

City of Bethel Action Memorandum

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| Action memorandum No. | 19-55 | | |
| Date action introduced: | August 27, 2019 | Introduced by: | William F. Howell, Acting City Manager |
| Date action taken: | August 27, 2019 | <input checked="" type="checkbox"/> Approved | <input type="checkbox"/> Denied |
| Confirmed by: | KM | | |

Action Title: Approve the sole source purchase of Kenworth brand heavy duty trucks from dealer Papé Kenworth Northwest, Inc. in Anchorage or similar Kenworth dealer and use of all Kenworth company support services.

Attachment(s): (1) Sole Source Procurement Justification for the City of Bethel to Procure Kenworth brand Heavy Duty Trucks from Papé Kenworth Northwest, Inc. of Anchorage or similar Kenworth dealer; (2) Letter from Keith Shalsky, Territory Manager, Papé Kenworth Northwest, Inc.

| Amount of fiscal impact: | | Account information: |
|--------------------------|--------------------------------|----------------------|
| X | No fiscal impact at this time. | NA |
| | Funds in City FY 2020 Budget. | |

Summary Statement

The City of Bethel purchased five Kenworth brand sewer haul trucks from Kenworth Truck Company through a contract dated July 11, 2018 in the amount of \$875,595. The purchase was done through a National Joint Powers Alliance pre-bid contract in which Kenworth Truck Company was a qualified vendor.

On December 11, 2018, Bethel City Council passed AM #18-76 that approved Kenworth Alaska, Inc. to be the single source vendor for the immediate purchase of six water haul trucks. The water trucks were ordered and down payment provided to Kenworth.

The City of Bethel has or will have 11 total Kenworth manufactured water and sewer haul trucks in its fleet. Kenworth trucks are now the dominant manufactured trucks in the City's fleet, amidst Sterlings, Macks, and others.

The City typically purchases the following heavy duty trucks: dump truck, road watering trucks, water and sewer trucks, side dumps, tractor, and dumpster trucks. The City's FY 2020 Budget contains funding to purchase a dump truck. The Public Works Department prefers to purchase a Kenworth Dump Truck.

It is in the City's Best Interest to sole source Kenworth heavy duty trucks and utilize Kenworth company resources, training opportunities, information, customer service, parts, and knowledge to save time and money on purchases, problem diagnosis, and repairs.