



COUNTY OF HUMBOLDT

For the meeting of: 1/5/2021

File #: 20-1634

To: Board of Supervisors

From: Public Works

Agenda Section: Consent

SUBJECT:

Purchase of a 772G 6WD Grader and Two (2) 310SL Backhoes, Authorization to Enter into a Purchase Agreement, Declare Equipment Surplus and Approve the Supplemental Budget (4/5 Vote Required)

RECOMMENDATION(S):

That the Board of Supervisors:

1. Authorize the purchase of a 772G 6WD Grader and two (2) 310SL Backhoes;
2. Authorize the Purchasing Agent to enter into a purchase agreement with Pape Machinery;
3. Declare 1995 John Deere Grader asset number 71-207, 1995 CAT Backhoe asset number 43-871 and 1995 John Deere Backhoe asset number 43-870 as surplus; and
4. Approve the attached Supplemental Budget for Fiscal Year (FY) 2020-21.

SOURCE OF FUNDING:

Heavy Equipment ISF (3540)

DISCUSSION:

The Humboldt County Public Works, Heavy Equipment Division is requesting authorization to enter into a purchase agreement for a 772G 6WD Grader and two (2) 310SL Backhoes. The grader and backhoes will replace a 1995 John Deere Grader, a 1995 CAT Backhoe, and a 1995 John Deere Backhoe. All the 1995 equipment are Tier 0 which do not meet the State of California's emissions requirements and will be replaced with Tier 4 final equipment. In addition, parts have become increasingly difficult to find, as well the cost of repairing the aging equipment. The total purchase cost will be \$639,458.73 and the equipment will be in high demand once received.

If the Board approves the purchase the grader 71-207, backhoe 43-871 and backhoe 43-870 will be declared surplus for auction.

Public Works chose to purchase the new equipment outright as the previous equipment has already been fully depreciated. Roads Heavy Equipment ISF (3540330) will be responsible for capitalization, maintenance and insurance.

The Public Works Heavy Equipment Division received quotes from Pape Machinery a certified dealer for John Deere, a member of Sourcewell, formally the National Joint Powers Alliance. Public Works intends to purchase these pieces of equipment under the John Deere cooperative purchase agreement.

FINANCIAL IMPACT:

The total purchase price of the new equipment is \$639,458.73. Heavy Equipment (3540330) will bear the full cost of the purchase using cash from fund balance. The request, if granted, will transfer \$639,460 from the Fund Balance to the Transfer In line item 3450330-9101 and create fixed asset line 8986- Equipment. There is no impact to the General Fund.

STRATEGIC FRAMEWORK:

This action supports your Board's Strategic Framework by managing our resources to ensure sustainability of services .

OTHER AGENCY INVOLVEMENT:

None

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board could choose to keep the outdated Tier 0 equipment, but this equipment would need to be placed out of service eventually to meet California emission standards. The Board may also postpone the purchase but that would require the continued costly repair of the aging equipment. Neither of these options are recommended.

ATTACHMENTS:

Quote-310SL-Humboldt-Loader
Quote-772G-CountyHumboldt-Grader
Supplemental Budget 330-Heavy Equipment
John Deere Sourcewell Agreement #032119-JDC

PREVIOUS ACTION/REFERRAL:

Board Order No.: N/A
Meeting of: N/A
File No.: N/A