



TO: Mayor Chuck Barney
Members of the City Council

FROM: Jason Sorenson

DATE: March 12, 2018

SUBJECT: INDUSTRIAL WHEEL LOADER (PROJECT NUMBER 4326)

I. RECOMMENDED ACTION

1. Recommend council award the industrial wheel loader bid to Butler Machinery in the amount of \$25,993.59 per year for a 5-year lease.
2. Recommend approval of the attached budget amendment for the lease purchase option for the industrial wheel loader.

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 March 15, 2018, the Public Works Department opened bids for an industrial wheel loader for the Street Department. Six bids were received and they are as follows:

<i>Bidder</i>	<i>Make/Model</i>	<i>Base Bid</i>	<i>5-year Lease</i>	<i>Buyout</i>
<i>RDO Equipment</i>	<i>JD 644K</i>	<i>\$227,000</i>	<i>\$40,578.72</i>	<i>\$1.00</i>
<i>RDO Equipment</i>	<i>JD 644K</i>	<i>\$227,000</i>	<i>\$22,520.59</i>	<i>\$138,700</i>
<i>Titan Machinery</i>	<i>Case 921 G XR</i>	<i>\$239,563.73</i>	<i>\$51,801.00</i>	<i>\$1.00</i>
<i>Butler Machinery</i>	<i>Cat 950 GC</i>	<i>\$203,000</i>	<i>\$28,268.30</i>	<i>\$95,000</i>
<i>Butler Machinery</i>	<i>Cat 950 GC</i>	<i>\$203,000</i>	<i>\$25,993.59</i>	<i>\$95,000</i>
<i>ASC</i>	<i>NO BID BOND – BID NOT OPENED</i>			
<i>Ironhide</i>	<i>Doosan DL300</i>	<i>\$215,000</i>	<i>\$33,301.99</i>	<i>\$94,600</i>
<i>General Equipment</i>	<i>Komatsu WA380-8</i>	<i>\$228,399</i>	<i>\$48,690.10</i>	<i>\$1.00</i>

The units bid meet the specifications for this project. The basis of award was lowest cost of ownership over the course of the lease term, which was Butler Machinery at \$224,967.95

B. Proposed Project

N/A

C. Consultant Selection

