



City of Rochelle
Engineering Department

Memo

To: Dave Plyman, City Manager

CC: Tim Isley, Supt. of Street Division

Chris Frye, Finance Director

Alan Cooper, City Attorney (via council packet)

From: Sam Tesreau, City Engineer

Date: February 18, 2014

Re: purchase of capital equipment for Construction and Street Department projects

Encl. (1) ORDINANCE AUTHORIZING PURCHASE OF MID-SIZED EXCAVATOR AT AUCTION WITHOUT COMPETITIVE BIDDING

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1. Street Department Supt. Tim Isley and I have had several discussions regarding the need for purchase of certain pieces of construction equipment over the next 5 years. In 2012 City Council approved the purchase of an updated asphalt paver. Since that time the new paver has allowed Street Department staff to more efficiently patch and prepare street and alley base courses and surfaces for seal coat and other treatments. The following year a new asphalt roller/compactor was approved to replace the old and outdated roller which was over 30 years old. This newer/updated equipment has allowed Street Dept. staff to use a more efficient approach to maintaining and /or reconstructing street and roadway infrastructure while meeting material specifications for better compaction. Again this year Engineering/Street Dept. staff has proposed in the FY 14-15 budget that a used excavator be purchased for the Street Dept. to use for regular and ongoing infrastructure projects that are done in house. An opportunity to purchase such a piece of equipment will soon begin at auction in late March. Therefore, we would need to inspect and potentially purchase within the next month in FY 13-14 rather than wait until the beginning of the FY 14-15 budget.
 2. This excavator can be used for a wide variety of projects or needs that can't be accomplished with the current equipment available in house. One example is during the construction of phase 1 of the 20th Street widening project an excavator and other equipment was rented to provide more efficient use of the limited Street Dept. staff. The

excavator allowed a greater amount of earth and pavement material to be excavated and transported than with the available combination backhoe. However, rental cost for that one project was in excess of \$18,000. It is expected that a used mid-sized excavator, approximately 6 years old, in good condition and with reasonable operation hours will cost as much as \$90,000. It has been shown that an excavator can be a valuable piece of equipment to the Street Dept. and the savings and efficiency are significant if implemented within the Street Dept. fleet. Although this line item was not specifically budgeted for in FY 13-14, the Capital Improvements fund is able to absorb the cost for such a purchase and delay the line item expenditure for Engineering buildings until FY 14-15 so that the City may take advantage of the upcoming auction.

3. Please consider approval of the attached ordinance (Encl. (1)) authorizing the purchase of a used mid-sized excavator, as early as March 2014, and delay the consideration for line item expenditures for Engineering buildings until FY 14-15.