



Agenda Statement

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Title: Approval to Purchase a Caterpillar 966M Loader from NC Machinery, Including Chains and Freight in the Amount of \$326,223.00

Sponsors:

Indexes:

Code sections:

Attachments: 1. 966M Loader Quote.pdf, 2. State Contract- NC Machinery.pdf

Date	Ver.	Action By	Action	Result
4/18/2017	1	City Council		

ITEM TITLE:

Approval to Purchase a Caterpillar 966M Loader from NC Machinery, Including Chains and Freight in the Amount of \$326,223.00

SUBMITTED BY: Rob Comstock, Public Works Director.

FISCAL NOTES:

Expenditure Required: \$326,223.00
Unencumbered Balance: \$394,000.00
Funding Source: 350-0400-58000

RECOMMENDATION:

Approval to Purchase a Caterpillar 966M Loader from NC Machinery in the Amount of \$313,854.00, with chains and freight in the amount of \$12,369.00 for a total purchase price of \$326,223.00.

SUMMARY STATEMENT:

This loader is in the 2017 City of Valdez Major Equipment Budget under the Streets Department and will be purchased using the current State of Alaska Procurement Contract. Freight to Valdez, a general purpose bucket, and a full set of Pewag chains from Glacier Chain are all included in the total price.

With the City being able to purchase this loader off of the State Contract we will see a very significant savings versus normal government pricing on this machine with the accessories. The State Contract for Cat 966M wheel loaders expires in the fall of 2017, however there is an optional one year extension which would keep the savings in place through the fall of 2018 if the State opts to grant the

extension.

This new loader will be replacing a 2010 966H loader with 3,993 hours that will be sold as surplus, resulting in no increase to the fleet. This loader is being replaced in accordance with the 10 year Major Equipment replacement schedule and will be given a 7 year rotation and evaluated at that time for condition and value.