

RESOLUTION NO. 392

A RESOLUTION EXEMPTING A PUBLIC CONTRACT
FOR THE PURCHASE OF A BACKHOE
FROM COMPETITIVE BIDDING REQUIREMENTS

WHEREAS, the Stayton City Revised Code Sections 2.350 through 2.375 regulates public contracts; and,

WHEREAS, the City wishes to contract for the purchase of a new 580K Case Backhoe; and

WHEREAS, a public hearing is required whenever the Local Contract Review Board is considering an exemption of the requirements for competitive bids and brand name specifications; and

WHEREAS, notice of public hearing was given on May 12, 1988; and

WHEREAS, a public hearing was held before the City Council, acting as the Local Contract Review Board, on May 16, 1988 at 8:00 p.m. and testimony was received therein; and

WHEREAS, the City Council, acting as the Local Contract Review Board, finds that the exemption from competitive bidding and the designation of a brand name for the purchase of the backhoe is unlikely to encourage favoritism in the awarding of the contract nor will it diminish competition by obtaining written quotes from the only dealers of backhoe equipment in the Salem area of the Willamette Valley. Three quotes were obtained for John Deere, Ford and Case backhoes. The quotes were based on backhoes similar to the City's present 580 C Case Backhoe.

Further, that the specification of the backhoe by brand name and as the product of a particular manufacturer and seller will result in the cost of the purchase of a new backhoe being equal with the price of backhoes offered by other manufacturers; and

Further, that the Case 580K backhoe has the following specific features which are not available in the backhoes of the other manufacturers:

1. Specifications: The Case 580K has a craning capacity of 5500 lbs. The Ford and Deere equipment are not rated for lifting capacity and may not be capable of lifting 5500 lbs.

2. **Parts and Service:** Case Power and Equipment Inc. has parts and full suervice available in Salem. Case also provides a field representative for consultation and some repairs. John Deere has parts and service in Eugene. Ford has parts and some service in Salem.

3. **Warranty:** Case provides a one-year unlimited warranty covering the powertrain and all components, and a five year conditional warranty. Both the Deere and Ford quotes offered only a five year conditional warranty on the power train and components.

4. **Personnel:** Public works staff are trained on Case equipment. There will be no time lost for training on the new equipment. Public works staff would need to be retrained to operate the Ford or Deere equipment.

5. **Cost:** The cost, including trade-in of the 580C backhoe was similar for each backhoe. The price range varied approximately one thousand (\$1,000) dollars.

Further, the Case Power and Equipment, Inc. is the only local dealer in the Willamette Valley who is able to provide the CASE 580K backoe, as the authorized manufacturers representative.

ON SUCH FINDINGS, BE IT THEREFORE RESOLVED,

1. That the Contract for the purchase of a new 580K Case Backhoe be, and the same is hereby exempted from the competitive bidding and brand name specifications process.

2. That the City hereby awards a contract for purchase of a 580K Case Backhoe from Case Power and Equipment Inc. in the amount of \$35,000 less the \$14,000 trade-in value of the City of Stayton backhoe for a purchase price of \$21,000.00

PASSED BY THE COMMON COUNCIL THIS 16th day of May, 1988.


Wayne Lierman, Mayor

Attest:


David W. Kinney
City Administrator

a:res

Resolution No. 392
Exempt Purchase of Backhoe from
Competitive Bidding Requirements