

W. 9.C.2,

AGENDA COVER MEMO

DATE: May 4, 2005
TO: Lane County Board of Commissioners
DEPT: Public Works
PRESENTED BY: Dale Wendt, Public Works Support Services Manager
AGENDA ITEM TITLE: In the Matter of Awarding a Contract to Sahlberg Equipment Co. in the Amount of \$579,996.00, for the Purchase of Four (4), New, Rubber Tire 4x4 Tractors with Boom Mounted Mowers, with no trade-in, Contract FY04/05 FS-07.

I. MOTION

MOVE TO AWARD A CONTRACT TO SAHLBERG EQUIPMENT CO., THE AMOUNT OF \$579,996.00, FOR THE PURCHASE OF FOUR (4), NEW, RUBBER TIRE 4X4 TRACTORS WITH BOOM MOUNTED MOWERS, AS SPECIFIED IN CONTRACT FY04/05 FS-07.

II. ISSUE OR PROBLEM

Shall Lane County approve awarding a contract to Sahlberg Equipment Co., for the purchase of four (4), new, rubber tire 4x4 tractors with boom mounted mowers required by Public Works Engineering Road Maintenance Section, ten-years earlier than the established replacement criteria?

III. DISCUSSION

A. Background

Lane County Department of Public Works Road Maintenance Section operates five (5) boom style mowers for the control of roadside vegetation. Four (4) of these boom style mowers were replaced in FY02/03 with mowing machines capable of accepting both roadside mowers and a variety of construction equipment attachments. These mowers did not perform as expected, resulting in increased maintenance costs and a large backlog of un-mowed roadsides.

This purchase will be funded from the FY04/05 Roads and Bridge Maintenance (\$330,000) and Fleet Services Heavy Equipment Capital Outlay (\$249,996) accounts. Sufficient funds are available in both budgets for this purchase.

Replacement of vehicles or equipment is necessary to provide direct and indirect services to the citizens of Lane County, maintain County infrastructure including roads, and bridges, and to meet the health, safety, and economic good of the citizens and industries of our community as defined in Section B3.a.2 of the Strategic Plan.

B. Analysis

Road Maintenance tracks roadside mowing productivity in miles brushed per day. A productivity analysis of the mowers purchased in FY02/03 revealed a significant drop in production, increasing roadside mowing costs \$90,800 per year. These mowers averaged 44 percent less miles brushed per day than the mower they replaced, or 1.02 miles per day compared to 1.82

miles per day with the previous machines. Extensive testing of more powerful mowers demonstrates that prior production levels could be achieved with the mowers recommended for purchase. The implementation of Lane County ordinance No. 12-03, Last Resort Policy, will result in more reliance on mechanical brush operation, further increasing costs. Without machines capable of higher production, operations will continue to fall further behind in roadside brushing and mowing operations.

The total purchase price for these machines is \$579,996; Fleet Services expects to recover approximately \$300,000 from the sale of the existing mowers, reducing the out-of-pocket cost to approximately \$280,000. Based on an annual reduction in mowing costs of \$90,800 per year, the \$280,000 will be recovered in three years.

The County received one (1) qualified bid from its Invitation to Bid. A bid of \$579,996 was submitted by Sahlberg Equipment Co., with one acceptable deviation from the published specifications.

C. Alternatives/Options

1. Purchase the above described units from Sahlberg Equipment Co., at this time.
2. Do not purchase at this time. If the existing mowing equipment is retained for the additional 10-years of scheduled life, Road Maintenance mowing costs will increase \$908,000.

D. Recommendation

It is recommended that the Board approve entering into a contract with Sahlberg Equipment Co., for the purchase of four (4), new, rubber tire 4x4 tractors with boom mounted mowers, Contract FY04/05 FS-07.

E. Timing

Upon approval of the Board, a contract will be executed between Sahlberg Equipment Co. and the County Administrator.

IV. IMPLEMENTATION/FOLLOW-UP

None.

V. ATTACHMENTS

Board Order

Bid Recap

IN THE BOARD OF COMMISSIONERS OF LANE COUNTY
STATE OF OREGON

ORDER

(IN THE MATTER OF AWARDING A
(CONTRACT TO SAHLBERG
(EQUIPMENT, CO. IN THE AMOUNT
(\$579,996.00, FOR THE PURCHASE OF
(FOUR (4), NEW, RUBBER TIRE 4X4 ,
(TRACTORS WITH BOOM MOUNTED
(MOWERS, WITH NO TRADE-IN,
(CONTRACT FY04/05 FS-07.

WHEREAS, at the duly publicized place and time on April 19, 2005, an authorized representative of the Department of Public Works, opened bids on the following:

Four (4), new rubber tire 4x4 tractors with boom mounted
mowers with no trade-in, Contract FY04/05 FS-07; and

WHEREAS, the lowest responsive bid with one (1) minor acceptable deviation was received from Sahlberg Equipment Co., in the amount of \$579,996.00, and the Director of the Department of Public Works recommends that the bid be accepted; therefore it is hereby

ORDERED that the bid received from Sahlberg Equipment Co. be accepted as recommended; and it is further

ORDERED that a contract be awarded to Sahlberg Equipment Co. in the amount of \$579,996.00 in accordance with the bid specifications; and it is further

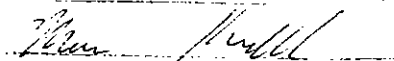
ORDERED, that a contract be executed in accordance with this Order and the bid specifications and the County Administrator be authorized to sign the contract.

DATED this _____ day of May, 2005.

Anna Morrison, Chair
Lane County Board of Commissioners

APPROVED AS TO FORM

Date 4-22-05 lane county


OFFICE OF LEGAL COUNSEL

Bid Opening: Tuesday, April 19, 2005

FOUR (4), NEW, UNUSED CURRENT-MODEL, RUBBER TIRE 4X4 TRACTORS WITH BOOM MOUNTED MOWERS, WITH NO TRADE-IN.

[illegible]