

REQUEST FOR COUNCIL ACTION



Date Action Requested: (August 7, 2023)

Order ☐ Ordinance ☐ Resolution ☒ Motion ☐ Information ☐
No. 2023-3907

Subject: Resolution approving the purchase of a 2023 John Deere 544 Front End Loader from Pape Machinery, in the amount of \$211,472.00. The city will also receive a trade-in allowance of \$90,000 for our current loader, for a net purchase price of \$121,472.00

Staff: Craig Pack, WWTP Superintendent
Department: Public Works - Operations
File No.

Business Session

Order On Agenda: Consent

Hearing Type: Administrative

Is this item state mandated? Yes ☐ No ☒

If yes, please cite the state house bill or order that necessitated this action:

Recommendation:

Adopt Resolution No. 2023-3907

Executive Summary:

The city currently owns and operates a Caterpillar 930 K Front End Loader. It is currently scheduled for replacement in 2024.

The City employs this loader in the operation of the Wastewater Treatment facility's composting operation. It is used in the loading and unloading of compost cure bays, loading of sawdust and recycled compost to be processed in the mixing system, excavation of compacted compost in cure tunnels, loading of customer vehicles and as a high-capacity forklift in various maintenance projects throughout the wastewater treatment plant. The loader is operated every working day of the year and is critical to the operation of the facility. Any machine down time results in the inability to remove solids from the wastewater plant, affecting the performance of the treatment process and exposing the city to potential permit violations. The current loader has experienced multiple electrical and mechanical issues resulting in downtime and added rental expenses. It will also need a new set of tires within this budget year. These items led us to reevaluate its currently scheduled replacement date.

When reviewing loader options John Deere emerged as a clear favorite. They offered a comparable machine for nearly \$50,000 less while offering an extra \$10,000 in trade on the current loader. Customer service was more responsive throughout the process and parts should be equally accessible with a large dealership in Portland, Or. John Deere offers an initial 1-year warranty period to address any issues.

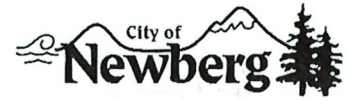
Purchase of the John Deere 544 Loader would utilize funding approved in the Fiscal Year 2023-2024 budget, as per NMC 3.25.080 (F) Cooperative Procurement Contracts, utilizing Sourcewell contract #032119-JDC, which meets the requirements of ORS 279A.205 and ORS 279A.220.

The City of Newberg is a member of the Sourcewell Cooperative Purchasing Agreement, ID number 64,098,

Fiscal Impact:

The John Deere 544 Loader will be fully funded from the Capital Outlay account 06-5131-610000. Initial cost of \$211,472.00 with a \$90,000 trade in credit for a final cost of \$121, 472.00. By purchasing a new loader this year, the city can avoid the new tire cost of \$16,700 as quoted by Caterpillar that would be incurred this summer, along with any other maintenance, repair or rental costs associated with the older machine and its previously discussed issues, and take advantage of current market conditions that have increased the trade in value from \$49,500 to \$90,000, making the final purchase price on this model slightly less than the machine purchased in 2014.

RESOLUTION NO. 2023-3907



A Resolution to purchase a replacement John Deere 544 loader from Pape Machinery in the amount of \$211,472 minus \$90,000 trade in for our current loader, for a net purchase price of \$121,472.00

Recitals:

1. The City of Newberg PW Operations Division utilizes its front wheel loader for the operations of its composting facility.
2. The 2014 front wheel loader is nearing its replacement date. It has also experienced several mechanical issues and is due for tire replacements which come with an anticipated cost of \$16,700. Replacement of the front wheel loader will allow staff to realize the technological and efficiency improvements, as well as avoid the upcoming expensive maintenance activities.
3. Purchase of the John Deere 544 Loader would utilize funding approved in the Fiscal Year 2023-2024 budget, as per NMC 3.25.080 (F) Cooperative Procurement Contracts, utilizing Sourcewell contract #032119-JDC, which meets the requirements of ORS 279A.205 and ORS 279A.220. The City of Newberg is a member of the Sourcewell Cooperative Purchasing Agreement, ID number 64,098.
4. The City selects Pape Machinery to provide a new 2023 John Deere 544 Hi-Lift Front End Wheel Loader at a final cost of \$121,472.00.

The City of Newberg Resolves as Follows:

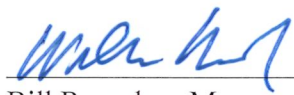
1. The City Council, acting as the Contract Review Board, authorizes the city manager to enter into all contracts and agreements for the purchase of a replacement 2023 John Deere 544 Hi-Lift Front End Wheel Loader.
2. The City will purchase the 2023 John Deere Hi-Lift Front End Wheel Loader by using funds from the wastewater capital outlay account 06-5131-610000

Effective Date of this resolution is the day after the adoption date, which is: August 8, 2023.

