City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

То:	Matthew J. Fertal	From:	Keith G. Jones
Dept:	City Manager	Dept:	Public Works
Subject:	PURCHASE OF ONE (1) SELF-PROPELLED ROADWAY PAVING MACHINE	Date:	November 27, 2007

OBJECTIVE

To secure City Council authorization to purchase one (1) self-propelled roadway paving machine.

BACKGROUND

The Public Works Department, Streets division has a self-propelled roadway paving machine; also known as a paver. This piece of equipment is used to repair and maintain the City's streets. The paver is 20 years old, fully depreciated and qualifies for replacement under current departmental guidelines. In addition, repair parts are no longer available.

<u>ANALYSIS</u>

Specifications were prepared and sent to 40 prospective bidders. In response to the prescribed bidding procedures, only one (1) bidder was responsive. The following bid was received:

Volvo Construction Equipment Irwindale, CA.

\$199,191.96

FINANCIAL IMPACT

The financial impact is \$199,191.96 to the Vehicle Maintenance Replacement fund. The amount for this purchase is provided by funding assessed over the last twenty (20) years from the General Fund and deposited into the Vehicle Maintenance Replacement Fund. This fund was developed to ensure funding for equipment when the equipment has fully depreciated and is no longer cost effective to maintain. Therefore, there is no direct impact to the General Fund. The equipment being replaced will be sold at public auction.

COMMUNITY VISION IMPLEMENTATION

Dependable equipment will assist Public Works in providing timely, reliable service to the community, enhancing the quality of life of its citizens, as outlined in the City of Garden Grove vision summary of the Strategic Plan.

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RECOMMENDATION

It is recommended that City Council:

• Authorize the Finance Director to issue a purchase order in the amount of \$199,191.96 to Volvo Construction Equipment for the purchase of one paver.

KEITH G. JONES Director of Public Works

By: Phillip Carter Equipment Maintenance Supervisor