

**MINUTES OF A
SPECIAL MEETING
OF THE JACKSON COUNTY
BOARD OF COMMISSIONERS
HELD ON
DECEMBER 11, 2014**

The Jackson County Board of Commissioners met in a Special Session on December 11, 2014, 3:00 pm, Justice & Administration Building, Room A201, 401 Grindstaff Cove Road, Sylva, North Carolina.

Present: Brian McMahan, Chairman
Mark Jones, Vice Chair
Charles Elders, Commissioner
Vicki Greene, Commissioner
Boyce Deitz, Commissioner

Chuck Wooten, County Manager
Angela M. Winchester, Clerk to Board
J. K. Coward, Jr., County Attorney

Chairman McMahan called the meeting to order.

AGENDA: Commissioner Greene moved to approve the Agenda. Commissioner Jones seconded the Motion. Motion carried.

Informal Comments by Public:

(a) Carl Iobst of Cullowhee stated his disapproval of the meeting.

(1) **TRANSFER TRUCKING SERVICES:** Mr. Wooten stated that the County contracted with Kinsland Trucking on November 1, 2006 for transfer trucking services. The initial contract was for four years with the option for an additional four years was exercised with an ending date of October 31, 2014. The contract with Kinsland was extended for 60 days through December, 2014 to allow time for bidding.

August, 2014, by consensus, the Commissioners authorized that transfer trucking services and operation of staffed recycling centers be subjected to the bid process and instructed the Director of Public Works to take appropriate action.

September, 2014 request for bids for transfer trucking services were advertised in The Sylva Herald for two consecutive weeks with a bid opening date of September 25, 2014. Bids were submitted to the Director of Public Works for opening. Three bids were received:

- (a) Kinsland Trucking
- (b) WNC White Corporation
- (c) Stafford Transport

In reviewing the bids, it was noted that WNC White Corporation had failed to provide the base per gallon fuel cost at which time the fuel adjustment would take effect. The Director of Public Works called WNC White Corporation and obtained this information and recorded the information on the WNC White Corporation form.

BID SUMMARY			
<u>Description</u>	<u>Kinsland</u>	<u>WNC White</u>	<u>Stafford</u>
Homer, GA	\$495.00	\$450.00	\$678.10
Asheville	\$350.00	\$380.00	\$581.66
Cost Per Gal.	\$4.09	\$3.97	\$3.89
Additional Cost per load:			
Homer, GA	\$20.00	\$20.00	
Asheville	\$20.00	\$15.00	

October 6, 2014, bids were submitted to Commissioners with recommendation of WNC White as the company to provide transfer trucking services. Commissioners approved the recommendation and awarded the contract to WNC White.

October 20, 2014 a complaint was received from a representative of Kinsland Trucking about the acceptance of an incomplete bid form submitted by WNC White and the modification of the original WNC White bid form by a county employee. This was communicated to the County Manager. In addition to the incomplete bid form, other requirements set forth in the bid instructions (bid bond and performance bond) were removed without formal notification of these changes. Even though active bidders were informally notified, there could have been others considering the bid that may have submitted a bid if they were aware of the changes. After considering the information, the County Manager recommended that the Commissioners rescind their action of October 6, 2014 and reject all bids received on September 25, 2014. The Commissioners took action to rescind the previous action and authorized the re-bidding of this service.

November 13, 2014 bids were received for a second time for the transfer trucking services.

BID SUMMARY			
<u>Description</u>	<u>Kinsland</u>	<u>WNC White</u>	<u>Stafford</u>
Homer, GA	\$440.00	\$443.00	\$678.10
Asheville	\$350.00	\$350.00	\$581.66
Cost Per Gal.	\$3.74	\$4.00	\$3.89
Additional Cost per load:			
Homer, GA	\$20.00	\$20.00	\$10.00
Asheville	\$20.00	\$15.00	\$4.45

November 17, 2014, the Director of Public Works presented the bid results to the Commissioners and a motion was made and approved to award the transfer trucking services contract to Kinsland Trucking at \$440.00 per load to Homer, GA and \$350.00 to Asheville. Prior to recommending the award of the bid, the Public Work Director, County Manager and County Attorney reviewed the bids and bid documents. During the discussion, the group acknowledged that Kinsland Trucking had submitted the low bid for base hauling charges and the low bid for the additional premium increase in the event a fuel adjustment took effect. The only outlying issue was the difference in the base fuel price per gallon between Kinsland and WNC White. The consensus of the group was to recommend the award to the low bidder, focusing on base price; otherwise, speculation would be required as to whether fuel prices would increase and how quickly they may increase.

November 19, 2014 a letter from David Brown, attorney for WNC White, was received by the County Manager as a formal protest of the November 17th action by the Commissioners. The protest suggested that the bids were incomplete and there were inconsistencies in the bid process. The suggestion of incomplete bid responses were inaccurate based on the claim that bids were subject to the formal bidding procedures. This bid is a service bid and the formal bid procedures do not apply and Mr. Brown was notified of this in a letter dated November 20, 2014. The second matter related to the cost per gallon of the fuel adjustment. WNC White submitted a base cost bid per gallon of \$4.00 while Kinsland Trucking used a base cost bid per gallon of \$3.74.

If one speculates that fuel prices will increase, then WNC White would have the lower bid during the period that fuel prices are between \$3.74 and \$3.99 per gallon; however, until fuel prices reach \$3.74 per gallon, Kinsland Trucking has the low bid. Historically, fuels prices have trended to move up quickly if prices start to rise. If fuel price reach \$3.74 per gallon, then WNC White would have the lowest bid until the cost per gallon for diesel reaches \$4.00 per gallon.

The options at this time are:

(a) Take no action and stay the course with the November 17th action.

(b) Rescind the action of November 17th; reject all bids received on November 13, 2014, and rebid contract. If this is the choice then it is recommended that bid instructions provide the base fuel cost per gallon when the fuel adjustment increase takes effect and the additional amount that would be reimbursed when fuel prices reach the base fuel cost per gallon. In addition, this additional amount would be provided each time that fuel prices increase by \$.025 increments above the base fuel cost per gallon. Conversely, the additional amounts would be removed as fuel prices decrease below the additional \$.25 increments and below the base fuel cost; however, the reimbursement would never go below the base bid amount for hauling to Homer GA and Asheville NC. Under this scenario, bidders will only provide two numbers: (1) base cost for per trip charge to Homer GA and (2) base cost for per trip charge to Asheville NC. In the unlikely event that bidders submit the identical bids, it is recommended that the contract be awarded to the current hauler.

Press Conference:

CLOSED SESSION:

Motion: *Commissioner Elders moved that the Board go into closed session pursuant to G.S. 143-318.11(a)(3) Legal. Commissioner Jones seconded the Motion. Motion carried.*

Chairman McMahan called the regular meeting back to order and stated no action was taken in Closed Session and a contract, which has been signed by the county for the solid waste hauling, is ready for Mr. Kinsland to sign.

There being no further business, Commissioner Greene moved to adjourn the meeting. Commissioner Jones seconded the Motion. Motion carried and the meeting adjourned at 3:50 p.m.

Attest:

Approved:

Angela M. Winchester, Clerk to Board

Brian Thomas McMahan, Chairman