



	Approved	Denied
Action taken	✓	
Other:		
Date of Council Action: 2/11/02		
Verified by: J. Newman		

WASILLA CITY COUNCIL MEMORANDUM

CM No. 02-06

TITLE: Sole Source Purchase – Motor Grader

COUNCIL MEETING DATE: January 28, 2002

ADMINISTRATION INITIAL:

REQUESTED BY: Public Works

**PREPARED BY: Don Shiesl
Public Works Director**

Date Prepared: January 15, 2002

FISCAL IMPACT:

If yes, amount requested: \$70,000

Account No.: 1255.477.865.30
Vehicle fund

SUMMARY STATEMENT:

The City has an opportunity to purchase a 1997 Champion model 730A motor grader. The grader has been checked out by our equipment maintenance vendor and has been found to be in good condition for its age. The City road maintenance technician has also driven it and found it to be adequate for the needs of the Roads Division. Wolverine Supply is offering to sell this grader, which they purchased for clearing parking lots. However, they found that this machine was too large for the areas that they cleaned.

The existing city motor grader is 1984 model that can still be used for summer work such as gravel road grading and pulling ditches. However, it is too large and because of its age, too slow and unreliable for winter maintenance. The proposed grader is more maneuverable and faster for snow removal and ice ripping and therefore more productive for this use. Although there are sufficient funds to purchase a new grader, it is difficult to justify spending \$140,000 for a grader that will not be used more than 500 or 600 hours per year. Public Works has accumulated funds in the Vehicle Fund for purchase of a new motor grader and it is proposed that part of this be used for purchase of this grader.

Although it is difficult to determine the value of used equipment, Public Works has checked with the vendor who sells Champion equipment and found that this price is lower than comparable used equipment they have. Also, there was a recent offer to the City to purchase a three-year old grader for \$120,000. Although equipment models were different and attachments not the same, this information gives Public Works

confidence that the purchase is fair and that this machine is sufficient for the work it is intended to do.

STAFF RECOMMENDED ACTION:

Council is requested to approve the sole source purchase of a used motor grader from Wolverine Supply for a purchase price of \$70,000.

Attachments: Resolution Serial No. 02-03

Letter from Wolverine Supply dated January 9, 2002