee. Lessee agrees to indemnify and hold harmless the lessor from any and all such claims for loss, damage or liability.

**18.** Time is of the essence and lessee shall be in default under this agreement upon the occurrence of any of the following: (a) the misstatement or false statement in connection with, noncompliance with, or nonperformance of any of lessee's obligations under this agreement. (b) the failure to pay any rent or other amounts provided herein when the same is due and payable. (c) the failure of lessee to perform any other provisions of this lease which it is required to perform.

**19.** The company warrants that it is the sole owner of the equipment and that there are no liens or encumbrances or adverse claims whatsoever thereon, other than the lien of taxes not yet delinquent it is understood by the parties hereto that the company is not the manufacturer of the equipment, nor the agent of said manufacturer.

Initials: \_\_\_\_\_