



City of Grand Island

Tuesday, January 24, 2006

Council Session

Item G14

#2006-23 - Approving Bid Award for One (1) 2006 Four-Wheel Drive Front End Loader (Solid Waste Division)

Staff Contact: Steven P. Riehle, Public Works Director

Council Agenda Memo

From: Steven P. Riehle, Public Works Director

Meeting: January 24, 2006

Subject: Approving Bid Award for One (1) 2006 Model 29,250 Pound Four-Wheel Drive Front End Loader (Solid Waste Division)

Item #'s: G-14

Presenter(s): Steven P. Riehle, Public Works Director

Background

On December 10, 2005 the Solid Waste Division of the Public Works Department advertised for bids for the purchase of a 2006 Model 29,250 Pound Four-Wheel Drive Front End Loader. Funds for the loader were in the approved 2005/2006 budget (\$230,000 on page 269 of the 2005 / 2006 Annual Budget Report).

Discussion

Bids were received and opened on December 22, 2005. The Solid Waste Division of the Public Works Department reviewed the bids that were received. The loader bid by Caterpillar meets all of the specifications and based on an anticipated 4-year ownership, is the machine with the lowest net cost of ownership.

Exceptions to the bids are noted as follows.

John Deere:

The specifications called for no more than 6 fins per inch on the radiator to keep the radiator from plugging with trash and debris. The John Deere loader has 7 fins per inch. Nine (9) fins per inch is the John Deere standard for a regular duty loader. Since seven (7) is the standard for a John Deere solid waste loader, this fin spacing is acceptable.

The specifications also called for a "factory installed scale or equivalent weight management system". A factory-installed scale performs better and eliminates finger pointing when troubleshooting and performing maintenance. The John Deere loader has an aftermarket scale installed by the dealer.

Case:

The Case loader does not meet the specifications for the loader bucket pin height of 14 feet. The Case Loader pin height is only 13'. A summary of the bids is shown below.

<u>Vendor</u>	<u>Make</u>	<u>Base Bid</u>	<u>Buy Back Amount</u>	<u>Buy Back Term</u>	<u>Net Cost of Ownership</u>
Road Builders	Komatsu	\$178,069	\$85,000	2 Years	\$93,069
Omaha, NE			\$73,000	3 Years	\$105,069
			\$60,000	4 Years	\$118,069
Nebraska Machinery Co.	Caterpillar	\$192,355	\$113,356	2 Years	\$78,999
Doniphan, NE			\$102,021	3 Years	\$90,334
			\$91,819	4 Years	\$100,536
Murphy Tractor & Equipment	John Deere	\$172,230	\$100,000	2 Years	\$72,230
Grand Island NE			\$85,000	3 Years	\$87,230
			\$70,000	4 Years	\$102,230
Mid Land Equipment Co.	Case	\$168,528	\$100,000	2 Years	\$68,528
Lincoln NE			\$85,000	3 Years	\$83,528
			\$65,000	4 Years	\$103,528

There are sufficient funds for this purchase in Account No. 50530040-85615.

Alternatives

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

1. Make a motion to approve the purchase of the 2006 Four Wheel Drive Front End Loader from Nebraska Machinery Co., of Doniphan, Nebraska in the amount of \$ 192,355.
2. Refer the issue to a committee.
3. Postpone the issue to a future date.
4. Take no action on the issue.

Recommendation

City Administration recommends that the Council approve the purchase of the Four Wheel Drive Front End Loader from Nebraska Machinery Co.

Sample Motion

Approve the purchase of the Front End Loader.

Purchasing Division of Legal Department
INTEROFFICE MEMORANDUM



Dale M. Shotkoski, Assistant City Attorney

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Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: December 22, 2005 at 11:00 a.m.
FOR: 2006 Four Wheel Drive Front End Loader
DEPARTMENT: Public Works
ESTIMATE: \$230,000.00
FUND/ACCOUNT: 50530040-85615
PUBLICATION DATE: December 10, 2005
NO. POTENTIAL BIDDERS: 5

SUMMARY

Bidder:	<u>Road Builders</u> Omaha, NE	<u>Nebraska Machinery Co.</u> Doniphan, NE
Bid Security:	Fidelity & Deposit Co.	Fidelity & Deposit Co.
Exceptions:	Noted	None
Make/Model:	Komatsu WA320-5	Caterpillar 938G Series II
Bid Price:	\$178,069.00	\$192,355.00

Bidder:	<u>Murphy Tractor & Equip.</u> Grand Island, NE	<u>Mid-Land Equipment Co.</u> Lincoln, NE
Bid Security:	Sentry Select Ins. Co.	Merchants Bonding Co.
Exceptions:	Noted	Noted
Make/Model:	John Deere 624J	Case 721D
Bid Price:	\$172,230.00	\$168,528.00

cc: Steve Riehle, Public Works Director
Danelle Collins, PW Admin. Sec.
Gary Greer, City Administrator
Laura Berthelsen, Legal Assistant

Bud Buettner, Assist. PW Director
Mike Dvorak, Interim Solid Waste Supt.
Dale Shotkoski, Purchasing Agent

P1046

RESOLUTION 2006-23

WHEREAS, the City of Grand Island invited sealed bids for one (1) 2006 29,250 Pound Four Wheel Drive Front End Loader for the Solid Waste Division of the Public Works Department, according to specifications on file with the City Clerk; and

WHEREAS, on December 22, 2005, bids were received, opened and reviewed; and

WHEREAS, Nebraska Machinery Co. of Doniphan, Nebraska, submitted a bid in accordance with the terms of the advertisement of bids and specifications and all other statutory requirements contained therein, such bid being in the amount of \$192,355; and

WHEREAS, such bid is below the estimate for such loader.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Nebraska Machinery Co. of Doniphan, Nebraska, in the amount of \$192,355 for one 2006 29,250 pound four wheel drive front end loader is hereby approved as the lowest responsible bid.

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Adopted by the City Council of the City of Grand Island, Nebraska, January 24, 2006.

Jay Vavricek, Mayor

Attest:

RaNae Edwards, City Clerk