



Memorandum

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

Reviewed by: WMM Date: 2/10/10
General Manager

DATE: February 12, 2010
TO: General Manager
FROM: Equipment Maintenance Manager
SUBJECT: Purchase of Three Used Pickup Trucks and One Mobile Aerial Lift

RECOMMENDATION: That the Board of Directors ratify the purchase of three (3) used pickup trucks at a total cost of \$22,007 and one (1) used mobile aerial lift at a cost of \$66,732.50. In the 2009/10 Capital Outlay budget, funds in the amount of \$65,000 were included for the purchase of three new pickup trucks and funds in the amount of \$70,000 were included for the purchase of a mobile aerial lift.

DISCUSSION

Used Pickup Trucks

The Capital Outlay Budget for FY 2009/10 allocated \$65,000 for the purchase of three pickup trucks to be used for site operations. The intent of staff was to purchase new pickup trucks; however, with the current financial concerns of the District, staff elected to purchase used pickup trucks in an effort to reduce capital expenditures, thus saving \$42,399 from the budgeted amount. During September 2009 to January 2010, the District purchased three used pickup trucks at a total cost of \$22,007, including all taxes and fees. Details are as follows for the used pickup trucks purchased:

Year/Make/Model	Total Cost (Including tax and delivery)
1998 Chevrolet 2500 Series 4x4 Extra Cab	\$4,763
2002 Ford F-150 Series 4x4 Extra Cab	\$7,694
2002 Chevrolet 1500 Series 4x4 Extra Cab	\$9,550
Total	\$22,007

Once all equipment purchases for FY 2009/10 have been completed, the three pickup trucks replaced with these purchases will be declared surplus and sold to the highest bidder. Details are as follows for the pickup trucks being replaced:

Year/Make/Model	Mileage	Condition
1996 Ford F-250 4X4	204,000	Poor, costly repairs needed
1996 Ford F-150	175,000	Poor, costly repairs needed
1994 Ford F-150	128,000	Poor, costly repairs needed

Mobile Aerial Lift

The Capital Outlay Budget for FY 2009/10 allocated \$70,000 for the purchase of a mobile aerial lift to be used in site maintenance activities. At the September 2009 Board meeting, staff requested and received approval to issue a Request for Proposals (RFP) to purchase a new aerial lift. During the preparation of the RFP, staff realized that the verbal quote received by a vendor during the budget process was extremely low and that a new aerial lift (of the same model the District currently uses) would exceed \$100,000.

Staff then requested a demonstration of a smaller, less expensive aerial lift to see if it would perform the necessary functions needed in the day-to-day maintenance operations required at the District, and as a result, determined that it would not. Staff therefore decided not to issue an RFP for a new aerial lift and opted to explore the purchase of a used aerial lift instead. Below are details on four used aerial lifts staff considered for purchase:

Year	Make/Model	Hours	Current Location	Cost (excluding tax and delivery)
2005	Genie Z60/34 (Gasoline/Propane)	1900	Texas	\$37,500
2005	Genie Z60/34 (Gasoline/Propane)	700	Pennsylvania	\$56,000
2006	Genie Z60/34 (Gasoline/Propane)	900	Bakersfield, CA	\$61,000
2006	Genie Z60/34 (Gasoline/Propane)	700	Ft. Wayne, IN	\$63,000

Staff chose to first view the aerial lift located in Bakersfield, CA, which was owned by Hertz Rentals, a very large organization that maintains their equipment very well. Staff was impressed with the well-maintained condition and appearance of the aerial lift and did not feel it would be necessary to incur additional costs required to travel and view the other comparable aerial lifts. Staff made the decision to purchase this unit for a total price of \$66,732.50, including all taxes and delivery.

Once all equipment purchases for FY 2009/10 have been completed, the old aerial lift, which staff estimates has a value of at least \$15,000, will be declared surplus and sold to the highest bidder.

CONCLUSION

Staff requests that the Board of Directors ratify the purchase of three used pickup trucks at a cost of \$22,007 and one used mobile aerial lift at a cost of \$66,732.50.



Ron Mooneyham