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AGENDA COVER MEMO

Memorandum Date: January 19, 2007

Order Date: February 7, 2007

TO: Lane County Board of Commissioners

DEPT: Public Works

PRESENTED BY: Phillip Guyette, Public Works Fleet Manager

AGENDA ITEM TITLE: In the Matter of Awarding a Contract to Bearcat Mfg., Inc., in the amount of \$199,965.00, for the Purchase of One (1), New Self-Propelled Chip Spreader, as specified in Contract FY06/07 FS-07.

I. MOTION

MOVE TO AWARD A CONTRACT TO BEARCAT MFG., INC., IN THE AMOUNT OF \$199,965.00, FOR THE PURCHASE OF ONE (1) NEW, SELF-PROPELLED CHIP SPREADER, AS SPECIFIED IN CONTRACT FY06/07 FS-07.

II. ISSUE OR PROBLEM

Shall Lane County approve awarding a contract to Bearcat Mfg., Inc., for the purchase of One (1), new Self-Propelled Chip Spreader, required by Public Works Engineering Division, as per established replacement criteria?

III. BACKGROUND/IMPLICATIONS OF ACTION

A. Board Action and Other History

Lane County Department of Public Works Engineering Division operates one (1) Self-Propelled Chip Spreader. This machine is designed to apply a uniformly distributed application of cover and seal coat aggregates to worn road surfaces. The existing chip spreader has been in service 12-years and has reached the end of its economic life. Breakdowns are occurring at an increased frequently with this machine, impacting Road Maintenance operations. This machine has a scheduled 10-year lifecycle.

The existing chip spreader is equipped with a 13' fixed width spread hopper, requiring bolt-on external gates, hoses and hoppers when wider spread widths are required. These bolt-on devices must be removed each time the machine is transported, increasing costs and reducing productivity.

B. Policy Issues

None

C. Board Goals

Purchase of this equipment is necessary to provide direct and indirect services to the citizens of Lane County, to maintain satisfactory operations of the County's road system, 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.

D. Financial and/or Resource Considerations

This equipment was approved for purchase in the Fleet Services FY06/07 budget, sufficient funds are available for this purchase, and the price is within the budgeted amount.

E. Analysis

The service life of the existing chip spreader has already been extended two (2) years beyond its scheduled lifecycle. The unit has reached the end of its economic life and beginning to experience increased downtime resulting from mechanical failures. The new generation of chip spreaders offer improved computer controlled aggregate feeding, better traction for operating on steeper grades, and hydraulically operated spread hoppers that expand from 10' – 20', on-the-run, improving productivity.

The County received 2 (two) responses from its invitation to bid. The low bid of \$199,965.00, without trade-in, submitted by Bearcat Mfg., Inc, contained no deviations from the published specifications. The \$20,000.00 trade-in bid Bearcat Mfg., Inc. offered in for the existing 1995 model chip spreader is deemed to be below market value. In lieu of accepting the trade-in offer from Bearcat Mfg., Inc, the Fleet Services Division plans to sell the existing chip spreader at auction for a minimum of \$30,000.00.

F. Alternatives/Options

1. Purchase the above described equipment unit from Bearcat Mfg., Inc., at this time.
2. Do not purchase at this time. The existing chip spreader has been in service 12-years and has reached the end of its economic life. Increased production and lower costs are available by upgrading to a new machine.

IV. Timing/Implementation

Upon approval of the Board, a contract will be executed between Bearcat Mfg., Inc., and the County Administrator.

V. Recommendation

It is recommended that the Board approve entering into a contract with Bearcat Mfg., Inc., for the purchase of one (1) new, Self-Propelled Chip Spreader as specified in FY06/07 F07.

IV. 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 BEARCAT MFG., INC.
(IN THE AMOUNT OF \$199,965.00 FOR
(THE PURCHASE OF ONE (1), NEW
(SELF-PROPELLED CHIP SPREADER, AS
(SPECIFIED IN CONTRACT FY06/07 FS-07

WHEREAS, at the duly publicized place and time on January 9, 2007, an authorized representative of the Department of Public Works, opened bids on the following:

One (1), Self-Propelled Chip Spreader, Contract FY06/07 FS-07

WHEREAS, the County received 2 (two) responses from its invitation to bid. The low bid of \$199,965.00, submitted by Bearcat Mfg., Inc. and contained no deviations from the published specifications, 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 Bearcat Mfg. Inc. be accepted as recommended; and it is further

ORDERED that a contract be awarded to Bearcat Mfg. Inc., in the amount of \$199,965.00 in accordance with the bid specifications; and it is further

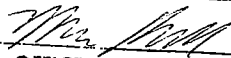
ORDERED, that a contract be executed in accordance with this Order and the bid specifications and the County Administrator be authorized to sign the contract.

DATED this 7th day of February, 2007.

Faye Stewart, Chair
Lane County Board or Commissioners

APPROVED AS TO FORM

Date 1-26-07 lane county


OFFICE OF LEGAL COUNSEL

CONTRACT FY06/07 FS-07

Bid Opening: Tuesday, January 9, 2007, 10:15 a.m.

BID RECAP

ONE (1), NEW, UNUSED, CURRENT-MODEL, SELF-PROPELLED CHIP SPREADER W/ ONE (1) TRADE-IN

<u>VENDOR</u>	<u>MAKE/MODEL</u>	<u>AMOUNT</u>	<u>TRADE-IN</u>	<u>BOND or CHECK</u>
Valley Equipment Co.	Etenyre 10-20 Hydrostatic	\$203,059.00	BearCat BC2002/CRC \$27,500.00	Bond

BearCat Mfg.	BearCat BC -2002/CRC	\$199,965.00	BearCat BC2002/CRC \$20,000.00	Check

			BearCat BC2002/CRC \$ _____	

			BearCat BC2002/CRC \$ _____	

Bid award recommendation based on:

Purchase of \$199,965.00
Trade-in n/a: trade in to be sold at auction
Net Bid \$199,965.00