



WASHOE COUNTY

Integrity Communication Service

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STAFF REPORT

BOARD MEETING DATE: November 28, 2023

DATE: October 26, 2023

TO: Board of County Commissioners

FROM: David Gonzales, Equipment Services Superintendent, Community Services Department, 328-2121, dgonzales@washoecounty.gov

THROUGH: Eric Crump, Division Director, Operations
Community Services Dept., 328-2182, ecrump@washoecounty.gov
Mark Stewart, Purchasing and Contracts Manager
Comptroller Department, 328-2281, mstewart@washoecounty.gov

SUBJECT: Recommendation to: (1) approve the purchase of two (2) new Caterpillar model 950M Wheel Loaders from Cashman Equipment Company, 600 West Glendale Avenue, Sparks, Nevada 89431 [in the amount of \$725,432.58 with a five (5) year guaranteed buyback in the amount of \$485,000.00], utilizing Sourcewell (a public agency created by the Minnesota legislature) 2023 contract #032119-CAT, pursuant to the joinder provision of NRS 332.195; and (2) authorize the Purchasing and Contracts Manager to execute necessary purchasing documents. (All Commission Districts.)

SUMMARY

The Community Services Department (CSD) Operations Division and the Washoe County Purchasing and Contracts Manager request approval to purchase two new Caterpillar model 950M Wheel Loaders from Cashman Equipment Company, 600 W. Glendale Ave, Sparks, NV 89431 utilizing Sourcewell contract #032119-CAT. The initial purchase is \$725,432.58 for both units with a five (5) year guaranteed buyback of \$485,000.00. Sourcewell is a service cooperative created by the Minnesota legislature as a local unit of government (Minn. Const. art. XII, sec. 3). Sourcewell is governed by local elected municipal officials and school board members. Minn. Stat. § 123A.21 Subd. 4 (2017). As a public agency, all Sourcewell employees are government employees.

These are replacement units that will be used for day-to-day road operations and maintenance and are also equipped to operate a snowplow and snowblower for the County's snow removal program.

Washoe County Strategic Objective supported by this item: Fiscal Sustainability, Long-term sustainability.

AGENDA ITEM # _____

PREVIOUS ACTION

On May 16, 2023, the Board of County Commissioners (Board) adopted the Washoe County Budget for Fiscal Year 2024 and approved Equipment Services' Capital Improvement Plan (CIP) for Fiscal Years 2024-2028.

BACKGROUND

The primary use for these pieces of equipment is for winter snow removal operations in the Truckee Meadows area during inclement weather conditions and for day-to-day road maintenance operations the rest of the year.

The new equipment recommended for purchase will be covered by a five-year/5,000 hour full machine extended warranty and includes a guaranteed repurchase option after five years totaling \$242,500.00/units providing a significant source of funding for future replacement of these pieces of equipment. Approval of this purchase fixes the cost of ownership, maintenance, and resale value of the County's heavy equipment fleet through the security of the guaranteed repurchase option and an extended five-year/5,000 hour warranty program to cover costly repairs.

FISCAL IMPACT

Sufficient funds and budget authority exist in FY24 for the equipment purchase in the Equipment Services Fund (669), Heavy Equipment FY24 (ES692402), Equipment Capital (781004).

RECOMMENDATION

It is recommended that the Board of County Commissioners: (1) approve the purchase of two (2) new Caterpillar model 950M Wheel Loaders from Cashman Equipment Company, 600 West Glendale Avenue, Sparks, Nevada 89431 [in the amount of \$725,432.58 with a five (5) year guaranteed buyback in the amount of \$485,000.00], utilizing Sourcewell (a public agency created by the Minnesota legislature) 2023 contract #032119-CAT, pursuant to the joinder provision of NRS 332.195; and (2) authorize the Purchasing and Contracts Manager to execute necessary purchasing documents.

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be "Move to: (1) approve the purchase of two (2) new Caterpillar model 950M Wheel Loaders from Cashman Equipment Company, 600 West Glendale Avenue, Sparks, Nevada 89431 [in the amount of \$725,432.58 with a five (5) year guaranteed buyback in the amount of \$485,000.00], utilizing Sourcewell (a public agency created by the Minnesota legislature) 2023 contract #032119-CAT, pursuant to the joinder provision of NRS 332.195; and (2) authorize the Purchasing and Contracts Manager to execute necessary purchasing documents."