

POSSIBLE MOTION

I MOVE TO APPROVE an award to Yukon Equipment of Anchorage in the amount of \$125,556.00 for a 521 Wheel Loader with optional attachments.

MEMORANDUM

To: Mayor Westover and Assembly Members
Jim Dinley, Administrator

Through: Michael Harmon, Public Works Director *MH*
Gary Baugher Jr., Maint. & Operations Superintendent *GB*

From: Mike Webb, Public Works Maintenance Supervisor

cc: Dave Wolff, Finance Director

Date: April 13, 2011

Subject: Replacement of Vehicle #233, Street Department Case 621 Loader

Background

Included in the FY11 budget for replacement is a 1990 Case 621 Wheel Loader #233. This budget item was requested and approved in order to meet the Street Departments current and future equipment needs.

Analysis

The Streets Department 1990 Case 621 Wheel Loader vehicle #233 is scheduled for replacement FY11 based on its projected service life, our inspection of the vehicle, and review of the repair records. The repair records show both an increase in repairs and downtime that are primarily due to the age of the loader. We expect this trend will continue and become more costly as the machine ages. These repairs and downtime are affecting our efficiency and raising operational costs of the Streets Department.

Replacing this loader will allow us to continue implementing our plan to incrementally replace our aging heavy equipment fleet as well as restructure the fleet and reduce our operational costs. This will also move us in the right direction to meet the vehicle emission reductions spelled out in the Climate Action Plan. The new loader will reduce our carbon emissions by over 60% from the old loader. We received trade in allowances ranging from \$5,000 - \$14,500 for our current loader. We recommend trading in the 1990 Case Wheel Loader to the low bidder Yukon Equipment for the sum of \$14,500.

Fiscal / Procurement:

The FY11 budget includes \$125,000.00 for the replacement of the Street Departments vehicle #233(Case 621 Wheel Loader)

The City and Borough of Sitka Procurement Policies for competitive bidding were followed with three (3) vendors submitting bids. Yukon Equipment was the low bidder on the Case 521 Wheel Loader with optional attachments @ \$125,556.00. This includes a trade in value of \$14,500.

Recommendation:

Award the bid to Yukon Equipment of Anchorage, Alaska in the amount of \$125,556.00

CITY & BOROUGH OF SITKA
MECHANICAL INSPECTION

Vehicle #233 Case 621 Loader

DEPARTMENT INFORMATION

1. Date of Inspection: November 22, 2010 Date of last Inspection: November 12, 2009
2. Department: Streets Department
3. Address: 113 Jarvis St.
4. City/State/Zip Code Sitka, Ak. 99835
5. On-site Contact Person Mike Webb Phone 747-4041
6. Cell phone Number n/a Email Address Fax

VEHICLE INFORMATION

7. ☒ Reviewed
8. Year/Make/Model 1990/ Case/ 621 Wheel Loader
9. Average hours annually 300
10. Service Interval: 200 hours 10a. Equipment Intended Use: Streets Maintenance / Snow Removal
11. Odometer Reading : 5,700 hours 11a. Service Life Agreement: 20 years
12. VIN No. JAK0027010

VEHICLE CONDITION

- | | | | | | |
|-----------------|------------------------------------|-------------------------------|---|--|-------------------|
| 13. Exterior: | <input type="checkbox"/> Excellent | <input type="checkbox"/> Good | <input type="checkbox"/> Average | <input checked="" type="checkbox"/> Poor | Comments: <u></u> |
| 14. Mechanical: | <input type="checkbox"/> Excellent | <input type="checkbox"/> Good | <input checked="" type="checkbox"/> Average | <input type="checkbox"/> Poor | Comments: <u></u> |

Are the following operational? Indicate Yes or No. Space for additional comments is provided on page 2, item # 28.

ADDITIONAL COMMENTS

Unit #233 is a Case 621 Wheel Loader has been in the department for 20 years and has served quite well during its 5700 hours of service. Our annual evaluation revealed that over the last 200 hours the repairs have increased and downtime is as a result of its age. Parts have been fabricated in house due to expensive replacement costs or lack of availability. This unit plays a key part of our snow removal plan now and even more so in the future to reduce our operating costs. We recommend replacing this unit during the FY11 budget cycle.







