July 11, 2011

To: ACHD Commission  
Bruce Wong, ACHD Director

From: Rich Girard, Assistant Manager – Maintenance

Subject: Lease/Purchase of Three Mechanical Sweepers

FACT AND FINDINGS:
The Maintenance Division has been experiencing numerous mechanical problems with three older sweepers with repair cost exceeding $180,000 over the last year. Earlier this spring, the manufacturer of these sweepers (Allianz Madvac) claimed bankruptcy and is no longer producing sweepers or any parts associated with them for repairs. After discussions with Fleet staff, it was recommended that ACHD replace these three sweepers as quickly as possible to minimize the impact on operations and cost. If approved by the Commission, staff will use the same process used earlier this year to lease new sweepers by utilizing the successful bidder on the General Services Administration (GSA) contract, at the same price, as allowed by Idaho Administrative Code 38.05.01 Section 08.

The successful bidder for these sweepers through GSA is Maryland Industrial Trucks, Contract #GS-30F-1012H. Delivery and warranty for these sweepers would be handled through a local dealer, Metroquip, Inc. Also, by purchasing of the GSA contract we are able to get the lowest price possible for the equipment that meets our specifications.

Table 1 – Total Vehicle Cost

<table>
<thead>
<tr>
<th>Vehicle Description</th>
<th>Cost Per Vehicle</th>
<th>Total Vehicles</th>
<th>Total Vehicle Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elgin Mechanical Sweeper</td>
<td>$221,376.00</td>
<td>3</td>
<td>$664,128.00</td>
</tr>
</tbody>
</table>

FISCAL IMPACT:
While these sweepers where not included in the FY 2011 budget, Maintenance staff has identified funds in Equipment Services (4350) budget to support the lease/purchase of these three sweepers. If the lease/purchase is approved, the cost to ACHD will be an estimated $170,000.00. Funds for this year’s annual payment would come from reallocation of funds within Equipment Leases (Acct. 675) and Mobile Equipment (Acct. 670). The annual payment for the additional three years of the lease will be budgeted in each of the annual budgets.

RECOMMENDATION:
Staff submitting recommends the ACHD Commission authorize the lease/purchase of three (3) mechanical sweepers from the GSA Contract to replace the three aging sweepers currently in the fleet.

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