



City of Grand Island

Tuesday, June 26, 2007

Council Session

Item G12

#2007-149 - Approving Release and Rescission of Bid Award for Backhoe/Loader with Nebraska Machinery Co. and Approving Bid Award to Ditch Witch of Nebraska

Staff Contact: Steve Paustian

Council Agenda Memo

From: Steve Paustian, Parks and Recreation Director

Meeting: June 26, 2007

Subject: Approving Release and Rescission of Bid Award for Backhoe/Loader with Nebraska Machinery Co. and Approving Bid Award to Ditch Witch of Nebraska

Item #'s: G-12

Presenter(s): Steve Paustian, Parks and Recreation Director

Background

On April 10 2007 Nebraska Machinery Co., the Cat Rental Store of Doniphan was awarded a bid to provide the Park and Recreation Department a backhoe/Loader in the amount of \$51,490.00. See attached memo from Cemetery Supervisor Mick Leth as to the purchase of this equipment. Since the award, it has come to the attention of Nebraska Machinery Co. that they are not authorized to sell the Ditch Witch unit they bid.

Discussion

Nebraska Machinery Co. has showed a willingness to pay the difference between the bid they provided the City and the bid provided by Ditch Witch of Nebraska. Ditch Witch of Nebraska has agreed to honor the original bid price of \$59,360.01. The difference of \$7,870.61 will be paid to the City by Nebraska Machinery Co.

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 enter into an agreement with Ditch Witch of Nebraska to purchase the Backhoe/Loader and accept the reimbursement from Nebraska Machinery Co.

Sample Motion

Motion to Release and Rescind the bid Award of Backhoe/Loader with Nebraska Machinery Co. and approve the bid award to Ditch Witch of Nebraska.

INTEROFFICE MEMORANDUM



From the
Parks & Recreation Department

*Working Together for a
Better Tomorrow, Today.*

DATE: March 12, 2007

TO: Steve Paustian, Parks & Recreation Director
Dale Shotkoski, City Attorney

FROM: Mick Leth, Cemetery Supervisor

RE: Backhoe/Loader bid purchase

In researching a new backhoe/loader to replace our 1982 unit we have discovered that the "Class" of equipment we have now is no longer made. In February of 1983 we had six bidders that met our specs. Today, it is a different story.

The weight of the backhoe/loader is by far the number one criteria for our cemetery's operation. (This unit must be operated on and over graves constantly, often in very wet turf conditions.)

Size is a secondary factor, as our shop door must be enlarged to allow room for any machine purchased. Also, the bigger sized units may not fit in our shop even with door height modifications. (See photos)

Here is a recap of our research:

		<u>Weight</u>	<u>Height</u>
Our unit -	1982 Case 480D	9670 lbs	8'6"
New units -	2007 New Holland B95	15,223 lbs	9'6" **
	2007 CAT 420	17,196 lbs	9'3" **
	2007 CASE 580M	14,996 lbs	8'11" *
	2007 John Deere 310SJ	15,495 lbs	9'2" **
	2007 Komatsu WB146	16,090 lbs	9'8" **
	2007 JCB 2CX	14,008 lbs	8'11" *
	2007 TEREEX 760B	15,151 lbs	9'6" **
	2007 Ditch Witch XT1600	9420 lbs	8'11" *

*Requires \$3,300 door

** Requires \$9,000 door

The Ditch Witch is the only unit we can realistically consider. The next lightest machine weighs over two tons more than our current unit.

As for smaller or "mini" units, none meet our criteria in digging depth, horse power, reach, loader capability etc.

In summary, we feel a 10,000 lb maximum weight specification is justified. We hope a new unit will last 25+ years as the last one did, and we do not want to constantly deal with repairing turf and fixing crushed graves that a heavier unit would cause. Also, we don't want to have to move stones to allow room for the backhoe on almost every grave dug. This summary is based on researching and viewing other cemeteries units all across the Midwest.

