

Streamlined Purchasing

RFP, standardized fleet improve fleet management efficiency

A Cat® 324E L Extended Reach Hydraulic Excavator perched alongside a stream diverted from the Mad River in Dayton, Ohio, pulled buckets of gravel from the waterway, and loaded them into a Cat 725 Articulated Truck.



Gary Schmaltz
Fleet Manager
Dayton, Ohio

City of Dayton crews rely on the machines to clear debris, silt, and muck from infiltration ditches and recharge lagoons that maintain a high rate of infiltration into the underlying aquifer.

A sand and gravel aquifer beneath Dayton provides water for the city and outlying areas. The city's artificial recharge system ensures that groundwater levels are high enough for large drawdowns by high-capacity wells.

It's no coincidence that the city crew utilized Cat equipment to clear the stream and truck the gravel to a storage area.

In an effort to standardize its fleet when possible, the city granted primary vendor status to Caterpillar in late 2011. Fleet standardization benefits include: operation efficiency, greater compatibility of work tool attachments, easier service, fewer parts in stock, and a decreased need for software and diagnostic equipment.

"When we did this, we recognized that it is a best business practice to standardize operations whenever possible," said Gary Schmaltz, fleet manager. "It's not only construction equipment. We have a primary supplier for tires, for instance."

The city put heavy trucks and construction equipment through an RFP process, and Caterpillar was selected as the primary vendor for those machines.

"We solicited every large equipment manufacturer to make sure every company had an opportunity. Caterpillar had some pretty stiff competition," said Schmaltz.

Interested parties answered 13 questions, and answers were weighted by the city to determine the primary vendor. "Part of it was a price comparison on a long reach excavator and a wheel loader.

The vendors put their proposals together for the machinery, and then we scored them accordingly," said Schmaltz.

Great Foresight

The RFP goes beyond the initial purchase price to consider the overall owning and operating costs for the life of the machine.

"This shows great foresight by city leaders," said Schmaltz. "They used the total cost of operation for the life of the machine, and recognized that is the most cost-effective approach for taxpayers."

Other factors such as product support provided by the manufacturer and dealer are also considered when selecting a primary vendor.

Services provided by Ohio Cat and Caterpillar include operator training each time a new

machine is purchased, as well as when new operators are hired, easy access to training manuals online, and unequaled parts availability.

The Clayton, Ohio Parts Distribution Center (the second largest in the Caterpillar distribution system) is just miles from Dayton.

"We are confident that just about anything that we might need in—even in an emergency—is in stock at the distribution center or dealership," said Schmaltz. "Caterpillar scored the highest on parts availability."

Resale value is also a factor. Cat machines hold their value better than other brands. "We had a low-hour D3 that we sold for \$6,000 less than what we had paid for it 20 years earlier," said Schmaltz.

Machine performance is also important to the city, including fuel economy, durability, and compliance with emission requirements.

The RFP has a five-year life, and will be reviewed at that time to once again determine which manufacturer is best suited to meet the city's construction equipment needs.

Schmaltz will work to determine RFP savings from the current agreement. "For example, how much more does it cost to stock extra oil filters for a variety of manufacturers compared to a single one? It will take some time to determine the full impact of that," Schmaltz said.

Other Benefits

With a standardized fleet, operators can freely move from one machine to another. That means an operator can easily

Nothing But Cat® Machines

More than 40 Cat® machines are part of the city's fleet of 1,800 pieces, including:

- Four 242B Skid Steer Loaders
- 324E L Extended Reach Hydraulic Excavator
- Three 420D Backhoe Loaders
- Five 420E Backhoe Loaders
- Two 725 Articulated Trucks
- Three 938G Wheel Loaders
- 938K Wheel Loader
- 953 Wheel Loader
- 963 Wheel Loader
- Two 973 Track Loaders
- Two Compactors
- D3G Track-type Tractor
- D6T Track-type Tractor
- Five Generators
- Two H70 Hammers
- Two M318 Wheel Excavators



fill-in for an absent employee, with no training to learn new machine controls.

"How do you quantify some of these things? We recognized that if we make it more familiar for the operators, that adds efficiency," Schmaltz said.

Standardization also means the city can purchase fewer work tool attachments, and has the

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Safety First

12 tips to keep your staff on their feet

Slips, trips and falls are the most common workplace accidents, and comprise over 35 percent of all occupational injuries since 2002, according to the U.S. Occupational Safety and Health Administration (OSHA).

The good news is that many of these accidents can be prevented. The following tips can help reduce your agency's hazards:

1. Clear slip hazards such as water, ice, snow, oil and grease from walking and working surfaces immediately.
2. Walk; don't run to your destination.
3. Wear boots that have good tread and are made of non-slip material (rubber).
4. Watch where you are going while walking, and pay attention to your surroundings.
5. Always familiarize yourself with the work area and activities before starting.
6. Pick up hoses, cords, chains and other similar hazards immediately after use, and safely store them. Install retractable hose and cord reels whenever possible.
7. Maintain three points of contact when climbing ladders, stairs, and when entering or exiting machines. Use handrails when they are available.
8. Inspect walkways before lifting and carrying something if your visibility to the ground is going to be obstructed.
9. Pick up and properly dispose of banding and straps when unpacking materials and supplies.
10. Apply non-slip tape to handrails, steps and walking surfaces if necessary.
11. Pick up and safely store brooms, shovels and tools. Do not lean them against a vertical surface because they can fall over and become trip hazards.
12. Always use fall protection if there is any possibility that you could be injured by a fall from an elevated work area.

Learn more ways to improve your agency's safety at Safety.Cat.Com.



Welcome to The Safety Zone. At any governmental agency, safety is top priority. At least, it should be. Injuries on the job hurt everyone. Beyond missed time, injuries also adversely affect workplace morale, decrease production, and raise insurance costs. To help your agency improve safety, **Governmental Solutions** is launching The Safety Zone. Tips on how to work safely will appear in each issue.

ability to utilize less-used attachments on numerous machines.

And as technicians become more familiar with the characteristics of Cat machines, service becomes easier and more efficient.

Cat machines' durability also helps prevent unscheduled repairs, and enables technicians to better adhere to a preventive maintenance sched-

ule. The city schedules routine service to prevent breakdowns. Planned repairs are, of course, much less expensive than breakdowns. "We try to keep things planned. We do what we can to avoid breakdowns," Schmaltz said.

High quality filters, better engine oil, and quality parts have enabled technicians to lengthen

PM intervals. "We use engine oil sampling to pinpoint intervals that we can safely implement," Schmaltz said. "We use these tools to effectively manage our fleet, and drive our costs down. A longer PM means fewer dollars per hour of operation and maintenance."

Improved efficiency and fleet management go hand-in-hand in Dayton. ☺

A Better Way

The city of Dayton has standardized its construction equipment fleet to improve the fleet and lower operating costs. Benefits of standardizing include:

- **Improved maintenance efficiency** – Technicians become more familiar with diagnostic and service procedures, which enables them to complete work more quickly.
- **Fewer diagnostic and specialty tools** – Each manufacturer requires unique tools and software interfaces to fully service their units. Standardization reduces this cost.
- **Smaller parts inventory** – Standardization reduces the variations of commonly stocked parts such as filters and brakes.
- **Improved operator efficiency and safety** – Operators become more familiar with controls, feel, and maintenance responsibilities by running a standardized fleet.

- **Lower procurement cost** – When the standardization process is complete, time and effort required for purchasing is greatly reduced.
- **Better manufacturer and dealer support** – The standard construction equipment provider views the relationship as long-term, rather than a single sale.

