

Memorandum

City of Lawrence

Public Works

TO: Chuck Soules
FROM: Mark Thiel
CC: Tom Orzulak, Steve Stewart
Date: 12/3/2012
RE: **Request to purchase Street Division equipment.**

As part of the 2012 budget the city commission approved funding for the following equipment for the Street Division.

1. One (1) - 1 ton pick-up with snow plow and hydraulic system
2. Two (2) - 1 ton dumping flat-bed trucks with snow plows and hydraulic systems
3. One (1) - track mounted mini-excavator

The Public Works Department competitively bid each of these pieces of equipment. Bids were opened and reviewed on November 27 2012 (see attached memo from Tom Orzulak, Street Division Manager).

Recommendations

One (1) - 1 ton pick-up with snow plow and hydraulic system - Roberts Chevrolet and Buick : \$36,471.00.

Two (2) - 1 ton dumping flat-bed trucks with snow plows and hydraulic systems - Shawnee Mission Ford : \$91,012.

One (1) - track mounted mini-excavator - Road Builders Machinery* : \$59,980.

*The Road Builders bid for the mini-excavator was the second lowest bid by \$494.00. Both the Street Division Manager and the Fleet Division Manager have reviewed all of the bids, specifically the first and second bids. Our Fleet Division Manager has prepared a written recommendation (attached) that recommends the award be given to Road Builders Machinery. According to our fleet maintenance records we have the least amount of mechanical repairs and downtime from the Komatsu brand. With a bid separation of only \$494.00 it is anticipated that over the life of the Komatsu the overall cost to the city will be less.

Project Funding

Funding for these purchases will come from:

1. 505-3-3910-6005 (storm water fund) in the amount of \$36,471.00.
2. 214-3-3800-6005 (motor fuels tax fund) in the amount of \$91,012.00
3. 505-3-3910-6005 (storm water fund) in the amount of \$59,980.00

All four pieces of equipment were budgeted for and approved during the 2012 budget process

Action Request

Authorize the Public Works Department to purchase:

1. One (1) - 1 ton pick-up with snow plow and hydraulic system from Roberts Chevrolet and Buick : Utilizing fund 505-3-3910-6005 (storm water fund) in the amount of \$36,471.00.
2. Two (2) - 1 ton dumping flat-bed trucks with snow plows and hydraulic systems from Shawnee Mission Ford : Utilizing fund 214-3-3800-6005 (motor fuels tax fund) in the amount of \$91,012.00.
3. One (1) - track mounted mini-excavator from Road Builders Machinery : Utilizing fund 505-3-3910-6005 (storm water fund) in the amount of \$59,980.00

To: Mark Thiel

From: Tom Orzulak

Subject: Equipment/Vehicle Bids

Date: 29 Nov 2012

Equipment/ Vehicle bids were opened on November 27, 2012 for the following items for the Street Division that was included in the 2012 operating budget:

1. Bid #B1269, 1 one ton pick-up with snow plow and hydraulic system from the Storm Water budget. Bids as follows:
 - A. Roberts Chevrolet and Buick, \$36,471
 - B. Shawnee Mission Ford, \$37,298
 - C. Laird Nollor Ford, \$37,930

I recommend we purchase from the low bidder that met specifications, Roberts Chevrolet and Buick. (The local bidder, Laird Nollor, did not meet the 1% rule)

This will be purchased from account #505-3-3910-6005 and is within budget.

2. Bid #1271, 2 one ton dumping flat bed trucks with snow plows and hydraulic systems from the Gas Tax budget. Bids as follows:
 - A. Shawnee Mission Ford, \$91,012
 - B. Roberts Chevrolet and Buick, \$91,672
 - C. Laird Nollor Ford, \$92,312

I recommend we purchase from the low bidder that met specifications, Shawnee Mission Ford.

(The local bidder, Laird Nollor, did not meet the 1% rule)

This will be purchased from account #214-3-3800-6005 and is within budget.

3. Bid #B1270, 1 track mounted mini-excavator, from the Storm Water budget. Bids as follows:
 - A. Colman Equipment, \$53,475
(Does not meet specifications, rubber tracks instead of bolt on rubber on steel)
 - B. KanEquip, Inc, \$55,000
(Does not meet specifications, rubber tracks instead of bolt on rubber on steel)
 - C. Colman Equipment, \$58,517
(Does not meet specifications, rubber tracks instead of bolt on rubber on steel)
 - D. K. C. Bobcat, \$59,486
 - E. Murphy Tractor & Equipment, \$61,000
 - F. HERITAGE Tractor, Inc, \$61,883
 - G. Logan Contractor Supply, Inc, \$64,185Alternate bids:

- H. Colman Equipment, \$48,256, Rental Unit
(Does not meet specifications, rubber tracks instead of bolt on rubber on steel)
- I. K.C. Bobcat, \$54,485, New
(Does not meet specifications, shallow digging depth)
- J. Road Builders Machinery, \$59,980, Rental Unit

I recommend we purchase from Road Builders Machinery on the alternate bid list. The Komatsu machine bid met specifications exactly. It is from Road Builders demonstrator/ rental fleet and has only 120 hours of use on it and has a full 3,000 hour /3 year factory warranty, the same as the low bid new unit from K.C. Bobcat. The division has owned 2 different larger Komatsu excavators and both have been very reliable machines that have required minimal maintenance, the lowest of any equipment in the entire City fleet. The difference in price between the 2 machines is \$494.

The advantage with the rental unit is its immediate delivery compared to 60 days for the Bobcat. We presently have an immediate need for a mini-excavator to do the Ridge Ct. project that is scheduled to start next week. This purchase will more than save the price difference in rental costs to complete the project this year.

. (The local bidder, Heritage Tractor, Inc, did not meet the 1% rule)

This will be purchased from account #505-3-3910-6005 and is within budget.



City of Lawrence
KANSAS
Central Maintenance Garage

Steven P. Stewart
Fleet Manager

1141 Haskell
PO Box 708
Lawrence, KS 66044

To: Mark Thiel

From: Steve Stewart

Subject: Equipment/Vehicle Bids

Date: 11/29/2012

I agree with Tom's recommendation to purchase the Komatsu mini-excavator. I have reviewed maintenance records of both of our previous Komatsu purchases and found the costs to be the lowest of any equipment in the fleet. Additionally critical downtime during projects has been the lowest in the fleet. Road Builders Equipment has also been very cooperative in the past when dealing with any warranty issues.

I believe the additional \$495.00 purchase price will be offset by the reduced maintenance cost compared to the maintenance costs we have seen with Bobcat equipment. The equipment rental costs to complete the Olive Garden/ Ridge court project would be considerably more than the purchase difference.

Thank you

Steve Stewart

Fleet Manager