

MEMORANDUM

To:Dennis Kress, Public Works DirectorFrom:Mike Prosser, Street Department General ForemanDate:June 9, 2017Re:Purchase of replacement tractor

On March 31, 2017, the Street Department's 2002 John Deere mowing tractor (boom mower) caught fire due to an electrical malfunction. As a result of the fire, the tractor was declared a total loss by a third party insurance adjustor working for the city's insurance provider. The city's insurance policy provides for complete replacement cost of the tractor under the policy's Inland Marine rider.

Currently the Street Department is renting a tractor for approximately \$8000 per month which is also being paid for under the insurance coverage. This rental tractor has allowed for the Street Department to maintain the weeds on the city's Right of Ways despite the tractor being much too large for our needs. It is expected that the rental coverage will stop upon the city acceptance of a settlement check for the loss.

The Street Department has received a quote through the Illinois Joint Purchasing Program from Shiloh Valley Equipment for a new John Deere 6120 Tractor and mowing attachment for a price of \$115,000. If, purchased, delivery time for the new tractor is expected to be 9 to 10 weeks. The Street Department has also received a second quote through Diamond Mowers in conjunction with Woody's Municipal Supply for slightly used 2016 John Deere 6120 tractor with mower attachment (75 hours on tractor; brand new mower) for \$113,843. If purchased, delivery is expected to take of only 1 to 2 weeks.

It is my recommendation that the Council waive the purchasing requirement for sealed bidding procedure and allow for the sole source purchase of the John Deere 6120 from Diamond Mowers through Woody's Municipal for \$113,843. This tractor has a minimal amount of hours, the boom mower is new and unused, and the delivery time is expected to only be 1 to 2 weeks. This purchase will save the city \$1,157 in equipment costs, the continued cost of the rental after the acceptance of the settlement check, and will allow for more efficient operations in maintaining the city's ROWs.