



# City of Grand Island

Tuesday, October 9, 2012

Council Session

## Item G20

**#2012-295 - Approving Bid Award for One (1) Snow Blower,  
Front-End Loader Mounted for the Streets Division of the Public  
Works Department**

Staff Contact: Terry Brown, Interim Public Works Director

# Council Agenda Memo

**From:** Shannon Callahan, Street Superintendent

**Meeting:** October 9, 2012

**Subject:** Approving Bid Award for One (1) Snow Blower, Front-End Loader Mounted for the Streets Division of the Public Works Department

**Item #'s:** G-20

**Presenter(s):** Terry Brown, P.E., Interim Public Works Director

## Background

On September 18, 2012 the Streets Division of the Public Works Department advertised for bids for one (1) snow blower, front-end loader mounted.

## Discussion

Three (3) capital lease purchase bids were received and opened on September 26, 2012. The Streets Division of Public Works Department and the Purchasing Division of the City Attorney's Office have reviewed the bids that were received. The bid by Nebraska Environmental Products of Lincoln, Ne meets all of the specifications. A summary of the bids is shown below.

<b>Company Name</b>	Nebraska Environmental Products	Rose Equipment	Mid-Iowa Solid Waste Equipment
<b>Base Price</b>	\$97,543.00	\$112,300.00	\$145,710.59
<b>Trade-In Value</b>	\$8,000.00	\$17,000.00	\$10,250.00
<b>Amount to be Financed</b>	\$89,543.00	\$95,300.00	\$135,460.59
<b>Fixed Annual Interest Rate</b>	2.80%	3.49%	3.11%
<b>Annual Payment Amount</b>	\$15,972.77	\$17,878.91	\$24,365.00
<b>Payment Period</b>	Annual	Annual	Annual

<b>Number of Terms</b>	6	6	6
<b>Total Purchase Price at End of Lease</b>	\$95,836.62	\$107,273.46	\$146,191.00

Funds were budgeted for Fiscal Year 2013 and are available in Account No. 10033501-85615.

### **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 capital lease purchase of One (1) Snow Blower, Front-End Loader Mounted from Nebraska Environmental Products of Lincoln, NE.

### **Sample Motion**

Move to approve the capital lease purchase of One (1) Snow Blower, Front-End Loader Mounted from Nebraska Environmental Products of Lincoln, NE.



Jason Eley, Purchasing Agent

*Working Together for a  
Better Tomorrow, Today*

**BID OPENING**

**BID OPENING DATE:** September 26, 2012 at 2:00 p.m.  
**FOR:** (1) Snow Blower, Front-End Loader Mounted  
**DEPARTMENT:** Public Works  
**ESTIMATE:** \$100,000.00  
**FUND/ACCOUNT:** 10033501-85615  
**PUBLICATION DATE:** September 18, 2012  
**NO. POTENTIAL BIDDERS:** 6

**SUMMARY**

<b>Bidder:</b>	<u>Nebraska Environmental Products</u> Lincoln, NE	<u>Mid-Iowa Companies</u> Johnston, IA
<b>Bid Security:</b>	Washington International Ins. Co.	Cashier's Check
<b>Exceptions:</b>	Noted	Noted
<b>Make:</b>	Snogo	Larue
<b>Bid Price:</b>	\$97,543.00	\$145,710.59
<b>Trade-In:</b>	\$ 8,000.00	\$ 10,250.00
<b>Delivery Date:</b>	Before 11/20/12	11/20/12

<b>Bidder:</b>	<u>Rose Equipment, Inc.</u> Lincoln, NE
<b>Bid Security:</b>	Granite Re, Inc.
<b>Exceptions:</b>	Noted
<b>Make:</b>	Tenco
<b>Bid Price:</b>	\$112,300.00
<b>Trade-In:</b>	\$ 17,000.00
<b>Delivery Date:</b>	4 – 6 weeks

cc: Terry Brown, Interim Public Works Director  
Jason Eley, Purchasing Agent  
Mary Lou Brown, City Administrator

Catrina DeLosh, PW Admin. Assist.  
Shannon Callahan, Streets Supt.

**P1594**

September 20, 2012

To: Greg Oliverius

Key Government Finance, Inc.  
 1000 South McCaslin Blvd.  
 Superior, CO 80027  
 216-370-6277 (FAX)



Key Government Finance is pleased to present the following proposal for the transaction described below:

**LESSOR:** Key Government Finance, Inc.  
**LESSEE:** City of Grand Island  
**PROPERTY:** 2012 SnoGo WK-800 loader mount snowblower  
**EXPIRATION:** 10/20/2012

**LEASE QUOTE:**

Amount	Rate	Payments	Factor	Pmts / Year	Term	Adv. / Arr.
\$89,543.00	2.80%	\$15,972.77	.17838103	1	6 years	Advance

**LEASE:** This is a tax-exempt, municipal government lease with the title to the property passing to Lessee. This is a net lease under which, all costs, including insurance, maintenance and taxes, are paid by Lessee for the term of the lease.

**NOTES:** Transaction must fund/fund to escrow by lease proposal expiration date.

**APPROVAL:** This proposal, until credit approved, serves as a quotation, not a commitment by Lessor to provide credit or property. Lessor acceptance of this Proposal is subject to credit; collateral and essential use review and approval by Lessor.

The interest rate quoted herein assumes that the interest component of the Payments is exempt from federal income tax. Lessor will provide a taxable financing proposal if it is determined that the financing will not qualify for tax-exempt interest rates.

The financing contemplated by this proposal is subject to the execution and delivery of all appropriate documents (in form and substance satisfactory to Lessor), including without limitation, to the extent applicable, the Master Lease Agreement, any Schedule, financing statements, legal opinion or other documents or agreements reasonably required by Lessor.

The quoted interest rate assumes the Lessee designates the Lease as "bank-qualified" pursuant to Section 265(b) of the Code.

Thank you for the opportunity to present this proposal. If you have any questions, please contact me at my number or e-mail address below. If you wish to accept this proposal, please do so by signing below and returning this proposal to me via FAX or e-mail. Upon receipt of this proposal, Lessor will promptly begin its credit, collateral and essential use review process.

Sincerely

Rich Meyer  
 Phone – 952-465-3956  
 FAX – 216-370-6277  
 Richard\_a\_meyer@key.com

Proposal Accepted by Lessee:
By:
Title:
Date:

RESOLUTION 2012-295

WHEREAS, the City of Grand Island invited sealed bids for one (1) Snow Blower, Front-End Loader Mounted for the Streets Division of the Public Works Department, according to specifications on file with the Public Works Department; and

WHEREAS, on September 26, 2012 bids were received, opened and reviewed; and

WHEREAS, Nebraska Environmental Products of Lincoln, Nebraska submitted a capital lease purchase 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 total amount of \$95,836.62; and

WHEREAS, annual payments of \$15,972.22 will be made for a period of six (6) years.

WHEREAS, the capital lease purchase bid from Nebraska Environmental Products of Lincoln, NE is considered fair and reasonable for such item.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the capital lease purchase bid of Nebraska Environmental Products of Lincoln, Nebraska in the total amount of \$95,836.62 for one (1) Snow Blower, Front-End Loader Mounted is hereby approved as the lowest responsive and responsible bid.

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Adopted by the City Council of the City of Grand Island, Nebraska, October 9, 2012.

\_\_\_\_\_  
Jay Vavricek, Mayor

Attest:

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

Approved as to Form	☐ _____
October 5, 2012	☐ City Attorney