



CITY OF THE DALLES
Department of Public Works
1215 West First Street
The Dalles, Oregon 97058

AGENDA STAFF REPORT

CITY OF THE DALLES

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
May 11, 2015	Contract Review Board	

TO: Honorable Mayor and City Council
FROM: Dave Anderson, Public Works Director
THRU: Nolan K. Young, City Manager *nky*
DATE: May 5, 2015
ISSUE: Authorization to purchase a used mid-size excavator

CITY COUNCIL GOALS: NA

PREVIOUS AGENDA REPORT NUMBERS: 15-029, 15-034

BACKGROUND: At its April 27th meeting, City Council directed staff to pursue options to purchase a used mid-size excavator rather than a new one, and to look for units with closer to 3000 hours on them rather than 1000 or less. Staff has researched opportunities purchase a used machine with the desired features. Key features that were sought include a swing boom, a “long stick” (7’ arm rather than a 5’ arm), a hydraulic thumb and dual control modes. Based upon the prior evaluations conducted by staff regarding the capabilities and parts availability of different makes of mid-size excavators and the discussion with Council on April 27th, staff limited the search to Cat 308 models. The research indicates that the swing boom feature became standard equipment with the 308D model that came out in about 2009; we did not look for the newer models 308E or 308E2.

Several on-line publications and the Caterpillar network were searched. Only one machine with the desired configurations was found in this region - a 2011 Cat 308D in Snohomish, WA. The unit has 2537 hours on it as of May 2nd, has had one previous owner, and upon inspection appears to be a tight machine in good condition; there is one dent that is to be repaired by the dealer before delivery. The price of this excavator is \$75,000. The 2006 Cat 308C excavator that was referenced in the advertisement at the April 27th Council meeting did not have a thumb (\$8,000 to add) or a swing boom (there is no retro-fit to address this feature). In addition, it was sold on May 1st before staff could inspect it which was scheduled to occur on May 2nd. For comparison, following are price and location information for other similarly-equipped used excavators that were found to be advertised.

<u>Unit</u>	<u>Hours</u>	<u>Location</u>	<u>Price</u>
2012 Cat 308D	928	Kansas	\$85,800
2011 Cat 308D	2593	Michigan	\$83,000
2011 Cat 308D	1556	California	\$79,000
2012 Cat 308D	489	Texas	\$85,000
2012 Cat 308D	1873	North Carolina	\$85,000
2011 Cat 308D	2231	Illinois	\$79,900
2012 Cat 308D	793	Virginia	\$92,500

We did not find any Cat 308Ds at a lower price than the one in Snohomish.

A \$5000 deposit has been put down on the Snohomish unit to hold it until the Council meets on May 11th. This deposit will be refunded if the Council denies authorize to purchase this machine.

BUDGET IMPLICATIONS: Within Fund 9, the Public Works Reserve Fund, monies are available that can be used for this purchase. The \$35,000 from the insurance settlement was deposited into this fund. In addition, monies are being saved in this fund for the eventual replacement of the AquaTech vacuum truck. For reasons unrelated to this purchase, the replacement of the AquaTech has been postponed a couple years. Some of those funds that were being saved for the AquaTech replacement, currently totaling \$215,500, originated as Wastewater funds, just as the funds to replace the mid-size excavator will be. The used Cat 308D excavator can be purchased leaving \$175,500 toward the future replacement of the AquaTech.

RECOMMENDATIONS:

1. Staff Recommendation: Move to authorize the purchase of the used 2011 Caterpillar Model 308D excavator from Darling Sons International in an amount not to exceed \$75,000.00.
2. Provide additional direction to staff related to the proposed replacement of a mid-size excavator.