



December 21, 2017

Board of Directors
Ventura Regional Sanitation District
Ventura, California

APPROVAL OF A PURCHASE ORDER WITH QUINN COMPANY FOR A NEW CATERPILLAR D6 BULLDOZER TO BE USED AT THE TOLAND ROAD LANDFILL

RECOMMENDATIONS

Approve issuance of VRSD Purchase Order No. 2363 to Quinn Company for an annual installment payment towards a new Caterpillar D6 Bulldozer (total cost of \$490,007.72, including interest) in an amount not to exceed \$122,476.68 for FY2017-2018.

FISCAL IMPACT

This proposed expenditure is included in the FY2017-2018 VRSD solid waste capital budget under account 90-590-599901-52330.

BACKGROUND

The District has traditionally used two types of bulldozers as part of its solid waste heavy equipment fleet. While there are a few different manufacturers of heavy equipment used at landfills, the standard in the industry is Caterpillar, Inc. Caterpillar grades their bulldozers by assigning a model number that ranges from D2 to D11 based on size and power.

The Caterpillar D8 bulldozer is typically used for pushing the refuse once it is deposited on the landfill floor by the hauler. The weight of the refuse requires a D8 model, as anything lighter would not be able to handle the load for long periods of time. A D7 bulldozer is used at the landfill for a variety of tasks. It has the ability to step in and assist with pushing lighter loads, but typically it is used for moving soil as well as building and maintaining slopes as the site is filled over time.

Our current fleet is comprised of three D8 models (two active, one back-up) and one D7 model. The D7 dozer is almost due for an overhaul service at its current usage.

PROPOSAL/ANALYSIS

A. Operational Issues:

In an ongoing effort to reduce costs within the Solid Waste division, staff continues to carefully review equipment needs for the future. The decision was made to replace the existing D7 with a D6 dozer instead of a new D7, because the D6 offers more flexibility and comes at a significantly lower price.

The smaller D6 model can complete most of the tasks at the site, and it has the ability to work in tighter, steeper areas that prove to be a challenge for the larger D7 bulldozer. Moreover, there is still usable service life on the existing D7, and it will be kept as a backup. Specifically, the existing D7 can continue to be used as a backup or to assist on larger slope maintenance projects that need to be completed when time is a major factor.

B. Cost Considerations:

The difference in starting price between a D7 and D6 model typically falls in the \$150,000 to \$200,000 range. Considering the flexibility and increased need for slope maintenance, District staff believes the D6 bulldozer is the correct choice to complement the heavy equipment fleet, and it offers the savings needed to contribute to the fiscal sustainability goal currently being undertaken at the District.

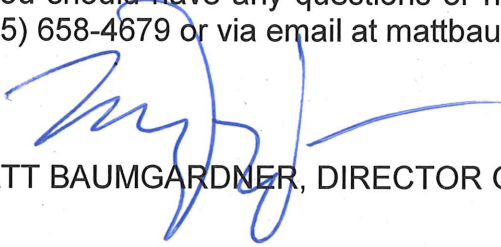
The approved FY2017-2018 Internal Service Fund (ISF) Capital Improvement Plan (CIP) budget contains a provision to spread the cost of a new D6 bulldozer over four (4) years. The Caterpillar Sales representative, Quinn Company, determined that the starting price for a new D6 bulldozer was approximately \$211,500 below the original estimate they gave and the District received last year (\$666,250 vs. \$454,515). This decrease is mostly due to a significant discount (24%) that Caterpillar is providing to government agencies through a cooperative purchasing agreement with the National Joint Powers Alliance.

Per our request and consistent with the approved budget, the Quinn Company sales representative provided four-year finance purchase quote for staff to review based on the reduced starting price.

The final quote for the year-one installment for the dozer, including delivery and sales tax, is \$122,476.68. This represents a savings in the FY2017-2018 ISF CIP budget of approximately \$55,000.

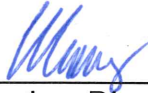
This letter and the associated contract have been reviewed by VRSD legal counsel as to form.

If you should have any questions or need additional information, please contact me at (805) 658-4679 or via email at mattbaumgardner@vrzd.com.



MATT BAUMGARDNER, DIRECTOR OF OPERATIONS

APPROVED FOR FUNDS AVAILABLE:



Carlos Corrales, Director of Finance

APPROVED FOR AGENDA:



Chris Theisen - General Manager

- Attachments:
1. VRSD Purchase Order No. 2363
 2. Quinn Company purchase quote, including equipment specifications

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VENTURA REGIONAL SANITATION DISTRICT
 1001 Partridge Drive #150
 Ventura CA 93003-0704
 (805) 658-4669 accountspayable@vrzd.com

To ensure prompt payment, all invoices **MUST** be mailed to the above address,
ATTN: Accounts Payable

Purchase Order No.	PO0002363
Issue Date	12/7/2017
Revision Number	

Requested by: **Blanket**

PURCHASE ORDER

Issued To: (559) 891-5457 Ext. 0000

QUINN COMPANY
 PO BOX 849665
 LOS ANGELES CA 90084-9665
 Vendor #: QUIN002

Ship To:

