



Legislation Text

File #: 15-0606, **Version:** 2

Community Development Agency, Transportation Division, recommending the Board consider the following:

- 1) Waive competitive bidding requirements in accordance with County Ordinance Code Section 3.12.160(c) for the purchase of one self-propelled single engine highway rotary snow plow; and
- 2) Authorize the Purchasing Agent to process a change order to Purchase Order No. 201520780 issued to Kodiak America for the purchase of the self-propelled single engine highway rotary snow plow on August 17, 2015 to increase by \$9,400 for a total purchase price of \$491,400 plus applicable sales tax and fees.

FUNDING: Road Fund Discretionary. (No Federal Funds)

DEPARTMENT RECOMMENDATION

Community Development Agency, Transportation Division (Transportation) recommending the Board waive competitive bidding requirements in accordance with County Ordinance Code Section 3.12.160(c) for the purchase of one self-propelled single engine highway rotary snow plow. Authorize the Purchasing Agent to process a change order to Purchase Order No. 201520780 issued to Kodiak America for the purchase of the self-propelled single engine highway rotary snow plow on August 17, 2015 to increase by \$9,400 for a total purchase price of \$491,400 plus applicable sales tax and fees.

DISCUSSION / BACKGROUND

On May 19, 2015, the Board awarded Bid No. 15-765-054 for the purchase of one self-propelled single engine highway rotary snow plow (rotary snow plow) to the low qualified bidder, Kodiak America, LLC. (Kodiak) and authorized the Purchasing Agent to issue a purchase order in the amount of \$482,000 plus applicable sales tax and fees.

The specifications provided by Transportation for the bid inadvertently did not include the appropriate transmission specifications for the function required in the hilly terrain surrounding the South Shore of Lake Tahoe. This change is significant and would require the rebidding of this purchase.

Transportation is asking the Board to find that competitive bidding would produce no economic benefit in this instance for the following reasons:

1. There were only two bidders on the rotary snow plow earlier this year and the second bid was considerably higher.
2. Kodiak is offering to install the more appropriate transmission for \$9,400, a discount of over 40% off of the retail value
3. The rotary snow plow is already in production. The current snow blowers in the South Tahoe are all over 30 and some are more than 40 years old. With the breakdown rate of existing equipment this piece of equipment is essential to the South Lake Tahoe snow removal operation. If production is delayed while the equipment is re-bid it will have a negative effect on our ability to provide essential snow removal services.

The new transmission will allow the new rotary snow plow to operate well in the hilly terrain of South Lake Tahoe. Kodiak can provide the correct transmission for an additional \$9,400. This would bring the total purchase price to \$491,400 plus applicable sales tax and fees which is below the FY 15/16 budgeted amount of \$750,000.

ALTERNATIVES

The Board can decide to not to waive competitive bidding on this change and require that the entire rotary snow plow be re-bid with the correct transmission. This could add six months to one year to the purchasing process and as stated above have a negative effect on Transportation's ability to provide a responsive snow removal program in the Tahoe area.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

Chief Administrative Office, Procurement and Contracts

CAO RECOMMENDATION

Chief Administrative Office recommends moving staff's recommendations.

FINANCIAL IMPACT

There is no change to Net County Cost. Costs associated with this increase will be provided by Road Fund. This increase will result in a total price of \$491,400 plus applicable sales tax and fees, which remains under the FY 15/16 budgeted amount of \$750,000.

CLERK OF THE BOARD FOLLOW UP ACTIONS

N/A

STRATEGIC PLAN COMPONENT

Infrastructure and Effective Services

CONTACT

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