Adopted by the City Council of Newberg, Oregon, this 7th day of August, 2023.


Emily Salsbury, Graphic Design Specialist

Attest by the Mayor this 11th day of AUGUST, 2023.



Bill Rosacker, Mayor

Quote Id: 28435431

Prepared For:
CITY OF NEWBERG WATER

Prepared By: **BURKE ELLIS**

Pape Machinery, Inc.
1425 Ne Columbia Blvd
Portland, OR 97211

Tel: 503-289-1103
Fax: 503-283-4549
Email: buellis@papemachinery.com

Quote Id: 28435431

21 March 2023

CITY OF NEWBERG WATER
2301 NE WYNOOSKI RD
NEWBERG, OR 97132

Sourcewell Contract # 032119-JDC

List price for (1) John Deere 544P Hi-Lift Plus wheel loader as specified in this quote is \$357,627.11 This includes Enclosed Cab with Heat, AC, backup camera, ride control, hi-lift plus boom, quick coupler, 3.0 CU bucket, etc. This includes factory freight, machine set-up, Sourcewell fee & delivery. List price does not include any additional extended warranty or PM service agreements. Sourcewell discount for a John Deere 544P Hi-Lift Plus wheel loader is 41% off of list. Net Sale Price for a John Deere 544P Hi-Lift wheel loader with 41% Sourcewell discount is \$211,000 plus applicable Oregon Commercial Activity Tax of .39% (\$471.90)

Thank you,
BURKE ELLIS
503-289-1103
Pape Machinery, Inc.

Quote Summary

Prepared For:

CITY OF NEWBERG WATER
2301 NE WYNOOSKI RD
NEWBERG, OR 97132

Prepared By:

BURKE ELLIS
Pape Machinery, Inc.
1425 Ne Columbia Blvd
Portland, OR 97211
Phone: 503-289-1103
buellis@papemachinery.com

This sale is subject to Papé's Terms and Conditions of Sale effective on the date hereof, which are incorporated in full by this reference. The Terms and Conditions of Sale are available at www.pape.com/terms, and will also be sent by mail or e-mail to the purchaser upon request.

Quote Id: 28435431
Created On: 21 March 2023
Last Modified On: 21 March 2023
Expiration Date: 31 August 2023

Equipment Summary	Selling Price	Qty	Extended
JOHN DEERE 544 P-Tier Wheel Loader	\$ 211,000.00 X	1 =	\$ 211,000.00

Equipment Total **\$ 211,000.00**

Trade In Summary	Qty	Each	Extended
2014 CATERPILLAR 930K - CAT0939KCRHN03683	1	\$ 90,000.00	\$ 90,000.00
PayOff			\$ 0.00
Total Trade Allowance			\$ 90,000.00

Trade In Total **\$ 90,000.00**

Quote Summary

Equipment Total	\$ 211,000.00
Trade In	\$ (90,000.00)
SubTotal	\$ 121,000.00
State Tax - (0.39%)	\$ 471.90
Total	\$ 121,471.90
Down Payment	(0.00)
Rental Applied	(0.00)
Balance Due	\$ 121,471.90

Salesperson : X _____

Accepted By : X _____

Selling Equipment

Quote Id: 28435431

Customer: CITY OF NEWBERG WATER

JOHN DEERE 544 P-Tier Wheel Loader

Hours:

Stock Number:

Code	Description	Qty
6031DW	544 P Wheel Loader	1
Standard Options - Per Unit		
183E	JDLink™	1
0202	United States	1
0259	English	1
0351	Translated Text Labels	1
0400	Standard Loader	1
0453	High Lift Plus Z-BAR	1
0612	Level 2 Trim	1
0654	Level 1 Performance	1
0951	Rear Camera (Primary Display)	1
1100	Less Detection System	1
1301	Left Side Steps	1
2201	Less Payload Scale w/ Cycle Counter	1
4095	John Deere 6.8L - FT4/SV	1
5109	Titan Loader Grader - 20.5-25 L2 12PR	1
	Bias Tires w/ 3 PC Rims	
5552	Standard Front Fenders	1
6522	Rear Counterweight & Rear Hitch w/ Pin	1
7026	Joystick Controls	1
7053	Two Function Hydraulics	1
7403	Hydraulic Coupler - JRB 416 Pattern	1
7458	Bolt-On Cutting Edge	1
7500	Less Fork Frame	1
7700	Less Tines	1
7822	3.00 YD (2.30 CM) Enhanced Performance	1

Trade In

**MACHINERY****Quote Id:** 28435431**Customer:** CITY OF NEWBERG WATER

2014 CATERPILLAR 930K SN# CAT0939KCRHN03683	
Machine Details	
Description 2014 CATERPILLAR 930K SN# CAT0939KCRHN03683 Stock Number : RHN03683 Your Trade In Description	Net Trade Value \$ 90,000.00
Additional Options	
Hour Meter Reading	6664

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