TOLAND

Contract Number:

^ Changed Since the Previous Revision

Page: 1

Shipping Method		Payment Terms		FOB	For More Information Contact:			Contact Phone #	
				None	Blanket			Blanket PO	
L/N	Item Number	Description	Job Number	Cost Code	Req. Date	Ordered	U/M	Unit Price	Ext. Price
					SITE ID	PROJ #	COST CAT		
A1	52330	599901 D6 Bulldozer - Annual Installment Payment			12/7/2017	TOLAND			\$122,476.68
	90-590-52330	Heavy Equipment							
		Deliver To:	Toland Landfill Site 3500 Toland Road Santa Paula CA 93060 USA						

BOARD APPROVAL REQUIRED

For prompt payment please E-mail all invoices to:
accountspayable@vrzd.com

Mailed invoices are also accepted at:
 1001 Partridge Drive, Suite 150
 Ventura, CA 93003

DO NOT send invoices via email and U.S. Postal Service
 Duplicate invoices can result in delayed payments

PLEASE CONTACT
accountspayable@vrzd.com
TO SET UP ELECTRONIC PAYMENTS

PO EXPIRES ON 6/30/18

Subtotal	\$122,476.68
Shipping/Handling	\$0.00
Miscellaneous	\$0.00
Tax	\$0.00
Order Total	\$122,476.68

Carlos Corrales

 Purchasing Agent

 Date Authorized Signature

Purchase order number must appear on all invoices.

Caterpillar Financial Services Corporation

Finance Proposal

CUSTOMER

Name: Ventura Regional

Address
 City
 State
 Zip code
 County

Good if:
 Acknowledged by Sep-28-17
 Funded by Sep-28-17

DEALER

QUINN COMPANY
 Sales person
 Dealer contact
 Telephone

Quote number 552-1404
 Fax number
 Quote date 07/10/2017
 Quote time 18:22:11

FINANCE PROPOSAL

This is Caterpillar Financial Services Corporation's confirmation of the following finance proposal. This is a proposal only and is subject to credit approval, execution of documentation, and execution and approval of the application survey.

Financing type GOVERNMENTAL
 Number of payments 48 Monthly
 Payments in Arrears
 Quoted by callarc
 Report created by callarc

	Ann.	Model	Hours	Qty	Sale Price	Amount Financed	Payment	Balloon	Fixed Rate
New	D6T	1000		1	454,514.78	454,814.78	10,206.39	101.00	3.7000

Special Conditions:

D6T
 Model Year - 2017, Industrial Environment; Major Attachments-Cab, Air Conditioning,
 XL, Steel Tracks; Blades/Buckets/Rippers-Ripper, 6VPAT Blade

CONDITIONS

Insurance: The customer must provide evidence of physical damage and liability insurance in an amount and from an insurance carrier satisfactory to CFSC. CFSC must be named on the policies, as loss payee and additional insured, as applicable, and a certificate of insurance, in form and substance acceptable to CFSC, must be provided to CFSC.

Taxes: All taxes are the responsibility of the customer and may or may not be included in the above payment amount.

Equipment: The equipment cannot be delivered until all documents are executed by CFSC. All equipment must reside in the United States at all times.

Approval: This proposal is subject to, among other things, final pricing, credit approval and document approval by CFSC.

The terms and conditions outlined herein are not all-inclusive and are based upon information provided to date. This proposal may be withdrawn or modified by Lessor at anytime. This proposal does not represent an offer or commitment by CFSC to enter into a transaction or to provide financing, and does not create any obligation for CFSC. A commitment to enter into the transaction described herein may only be extended by CFSC after this transaction has been approved by all appropriate credit and other authorities within CFSC.

Please indicate your acceptance of this proposal by executing this proposal and returning it to my attention along with the Proposal Fee at the address below. Please be sure to indicate which financing option you have accepted.

Caterpillar Financial Services Corporation
 2120 West End Avenue, Nashville, TN 37203
 (615)-341-1000

We appreciate the opportunity to provide you a proposal for this transaction.

Proposed by:

Acknowledged by:

 Caterpillar Financial Services Corporation

 Ventura Regional

 Date

CATERPILLAR INC. Model: D6T Track Type Tractor**STANDARD EQUIPMENT****POWERTRAIN**

C9.3 ACERT diesel engine	planetary
EPA/ARB Tier 4 final and EU stage IV certified engine with aftertreatment	Fuel priming pump, electric
Air cleaner, strata tube precleaner with dust ejection	Parking brake, electronic
Air filter with electronic service indicator	Radiator, aluminum bar plate
Aftercooler, air to air (ATAAC)	Starting aid, ether, automatic
Coolant, extended life	Torque divider, lock-up
Full auto shift	Transmission, electronically controlled powershift, 4 speed
Fan, hydraulic	Turbocharger, wastegate
Final drives, single reduction	Fuel water separator
	Ecology drain

UNDERCARRIAGE

Carrier rollers	Rollers, lifetime lubricated
Clamp master link	Track, lifetime lubricated
Equalizer bar	Track roller frames, tubular
Guards, end track guiding	Track adjusters, hydraulic
Idlers, center tread	Sprocket rim segments, replaceable

