

COUNCIL ACTION FORM

SUBJECT: FLEET ACQUISITION PROGRAM – MOWING EQUIPMENT LEASE

BACKGROUND:

The City leases four commercial size riding mowers to perform the bulk of mowing in City parks and at Homewood Golf Course. These mowers are leased for seasonal work from mid-March to November of each year. The current mowers have been leased on a two-year lease program, with an option to renew the lease for an additional two years with new mowers provided at the beginning of each renewal period. In the past, the lease could be renewed two times, for a total of six years before being bid again. The 2014 mowing season was the sixth and final year of the lease. This equipment has now been bid out for a new lease agreement to begin with the 2015 mowing season.

A change to the bid specifications requests the lease be for three years with an option to renew one time for an additional three years.

Bids were received as follows:

Group 1: Two 10.5' Wide Deck Mowers

*TurfWerks will supply the same mowers for the entire lease period.

**MTI will supply new mowers at the start of each season.

Bidder	Make	Model	3-Year Lease	Optional Renewal	Additional 3-Year Lease
TurfWerks	Jacobsen	R311T	\$ 75,450.00	Yes	\$83,724
MTI Distributing, Inc.	Toro	GM-4100D	\$ 85,364.28	No	-
Van Wall Equipment	John Deere	1600	\$103,340.00	Yes	\$115,848

Group 2: Two 8' Wide Deck Mowers

*Van Wall Equipment will supply the same mowers for the entire lease period.

**MTI will supply new mowers at the start of each season.

Bidder	Make	Model	3-Year Lease	Optional Renewal	Additional 3-Year Lease
MTI Distributing, Inc.	Toro	GM360	\$53,613.18	No	-
Van Wall Equipment	John Deere	11580	\$77,940.00	Yes	\$87,288

Parks and Recreation staff has experienced past issues with TurfWerks related to the quality of the machine and customer service issues. TurfWerks also asked for an exception to the penalty clause in the bid, which does not meet the City's customer service needs. However, the City Attorney and Purchasing Manager indicated neither of these items is of such significance as to cause rejection of the low bid.

The Parks Maintenance and Homewood Golf Course budgets both have sufficient funding in FY15 to lease these mowers.

ALTERNATIVES:

1. Award this contract to Turfwerks for two Jacobsen R311 10.5-foot wide mowers at a cost of \$75,450.00 for three years; and MTI for two Toro GM360 8-foot wide mowers at a cost of \$53,613.18 for three years. This is the lowest direct cost to lease the machines.
2. Award this contract to MTI Distributing, Inc. for the lease of two Toro GM-4100D 10.5-foot mowers at a cost of \$85,364.28 for three years and two Toro GM360 8-foot mowers at a cost of \$53,613.18 for three years.
3. Delay award of bid for additional information.
4. Reject all bids.

MANAGER'S RECOMMENDED ACTION:

The Director of Fleet Services and Parks and Recreation staff agree that leasing the Jacobsen mowers from TurfWerks and Toro mowers from MTI Distributing, Inc. will meet the service requirements of the Parks Maintenance Division at a reasonable price.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 thereby accepting to award this contract to Turfwerks for two Jacobsen R311 10.5-foot wide mowers at a cost of \$75,450.00 for three years; and MTI for two Toro GM360 8-foot wide mowers at a cost of \$53,613.18 for three years. This is the lowest direct cost to lease the machines.