



City of Grand Island

Tuesday, October 23, 2018

Council Session

Item G-21

#2018-319 - Approving Skid Steer Buy-Back for Streets Division of the Public Works Department

Staff Contact: John Collins, P.E. - Public Works Director

Council Agenda Memo

From: Shannon Callahan, Street Superintendent

Meeting: October 23, 2018

Subject: Approving Skid Steer Buy-Back for Streets Division of the Public Works Department

Presenter(s): John Collins PE, Public Works Director

Background

The Streets Division currently owns two compact track loaders (skid steers). One compact track loader is a front line machine for the Streets Division's concrete repair crew that is primarily used for concrete removal (sawing, hammering, and excavating). The other compact track loader is used mainly for asphalt roadway patching by clearing and loading millings from sections of roadway in preparation for new hot-mix asphalt.

On November 25, 2014, via Resolution No.'s 2014-353 and 2014-354, City Council approved the purchase of two new skid steers (one rubber tire and one track loader) and future participation in a buyback program with Central Nebraska Bobcat of Grand Island, NE. The Buyback program gives the City an opportunity to own a new machine, at minimal cost, each year lowering the risk of down time for a key piece of equipment and reducing equipment maintenance costs.

On November 8, 2016, via Resolution No. 2016-275, City Council approved an upgrade to the rubber tire skid steer to a compact track loader which made two (2) major impacts. First, the new compact track loader used by the asphalt crew has alleviated issues with tires on the new asphalt patches either popping (causes crew downtime) or marring the asphalt. Secondly, the upgrade allowed Streets to more efficiently clean and mow drainage cells without spending extra money on rented equipment.



Examples of Compact Track Loaders

Discussion

Skid Steer A – T650 T4

The cost breakdown below is based on 450 hours of use on the current compact track loader which may vary slightly at time of delivery. The Streets Division is requesting a few added safety options; backup camera and reversing fan for an additional cost of \$1,142.04.

T650 T4 Bobcat Compact Track Loader	
Cost of Use	
\$11/HR @ 450 HRS	\$4,950.00
New Machine Price Increase	\$2,147.04
Net Purchase Price	\$7,097.04

Skid Steer B – T595 T4

The cost breakdown below is based on 250 hours of use on the current compact track loader which may vary slightly at time of delivery. The Streets Division is requesting a few added safety options including; backup camera, ride control, and reversing fan for an additional cost of \$1,142.04.

T595 T4 Bobcat Skid Steer Loader	
Cost of Use	
\$11/HR @ 250 HRS	\$2,750.00
New Machine Price Increase	\$2,315.04
Net Purchase Price	\$5,065.04

Public Works staff is recommending participation in Bobcat's buyback program and the purchase of a new a T650 T4 compact track loader for \$52,489.38 with a trade-in value of \$45,392.34 for a net purchase price of \$7,097.04 and the purchase of a new T595 T4 compact track loader for \$48,403.80 with a trade-in value of \$43,338.76 for a net purchase price of \$5,065.04 from Central Nebraska Bobcat of Grand Island, NE.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that the Council approve the participation in Bobcat's buyback program and the purchase of a new a T650 T4 compact track loader for \$52,489.38 with a trade-in value of \$45,392.34 for a net purchase price of \$7,097.04 and the purchase of a new T595 T4 compact track loader for \$48,403.80 with a trade-in value of \$43,338.76 for a net purchase price of \$5,065.04 from Central Nebraska Bobcat of Grand Island, NE.

Sample Motion

Move to approve the participation in Bobcat's buyback program and the purchase of a new a T650 T4 compact track loader for \$52,489.38 with a trade-in value of \$45,392.34 for a net purchase price of \$7,097.04 and the purchase of a new T595 T4 compact track loader for \$48,403.80 with a trade-in value of \$43,338.76 for a net purchase price of \$5,065.04 from Central Nebraska Bobcat of Grand Island, NE.

RESOLUTION 2018-319

WHEREAS, the City of Grand Island City Council approved participation in a buyback program with Central Nebraska Bobcat of Grand Island, Nebraska, via Resolution No.'s 2014-353 and 2014-354 on November 25, 2014; and

WHEREAS, Central Nebraska Bobcat quoted a price for purchasing a new T650 T4 compact track loader for \$52,489.38 with a trade-in value of \$45,392.34 for a net purchase price of \$7,097.04; and

WHEREAS, Central Nebraska Bobcat quoted a price for purchasing a new T595 T4 compact track loader for \$48,403.80 with a trade-in value of \$43,338.76 for a net purchase price of \$5,065.04.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the purchase of a new a T650 T4 compact track loader for \$52,489.38 with a trade-in value of \$45,392.34 for a net purchase price of \$7,097.04 and the purchase of a new T595 T4 compact track loader for \$48,403.80 with a trade-in value of \$43,338.76 for a net purchase price of \$5,065.04 from Central Nebraska Bobcat of Grand Island, NE is approved.

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Adopted by the City Council of the City of Grand Island, Nebraska, October 23, 2018.

Jeremy L. Jensen, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	▣ _____
October 18, 20182	▣ City Attorney