



TO: Mayor Shaun Sipma
Members of the City Council

FROM: Jason Sorenson

DATE: February 12, 2019

SUBJECT: **INDUSTRIAL WHEEL LOADER (PROJECT NUMBER 4412)**

I. RECOMMENDED ACTION

1. Recommend council award the industrial wheel loader bid to RDO Equipment in the amount of \$44,343.00 per year for a 5-year lease.
2. Recommend the additional \$4,343.00 be taken from budget savings after the skid steers purchase (Project Number 4414) came in below budget .

II. DEPARTMENT CONTACT PERSONS

Dan Jonasson, Director of Public Works 857-4140
Jason Sorenson, Assistant Director of Public Works 857-4140

III. DESCRIPTION

A. Background

On February 12, 2019, the Public Works Department opened bids for an industrial wheel loader for the Street Department. Three bids were received, and they are as follows:

<u>Bidder</u>	<u>Make/Model</u>	<u>Base Bid</u>	<u>Lease Payment</u>	<u>Buyout</u>	<u>Total Cost</u>
RDO	JD 644K	\$208,000.00	\$37,538.95	\$37,538.95	\$225,233.70
RDO	JD 644K	\$208,000.00	\$44,343.00	\$1.00	\$221,716.00
Butler	CAT 950	\$204,000.00	\$26,471.53	\$95,000.00	\$227,357.65
Titan	Case 921G	\$218,937.37	\$47,192.00	\$0.00	\$235,960.00

The units bid meet the specifications for this project. The basis of award was the total of the five lease payments plus the buyout. RDO submitted the bid with the lowest total cost of ownership.

B. Proposed Project

N/A

C. Consultant Selection

N/A

IV. IMPACT:

A. Strategic Impact:

N/A

B. Service/Delivery Impact:
N/A

C. Fiscal Impact:

Project Cost

\$44,343.00 per year for five years plus a buyout of \$1.00

Project Funding

Funding for this project is budgeted in the 2019 Street Department budget in the amount of \$40,000.

V. ALTERNATIVES

N/A

VI. TIME CONSTRAINTS

N/A

VII. LIST OF ATTACHMENTS