

**TO:** James L. App, City Manager  
**FROM:** Doug Monn, Interim Public Works Director  
**SUBJECT:** Equipment Replacement (Wheel Loader w/4-in-1 bucket)  
**DATE:** May 17, 2005

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**Needs:** For the City Council to consider adopting Resolution 05-xx authorizing the purchase of an Articulated Wheel Loader, with the 4-in-1 bucket option.

**Facts:**

1. On December 7, 2004, the City Council took 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 solicited 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 increased efficiency, staff recommends the purchase of a loader with the 4-in-1 bucket option.
4. The replacement cost for the loader exceeds the amount allocated in the Equipment Replacement Budget by \$15,100.00. The 4-in-1 bucket option adds an additional \$15,700.00 to the total cost of the loader. Because of the bucket upgrade and the increased cost, staff requested the bid package be reviewed by an ad hoc committee of the City Council. The Ad Hoc Committee met April 29, 2005, to review the bids and recommend the purchase of the loader with a 4-in-1 bucket option.

**Analysis  
and  
Conclusion:**

The Streets Division will be using the loader for a variety of jobs ranging from simple cleanup and loading of dirt to lifting and loading of odd shaped materials such as branches, broken asphalt, concrete blocks and pipe. The "clam shell" action of the 4-in-1 bucket will be very useful for these types of tasks. The result will be a more efficient and effective work product.

**Fiscal  
Impact:**

The replacement cost of the loader exceeds the replacement budget by \$15,100. The addition of the 4-in-1 bucket will add an additional \$15,700. The shortfall between available funds and the low bid is \$30,800.

Additionally, an adjustment of the annual recurring budget appropriation for the replacement of the loader will be necessary given the higher replacement cost. Assuming a 15-year useful life, the incremental increase to the annual set aside cost is \$2,100. The cost of the increase would come from General Fund Reserves.

**Options:**

- a. Adopt Resolution No. 05-xx awarding the Articulated Wheel Loader purchase, with 4-in-1 bucket, to Pioneer Equipment and approve an additional budget appropriation of \$31,000 from the Equipment Replacement fund to cover the loader cost.
- b. Amend, modify, or reject the above option.

Attachments (2)

- 1) Resolution
- 2) Bid Summary

RESOLUTION NO. 05-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES  
AUTHORIZING THE PURCHASE OF AN ARTICULATED WHEEL LOADER WITH A  
4-IN-1 OPTION FROM PIONEER EQUIPMENT AND APPROPRIATING FUNDS  
ASSOCIATED WITH THE PURCHASE AND ANNUAL REPLACEMENT

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WHEREAS, bids were received and opened on March 3, 2005 for an Articulated Wheel Loader with a 4-in-1 bucket option; and

WHEREAS, two low bid options were deemed responsive, one being for the standard bucket loader and the other for the 4-in-1 bucket loader; and

WHEREAS, staff recommends the purchase of the 4-in-1 bucket option due to the added versatility and potential increased efficiency; and

WHEREAS, the purchase with the upgraded component will cost an additional \$31,000; and

WHEREAS, an Ad Hoc committee was recommended and approved by City Council on April 5, 2005; and

WHEREAS, the ad hoc committee met on April 29, 2005, and voted to recommend the purchase of the more expensive loader with the 4-in-1 bucket option.

NOW, THEREFORE, BE IT FOUND, DETERMINED AND RESOLVED by the City Council of the City of Paso Robles to approve an additional one-time budget appropriation of \$31,000 to budget account 112-310-5454-162 from the Equipment Replacement fund to purchase an Articulated Wheel Loader with 4-in-1 bucket from Pioneer Equipment of Santa Maria, California.

BE IT FURTHER RESOLVED by the City Council of the City of El Paso de Robles that a re-occurring General Fund budget appropriation of \$2,100 to budget account 100-310-5229-162 representing the annual replacement cost for the incremental replacement cost is hereby approved.

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 17<sup>th</sup> day of May 2005 by the following vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

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Frank R. Mecham, Mayor

ATTEST:

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Sharilyn M. Ryan, Deputy City Clerk

**CITY OF PASO ROBLES  
BID SHEET**

BID SUMMARY SHEET FOR: Maintenance

DATE OF BID OPENING: March 3, 2005

ITEM NAME FOR BID: Articulated Wheel Loader

TIME OF BID OPENING: 2:00 P.M.

<b>EQUIPMENT TYPE</b>	<b>MODEL</b>	<b>VENDOR</b>	<b>Trade – In Value</b>	<b>Net Cost</b>	<b>LOW BID</b>
<b>WHEEL LOADER W/STANDARD BUCKET (1)</b>	<b>Case 621D</b>	<b>Pioneer Equipment</b>	\$13,000	<b>\$82,121.10</b>	<b>X</b>
	Cat 928G	Quinn Equipment	\$ 3,000		
	John Deere JD544J	Coastline Equip.	\$ 4,000		
	Terex TXL250-1	United Rentals	\$ 2,000		
<b>WHEEL LOADER WITH 4 IN 1 BUCKET (1)</b>	<b>Case 621D</b>	<b>Pioneer Equipment</b>	\$13,000	<b>\$97,863.25</b>	<b>X</b>
	John Deere JD544J	Coastline Equipment	\$ 4,000		
	Cat 928G	Quinn Equipment	\$ 3,000		
	Terex TXL250-1	United Rentals	\$ 2,000		