ML:pb

Purchasing Division of Legal Department
INTEROFFICE MEMORANDUM



Dale M. Shotkoski, Assistant City Attorney

*Working Together for a
Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: March 28, 2007 at 11:00 a.m.

FOR: Backhoe/Loader

DEPARTMENT: Park and Recreation

ENGINEER'S ESTIMATE: \$68,000.00

FUND/ACCOUNT: 10044405-85615

PUBLICATION DATE: March 17, 2007

NO. POTENTIAL BIDDERS: 8

SUMMARY

Bidder:	<u>Mid Land Equipment</u> Lincoln, NE	<u>Mid Land Equipment</u> Lincoln, NE
Exceptions:	Noted	Noted
Model:	Case CX 50B	Case 580M
Base Bid Price:	\$44,233.00	\$56,083.78
Trade-In:	<u>8,500.00</u>	<u>8,500.00</u>
Total:	\$35,733.00	\$47,583.78
Bidder:	<u>NMC The Cat Rental Store</u> Doniphan, NE	<u>Murphy Tractor</u> Grand Island, NE
Exceptions:	None	Noted
Model:	Ditch Witch XT1600	John Deere 110
Base Bid Price:	\$59,990.00	\$45,170.00
Trade-In:	<u>8,500.00</u>	<u>8,250.00</u>
Total:	\$51,490.00	\$36,920.00

Bidder: Ditch Witch of Nebraska
Grand Island, NE

Exceptions: None

Model: Ditch Witch XT1600

Rueter's
Johnston, IA

No Bid

Base Bid Price: \$67,248.69

Trade-In: 7,888.08

Total: \$59,360.61

cc: Steve Paustian, Park and Recreation Director
Patti Buettner, Park and Recreation Secretary
Sherry Peters, Legal Secretary

Mick Leth, Cemetery Supervisor
Dale Shotkoski, Purchasing Agent

P1155

RELEASE AND RESCISSION OF BID

On April 10, 2007, by Resolution No. 2007-88, Nebraska Machinery Co., the Cat Rental Store of Doniphan, Nebraska, was awarded a bid of the City of Grand Island for a backhoe/loader in the amount of \$51,490.00.

Nebraska Machinery Co., the Cat Rental Store of Doniphan, Nebraska, is unable to comply with the bid.

By authorization of the City Council of the City of Grand Island, Nebraska Machinery Co., the Cat Rental Store of Doniphan, Nebraska, is hereby released of its obligation for the backhoe/loader and the bid is hereby rescinded.

CITY OF GRAND ISLAND, NEBRASKA,
A Municipal Corporation,

ATTEST:

RaNae Edwards, City Clerk

Margaret Hornady, Mayor

The Release and Rescission of Bid is in due form according to law and are hereby approved.

Attorney for the City

Date: _____

RESOLUTION 2007-149

WHEREAS, on April 10, 2007, by Resolution No. 2007-88, the City of Grand Island awarded a bid for a backhoe/loader to Nebraska Machinery Co., the Cat Rental Store of Doniphan, Nebraska, in the amount of \$51,490; and

WHEREAS, the Nebraska Machinery Co., the Cat Rental Store of Doniphan, Nebraska, is contractually unable to comply with the bid; and

WHEREAS, the next lowest bidder for equipment with the same specifications is Ditch Witch of Nebraska, such bid being in the amount of \$67,248.69 minus a trade-in of \$7,888.08 for a total bid of \$59,360.61; and

WHEREAS, the Nebraska Machinery Co., the Cat Rental Store, has agreed to reimburse the difference.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Ditch Witch of Nebraska in the amount of \$59,360.61, is hereby approved as the lowest responsible bid and that the previous low bidder, Nebraska Machinery Co., the Cat Rental Store, is discharged from its bid upon payment to the City of Grand Island for the difference in price and that the Mayor is hereby authorized to sign a release and rescission of Nebraska Machinery Co.'s bid upon receipt of the funds.

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Adopted by the City Council of the City of Grand Island, Nebraska, June 26, 2007.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk