



# **City of Grand Island**

**Tuesday, November 12, 2019**

**Council Session**

## **Item G-12**

**#2019-331 - Approving Skid Steer Buy-Back for Streets Division**

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

# **Council Agenda Memo**

**From:** Shannon Callahan, Street Superintendent

**Meeting:** November 12, 2019

**Subject:** Approving Skid Steer Buy-Back for Streets Division

**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.

In November of 2014, the 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.

In November of 2016, the City Council approved an upgrade to the rubber tire skid steer to a compact track loader which made two 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**

The Net Cost breakdown for each skid steer is shown in the tables below.

<b>T650 T4 Bobcat Compact Track Loader</b>	
New Machine Cost	\$54,710.48
Trade Value based on Buyback Agreement	\$47,960.48
<b>Net Purchase Price</b>	<b>\$6,750.00</b>

<b>T595 T4 Bobcat Skid Steer Loader</b>	
New Machine Cost	\$50,542.52
Trade Value based on Buyback Agreement	\$45,883.52
<b>Net Purchase Price</b>	<b>\$4,659.00</b>

Public Works staff is recommending participation in Bobcat's buyback program and the purchase of a new a T650 T4 compact track loader for \$54,710.48 with a trade-in value of \$47,960.48 for a net purchase price of \$6,750.00 and the purchase of a new T595 T4 compact track loader for \$50,542.52 with a trade-in value of \$45,883.52 for a net purchase price of \$4,659.00 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 \$54,710.48 with a trade-in value of \$47,960.48 for a net purchase price of \$6,750.00 and the purchase of a new T595 T4 compact track loader for \$50,542.52 with a trade-in value of \$45,883.52 for a net purchase price of \$4,659.00 from Central Nebraska Bobcat of Grand Island, NE.

### **Sample Motion**

Motion to approve the participation in Bobcat's buyback program and the purchase of a new a T650 T4 compact track loader for \$54,710.48 with a trade-in value of \$47,960.48 for a net purchase price of \$6,750.00 and the purchase of a new T595 T4 compact track loader for \$50,542.52 with a trade-in value of \$45,883.52 for a net purchase price of \$4,659.00 from Central Nebraska Bobcat of Grand Island, NE.

RESOLUTION 2019-331

WHEREAS, the City of Grand Island City Council approved participation in a buyback program with Central Nebraska Bobcat of Grand Island, NE in November of 2014; and

WHEREAS, Central Nebraska Bobcat quoted a price for purchasing a new T650 T4 compact track loader for \$54,710.48 with a trade-in value of \$47,960.48 for a net purchase price of \$6,750.00; and

WHEREAS, Central Nebraska Bobcat quoted a price for purchasing a new T595 T4 compact track loader for \$50,542.52 with a trade-in value of \$45,883.52 for a net purchase price of \$4,659.00.

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 \$54,710.48 with a trade-in value of \$47,960.48 for a net purchase price of \$6,750.00 and the purchase of a new T595 T4 compact track loader for \$50,542.52 with a trade-in value of \$45,883.52 for a net purchase price of \$4,659.00 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, November 12, 2019.

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Roger G. Steele, Mayor

Attest:

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RaNae Edwards, City Clerk

Approved as to Form	☐ _____
November 8, 2019	☐ City Attorney