



# City of Grand Island

Tuesday, October 26, 2021

Council Session

## Item G-14

**#2021-295 - Approving Purchase of One (1) 2022 Model 36,000  
Pound Four Wheel Drive Front End Loader for the Solid Waste  
Division of the Public Works Department**

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

# **Council Agenda Memo**

**From:** Jeff Wattier, Solid Waste Superintendent

**Meeting:** October 26, 2021

**Subject:** Approving Purchase of One (1) 2022 Model 36,000 Pound Four Wheel Drive Front End Loader for the Solid Waste Division of the Public Works Department

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

## **Background**

The Solid Waste Division budgeted for one (1) 2022 Model 36,000 pound four wheel driver front end loader in the 2021/2022 FY to replace a 2018 Caterpillar 938M wheel loader with approximately 4,200 hours. This loader is a front-line piece of equipment that is utilized on a daily basis for loading transfer trailers hauling solid waste from the transfer station to the landfill for disposal.

## **Discussion**

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

To meet competitive bidding requirements, the Solid Waste Division obtained pricing from the Sourcewell Contract No. 032119 CAT awarded to NMC/ Nebraska Machinery Company of Doniphan, Nebraska.

Public Works staff is recommending the purchase of one (1) 2022 Caterpillar 938M four wheel drive front end loader from NMC/ Nebraska Machinery Company in the amount of \$264,315.00, accounting for a \$106,000.00 trade-in of the current piece of equipment, the final purchase price is \$158,315.00. NMC/Nebraska Machinery Company does guarantee a purchase back (trade-in) amount for the new piece of equipment, as detailed below.

1 year or 1,000 hours = \$170,000.00
2 year or 2,000 hours = \$150,000.00
3 years or 3,000 hours = \$132,000.00
4 years or 4,750 hours = \$116,000.00

Following is a picture of the 2018 Caterpillar 938M wheel loader with approximately 4,200 operating hours that is to be traded.



The current four (4) year old machine does have a guaranteed repurchase (buy-back) amount of \$106,000.00 from the vendor's bid four (4) years ago, which is what we are getting for the used machine. The tires on this machine are completely worn and the bucket will not be sold with the machine

### **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 one (1) 2022 Model 36,000 pound four wheel drive front end loader for the Solid Waste Division in the amount of \$264,315.00, minus \$106,000.00 trade-in of the current piece of equipment, resulting in the final purchase price of \$158,315.00.

### **Sample Motion**

Move to approve the resolution.

RESOLUTION 2021-295

WHEREAS, the National Joint Powers Alliance Buying Group, now known as Sourcewell, was utilized to secure competitive bids for one (1) 2022 Model 36,000 pound four wheel drive front end loader by the Solid Waste Division of the Public Works Department; and

WHEREAS, the Sourcewell Contract No. 032119 CAT was awarded to NMC/ Nebraska Machinery Company of Doniphan, Nebraska; and

WHEREAS, the Public Works Department has recommended the purchase of one (1) 2022 Model 36,000 pound four wheel drive front end loader from NMC/ Nebraska Machinery Company of Doniphan, Nebraska in the amount of \$264,315.00, minus \$106,000.00 trade-in of the current piece of equipment, resulting in the final purchase price of \$158,315.00.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the purchase of one (1) 2022 Caterpillar 938M four wheel drive front end loader from NMC/ Nebraska Machinery Company of Doniphan, Nebraska is hereby approved.

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Adopted by the City Council of the City of Grand Island, Nebraska, October 26, 2021.

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Roger G. Steele, Mayor

Attest:

\_\_\_\_\_  
RaNae Edwards, City Clerk

Approved as to Form	☐ _____
October 22, 20212	☐ City Attorney