TO: Mayor Shaun Sipma
    Members of the City Council

FROM: Jason Sorenson, Assistant Public Works Director

DATE: October 26, 2021

SUBJECT: LANDFILL MOTOR GRADER – AWARD OF BID (PROJECT NUMBER 4653)

I. RECOMMENDED ACTION
   1. Recommend council award the bid to RDO Equipment in the amount of $16,058.83 per year for a five-year lease for a motor grader.
   2. Recommend council authorize entering a lease with American Bank Center for a new landfill motor grader lease.
   3. Authorize the Mayor and Finance Director to sign the lease documents.

II. DEPARTMENT CONTACT PERSONS
    Dan Jonasson, Director of Public Works   857-4140
    Jason Sorenson, Asst. Director of Public Works 857-4140

III. DESCRIPTION
    A. Background
        On October 26, 2021 the Public Works Department opened bids for a motor grader for the landfill. A tabulation of the bids is as follows:

        | Bidder              | Base Bid | Trade-In | 5-year Lease | Guaranteed Buyout |
        |---------------------|----------|----------|--------------|-------------------|
        | RDO Equipment Co    | $290,000 | $64,000  | $16,058.83   | $168,400.00       |
        | Butler Machinery    | $325,000 | $63,000  | $21,000.83   | $225,000.00       |

        Both machines provided by RDO and Butler do meet specifications. The basis for the bid was lowest cost of ownership over the five-year lease period.

    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 Costs

Motor Grader Lease Price $16,058.83 per year for 5 years

Project Funding
Funding for this equipment is budgeted in the 2022 Landfill rentals account in the amount of $27,000.

V. ALTERNATIVES
N/A

VI. TIME CONSTRAINTS
N/A

VII. LIST OF ATTACHMENTS