

TO: James L. App, City Manager
FROM: Doug Monn, Interim Public Works Director
SUBJECT: Ad Hoc Committee – Equipment Replacement (Wheel Loader)
DATE: April 5, 2005

Needs: Appoint a Council ad hoc committee to consider request by Public Works to appropriate additional funds to purchase an articulated wheel loader with a 4-in-1 bucket option.

Facts:

1. The Council at their December 7, 2004 undertook the following actions:
 - a. Declared Unit #519 as surplus; and
 - b. Authorized the transfer of Unit #709 from the Streets Division to the Wastewater Treatment Division to replace Unit #519; and
 - c. Appropriated \$80,000 to replace the Streets Division loader.
2. Specifications were drafted, bids were sought and opened on March 3, 2005. After analysis, two low bid options were deemed responsive. The low bid for the standard bucket loader is \$95,121.10. The low bid for the 4-in-1 bucket loader is \$110,863.25.
3. Because of the added versatility and potential increased efficiency Public Works staff recommends the purchase of the more expensive loader with the 4-in-1 bucket option.
4. Given the upgrade component and additional cost of nearly \$31,000, review by a council ad hoc committee is desirable.

Analysis
and
Conclusion:

It is desirable that the Council appoint an ad hoc committee to review the request for the upgraded loader and make recommendation to full City Council given its budget implications.

Fiscal
Impact:

The upgrade will cost an additional \$15,700. The low bid for the “like” equipment is \$15,100 over the existing budget appropriation of \$80,000 for a total shortfall of \$30,800.

Options:

- a. That the Council appoint an ad hoc committee to consider request by Public Works to appropriate additional funds to purchase the upgraded loader with the 4-in-1 bucket option; and return to Council by December 6, 2005.
- b. Amend, modify, or reject the above option.