



## Legislation Text

**File #:** 21-1098, **Version:** 1

Department of Transportation, Maintenance and Operations recommending the Board:

- 1) Approve the price increase for one (1) Meyer truck plow on the County Service Area 3 Fixed Asset list bringing the estimate from \$10,000 to \$10,500;
- 2) Approve the price decrease for one (1) Henke Gate on the County Service Area 3 Fixed Asset list bringing the estimate from \$10,000 to \$9,500;
- 3) Approve the price increase for one (1) Loader Bucket on the County Service Area 3 Fixed Asset list bringing the estimate from \$10,000 to \$12,500;
- 4) Approve the price decrease for one (1) Henke plow on the County Service Area 3 Fixed Asset list bringing the estimate from \$26,000 to \$24,500;
- 5) Approve the removal of two (2) push plows on the Transportation Fixed Asset list for \$17,000 each for a total of \$34,000;
- 6) Approve the addition of one (1) Retro fit sander to the Transportation Fixed Asset list totaling \$34,000;
- 7) Find that the purchase of eight (8) Henke plows of various configurations and five (5) Henke hi-gates are exempt from competitive bidding in accordance with Purchasing Ordinance 3.12.160, Sections B and C; and
- 8) Authorize the Purchasing Agent to sign a purchase order to Henke Manufacturing in the amount of \$223,176 plus applicable delivery, fees, and taxes (estimated at \$16,180.26), for a one time purchase following Board approval; and
- 9) Approve and authorize the Chair to sign a budget transfer increasing Fixed Asset Equipment and decreasing Contingency within the County Service Area 3 FY 2021-2022 budget by \$1,000 (4/5 vote required).

**FUNDING:** County Service Area 3 (38%), Transit Occupancy Tax (42%), and Road Fund (20%).

### **DISCUSSION / BACKGROUND**

The Department of Transportation, Maintenance and Operations Division (Transportation) is requesting authorization to alter estimates for equipment on the approved Fiscal Year 2021-22 Fixed Asset list and approval for a budget transfer of \$1,000 for County Service Area 3 (CSA 3) due to increases in equipment prices. The changes requested to the fixed asset list include:

### **CSA 3:**

- One (1) truck plow increasing from \$10,000 to \$10,500
- One (1) Henke Gate decreasing from \$10,000 to \$9,500
- One (1) Loader bucket increasing from \$10,000 to \$12,500
- One (1) Henke plow decreasing from \$26,000 to \$24,500

### **Transportation:**

- Remove two (2) push plows each currently listed at \$17,000 for a total of \$34,000
- Add one (1) Retro fit sander totaling \$34,000

The two push plows were listed on the ten year equipment replacement plan, however the Fleet

Superintendent recently inspected them and determined they would function another year. The Fleet Superintendent also inspected additional equipment and identified an outdated sander which is obsolete and no longer functional. The funding was determined to be better spent on a piece of equipment which requires immediate replacement for winter operations.

As a result of these changes, there will be an overall increase of \$1,000 to the CSA 3 fixed asset budget. The budget transfer is included with this board item as it requires Board approval due to increasing the overall fixed asset budget. Without the budget transfer, the equipment would not be able to be purchased. There is no change to the overall Transportation fixed asset budget. Transportation received CAO approval prior to increase the estimate for the plows to be purchased from \$23,000 to \$23,750 due to other equipment prices decreasing.

Transportation is also requesting authorization to purchase five (5) Henke hi-gates and eight (8) Henke plows which are already included on the Fiscal Year 2021-22 Fixed Asset list. This equipment will be used for snow removal during the coming winter months as attachments to rented snow removal equipment and department owned equipment. Transportation was anticipating requesting the changes to the Fixed Asset list during the Final Budget process; however, the lead time in production is 90 - 120 days and the cost of equipment is continually increasing. Transportation would like to ensure the attachments are received prior to snow removal season and with minimal increases to the overall budget for CSA 3 and Transportation.

The purchase of the Henke hi-gates and Henke plows are a sole source request. The County Purchasing Ordinance, Section 3.12.160, describes exceptions that may be made to the competitive bidding process. The hi-gates and plows fall under (B) and (C) of the section, since the "unique nature of the property or services required precludes competitive bidding" and "competitive bidding would produce no economic benefit to the County." Henke Manufacturing is the sole source provider for the Henke Hi-Gate and Henke Dozer Blade (plow) in the industry and specifically fabricates the snow plow blade to meet Transportations needs. The Department would like to maintain consistency with the plows and hi-gates to allow for quick repairs, as all parts and supplies are stocked.

Transit Occupancy Tax (TOT) funding will be used to purchase three (3) gates and three (3) plows, CSA 3 funding will be used to purchase two (2) gates and three (3) plows, and Transportation Road Fund will be used to purchase two (2) plows.

## **ALTERNATIVES**

The Board could choose to not approve the changes to the various items on the Fixed Asset list and the purchase request, however this would leave Transportation with inadequate equipment to perform snow removal operations.

## **PRIOR BOARD ACTION**

N/A

## **OTHER DEPARTMENT / AGENCY INVOLVEMENT**

N/A

## **CAO RECOMMENDATION / COMMENTS**

Approve as recommended.

## **FINANCIAL IMPACT**

The budget to cover the cost of the proposed price changes for County Service Area 3 is increasing the overall fixed asset budget by \$1,000 and the budget transfer is attached for Board approval. There is no change to the overall Transportation fixed asset budget.

## **CLERK OF THE BOARD FOLLOW UP ACTIONS**

- 1) The Clerk of the Board will obtain the Chair's signature on the budget transfer documents.
- 2) The Clerk of the Board will forward the budget transfer to the Auditor/Controller for processing.
- 3) The Clerk of the Board will return one (1) copy of the budget transfer to Chief Administrative Office, Community Development Finance and Administration for further processing.

## **STRATEGIC PLAN COMPONENT**

Good Governance, Infrastructure

## **CONTACT**

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