ELECTRICAL

Alarm, backup	Connector, diagnostic
Alternator, brushless	Starter, heavy duty, 24V
Batteries, 2 maintenance free 12V (1400 cca) (24V system), heavy duty	Horn, forward warning
Converter, two 10 amp 12V outlets	Jacket water heater, 120V
	Light, work, underhood

OPERATOR ENVIRONMENT

Air conditioner, ROPS mounted	Foot pads, dash
Armrest, adjustable	Heater
Cab, ROPS/FOPS, sound suppressed and pressurized	Hour meter, electronic
Cup holders	Mirror, rearview
Decelerator and brake pedal	Powertrain control module
Electro-hydraulics implement and steering controls	-Throttle dial, electronic
7" (180mm) full color LCD display (engine coolant, powertrain oil and hydraulic oil temperature, fuel and	-Manual shift mode switch
	-Bi-directional shift dial
	Radio, AM/FM
	Seat, cloth, air-suspension
	Seatbelt, retractable 3" (76mm)

DEF level and engine RPM/gear display
hours, time and slope indicate)

Wipers, two speed
Glove box

OTHER STANDARD EQUIPMENT

Cat? GRADE with slope assist
CD ROM parts book
Engine enclosures, perforated
Front pull device
Guards, hinged bottom
Ground level service center with
remote electrical disconnect,
secondary shutdown switch and hour meter
Hood, perforated
Hydraulics, independent steering,
work tool and fan pumps

Hydraulics, load sensing, dozer lift
and tilt
Mounting, lift cylinder
Oil cooler, hydraulic
Product link
Radiator doors, perforated, louvered,
and hinged
Stable blade control (SBC)
S.O.S sampling ports
Vandalism protection for fluid
compartments and battery box

MACHINE SPECIFICATIONS

Description	Reference No	List Amount
D8T XL VPAT TRACTOR	458-3883	\$396,130.00
LANE 3 - AVAILABLE FROM EAST PEORIA FACTORY		
84 inch gauge. 7 roller track frame.		
UNDERCARRIAGE, HD, FULL GUIDE	378-3809	\$4,660.00
FINAL DRIVE,XL VPAT CLAMSHELL	378-3835	\$15,950.00
LIGHT, WARNING, STROBE	378-7927	\$1,165.00
SEAT, AIR SUSPENSION	380-1151	
OIL CHANGE SYSTEM, HIGH SPEED	380-8311	\$865.00
TRACK, 560MM / 22" ES HD	385-2691	\$1,830.00
GUARD, BOTTOM, SEALED, HD	390-0900	\$2,055.00
TOWING DEVICE, PULL-HOOK	433-6933	\$580.00
HANDLES, VPAT	451-9115	
CONTROL, BASIC, VPAT	457-7669	
ENGINE COOLANT, STD (-37C)	458-3886	
FAN, AUTO REVERSING	458-3918	\$1,785.00
ALTERNATOR, 150 AMP, DUCTED	463-8636	\$670.00
PRECLEANER, WITH SCREEN	464-3634	\$1,360.00
BASIC ARRANGEMENT, VPAT	474-5749	
ENGINE, THERMAL SHIELD	475-0213	\$10,760.00
AIR CONDITIONER, ROPS	480-0279	
VPAT XL DOZER PACKAGE	481-4913	\$42,790.00
SEAL GROUP, HIGH DEBRIS	482-7006	\$1,560.00
6 RIPPER, MULTI-SHANK	487-3445	\$22,670.00
CAB, DUAL PANE	488-3736	\$6,080.00
HYDRAULICS, RIPPER, VPAT	490-0497	\$3,070.00
FUEL TANK, BASIC	493-6860	
REGIONAL PACKAGE, US	497-7892	
ALARM, BACKUP	509-7659	
VISIBILITY ARR, SINGLE CAMERA	509-7665	\$520.00
LIGHTS, 6, BASIC	513-9345	\$1,955.00
TOOTH, CURVED	9J-8926	\$3,975.00
PACK, DOMESTIC TRUCK, MTTT	0P-8025	
LANE 3 ORDER	0P-9003	
PRODUCT LINK, CELLULAR PLE641	486-7003	

List Price	\$520,430.00
NJPA Discount -24%	<u>\$-124,903.20</u>
Machine Sale Price	\$395,526.80
Freight	\$8,000.00
Prep	\$4,500.00
First Year Warranty	\$3,264.00
SaftCab Slope Board Installed	<u>\$12,500.00</u>
Total	\$423,790.80
Sales tax	<u>\$30,724.83</u>
Sales Price With Tax	\$454,515.63

WARRANTY

Standard Warranty: 12 Months Full Machine

F.O.B/TERMS

Oxnard Earthmoving

FINANCING

Finance terms and conditions subject to credit approval by Caterpillar Financial Services Inc.(CFSC). Payment amounts, down payments, and terms are estimates only, final amounts must be determined by CFSC.

ADDITIONAL CONSIDERATIONS

- Delivery is 10-16 weeks

Accepted by _____ on _____

Signature