



Memorandum

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

Reviewed by Wmm Date 11/12/08
General Manager

DATE: November 7, 2008
TO: General Manager
FROM: Maintenance Manager
SUBJECT: Purchase of One New Caterpillar 938H Wheel Loader

RECOMMENDATION: That the Board of Directors authorize the purchase of one Caterpillar Model 938H Wheel Loader from Quinn Company of Salinas, California for a total price of \$226,286.78 (including sales tax and freight).

BACKGROUND

Funds in the amount of \$225,000 were included in the FY 08/09 Capital Outlay Budget for the purchase of a new medium-sized wheel loader to perform various tasks associated with receiving and recycling refuse processed at the Materials Recovery Facility. The new wheel loader will replace a 2000 John Deere 544 medium wheel loader and a 2000 John Deere 744 large wheel loader, both nearing the end of their useful life. Staff has concluded that replacement of these two wheel loaders with one medium-sized wheel loader meets the current needs of the District.

At the September 2008 meeting, the Board authorized the issuance of a Request for Proposals to acquire the new wheel loader and staff proceeded to prepare specifications. On September 24, 2008, a notice inviting proposals was distributed to three potential respondents.

DISCUSSION

The use of the proposal process assures that the equipment being purchased meets the District's specifications and allows staff to make comparisons to justify the price proposed. This is accomplished by requiring respondents to measure their equipment to certain build requirements the District has determined provide the best performance and reliability. When a respondent takes exception to any of the build requirements they must explain in detail how the variation from specification will affect the performance or reliability of the equipment. Staff can then examine the exceptions along with the proposed price and chose the equipment that offers the best value to the District.

REPORT OF PROPOSALS

On October 24, 2008 at 2:00 p.m., proposals for the new wheel loader were opened and publicly declared. Of the three invitations that were sent out, two proposals were received as follows:

Vendor	Manufacturer/Model	Exceptions	Total
Quinn Company, Salinas	Caterpillar 938H with CWS 7.0 CYD roll out bucket, Cat 3.5 CYD top clamp bucket and exclusion of Huss emissions device.	1	\$226,286.78
Pape Machinery, Gilroy	John Deere 624K with CWS 7.0 CYD roll out bucket, JRB top clamp bucket and exclusion of Huss emissions device.	27	\$288,637.64

CONCLUSION

The proposals were reviewed by staff and it was concluded the low proposal from Quinn Company satisfies and/or exceeds the specification and best meets the needs of the District. Service will be provided by Quinn Company and delivery will be within 120 days. It is therefore recommended that the Board authorize the purchase of a Caterpillar 938H wheel loader from Quinn Company for a total price of \$226,286.78.



Ron Mooneyham