

Council Meeting of
July 18, 2006

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the Council:

SUBJECT: Recommendation that the City Council authorize a Purchase Order to furnish one (1) 2006 New Holland LW130.b Wheel Loader

Ref. Bid No. B2006-07

Expenditure: \$100,782.41 (includes sales tax)

RECOMMENDATION

The General Services Director recommends that the City Council authorize the award of a purchase order to Scott Equipment Company of Fontana, California in the amount of \$100,782.41 (includes sales tax) to furnish one (1) New Holland Model LW130.b Wheel Loader.

Funding

Funding is available in the FY 2006-07 Vehicle & Equipment Revolving Fund.

BACKGROUND

The proposed purchase is a scheduled replacement for the below listed item of heavy equipment used by the City's Street Maintenance Division. This item of equipment has served the City considerably longer than its expected service life. The City's established replacement criterion for this type of equipment is normally fifteen (15) years. Since first becoming eligible for replacement in 1998, staff has monitored the condition of this item of equipment year-to-year. Accordingly, present consensus is that the item should now be replaced due to extensive wear and tear.

Equip. #	Year	Make	Model	Hours	Condition
9238	1983	Ford	A62 Wheel Loader	5,878	Numerous hydraulic, electrical and brake system failures within the last few years. Also increasingly difficult to source repair parts due to the age and obsolescence of this item of equipment.

ANALYSIS

Formal bids were opened on February 9, 2006. Scott Equipment Company provided the lowest bid for an item considered by staff to be equivalent to the item specified in the bid. Bid results are listed below.

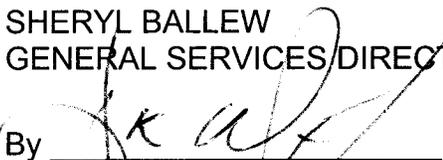
Vendor	Item Specified in Bid	Item Bid by Vendor	Total Bid Price (Includes Sales Tax)
Scott Equipment Company * Fontana, CA	CASE 621D Wheel Loader or Equivalent	New Holland LW130.b Wheel Loader	\$100,782.41
D3 Equipment Company Santa Fe Springs, CA	"	CASE 621D Wheel Loader	\$110,090.25
Cook Equipment Company Fullerton, CA	"	JCB 426HT Wheel Loader	\$121,051.65
Nixon-Egli Equipment Company Ontario, CA	"	No Bid	N/A

* Lowest Responsible Bidder

Respectfully Submitted,

SHERYL BALLEW
GENERAL SERVICES DIRECTOR

By


David K. Winnett, Jr.
Fleet Services Manager

CONCUR:


Sheryl Ballew
General Services Director


LeRoy J. Jackson
City Manager