



City of Grand Island

Tuesday, December 17, 2019

Council Session

Item G-13

#2019-363 - Approving Purchase of a New Motor Grader for the 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: December 17, 2019

Subject: Approving Purchase of a new Motor Grader for the Streets Division of the Public Works Department

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

Background

The Streets Division of the Public Works Department has budgeted funds for a new Motor Grader in the 2019/2020 Fiscal Year.

Unit 230, a 1975 CAT 120G Motor Grader, has been offered for trade-in. Unit 230 has over 11,000 hours and a repair cost to purchase price ratio of 1.57. Its primary use is plowing snow and is occasionally used for grading gravel streets and alleys. The new motor grader loader will be used as a front-line unit and one of the current front-line graders will be rotated to a lower frequency use position.



Unit 230 - 1975 CAT 120G

Discussion

The City of Grand Island City Council approved the use of the National Joint Powers Alliance Buying Group (NJPA), now known as Sourcewell, with Resolution 2014-326.

To meet competitive bidding requirements, the Streets Division obtained pricing from the (NJPA) Sourcewell Contract No. 032515-JDC awarded to John Deere; with Murphy Tractor & Equipment Co. of Grand Island, NE assigned as our authorized dealer.



New JD 672G Motor Grader

Per the Sourcewell Contract No. 032515-JDC the price for the new 672G John Deere Motor Grader, that meets the City's specifications, will be \$279,000. John Deere is offering \$17,000.00 trade value for the 1975 CAT motor grader (Unit 230) for a net purchase price of \$262,000.

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 purchase of a new 672G John Deere Motor Grader from Murphy Tractor & Equipment Co of Grand Island, NE for a net purchase price of \$262,000.

Sample Motion

Move to approve the purchase of a 672G John Deere Motor Grader from Murphy Tractor & Equipment Co of Grand Island, NE for a net purchase price of \$262,000.

RESOLUTION 2019-363

WHEREAS, Sourcewell, formerly known as the National Joint Powers Alliance, cooperative purchasing group was utilized to secure competitive bids for a New Motor Grader by the Streets Division of the Public Works Department; and

WHEREAS, Sourcewell Contract No. 032515-JDC was awarded to John Deere. and authorized Murphy Tractor & Equipment Co of Grand Island, NE to offer said contract pricing to the City of Grand Island, Nebraska; and

WHEREAS, the Public Works Department has recommended the purchase of a new 672G John Deere Motor Grader from Murphy Tractor & Equipment Co of Grand Island, NE for a purchase price of \$279,000 with a trade in allowance of \$17,000 for a net purchase price of \$262,000.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that a purchase order and subsequent payment for the 672G John Deere Motor Grader from Murphy Tractor & Equipment Co of Grand Island, NE is hereby approved.

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Adopted by the City Council of the City of Grand Island, Nebraska, December 17, 2019.

Roger G. Steele, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	▣ _____
December 13, 2019	▣ City Attorney