



**TOWN OF MILLIKEN
TOWN BOARD
AGENDA MEMORANDUM**

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|--|---|
| To: Mayor Woodcock and Town Trustees From: Bill Landwehr, Public Works Director Via: Kent Brown, Town Administrator | Meeting Date: Wednesday, November 21, 2016 |
|--|---|

| Consent: X | Action: | Discussion: | Information: |
|--|---------|-------------|--------------|
| Agenda Title: Authorization for Town Staff to initial the quote letter and submit a Purchase Order for Lease Equipment. | | | |
| Attachments: P.O. # 4949 Quote Letter from 4Rivers Equipment | | | |

PURPOSE

To Authorize staff to issue a Purchase Order and initial the quote term letter from 4Rivers for the Lease of a Motor Grader and Loader. The Purchase Order will allow 4Rivers to place the order for the equipment. The Town is under no obligation until it signs the actual Lease Contract which will not go into effect until the Town takes possession of the machines sometime in January 2017.

BACKGROUND

The Town has the need for updated equipment. This lease will allow to the Town to have new equipment on a 36-month Governmental Operating Lease that includes PM Maintenance.

BUDGET IMPLICATONS

The Town has included in the 2017 Budget the Lease of a 2016 John Deere 672G Motor Grader at \$37,080.00, 2016 John Deere 624K Wheel Loader/Includes a 3.5 CuYd Bucket Hyd Cplr and 96" x 72" Forks at \$21,000 annually. The Town could either purchase outright a 12' JRB Angle Snow Plow for \$12,250.00 or lease at \$4,500 per year for 3 years and own at the end of the lease term.

STAFF RECOMMENDATION

Staff recommends that the Town Board allow staff to submit the Purchase Order to 4Rivers Equipment and initial the Quote Letter w/terms.

11/8/2016

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Carlos Koons
125 John Deere Dr.
Fort Collins, CO 0524

Beau Woodcock
Town of Milliken
PO Box 290
Milliken, CO 80543

Beau,

Thanks for the opportunity to quote a New John Deere 670G Motor Grader and a New John Deere 624K Wheel Loader

Both machines will be quoted as a straight purchase as well as a 36 Month Governmental Operating Lease which includes a 48 Month / 4000 Hour Full Machine Warranty.

2016 John Deere 672G Motor Grader: (Elbert County Bid Award to 4 Rivers Equipment extended to Town of Milliken)

Purchase Price: \$258,950.00

36 Month Lease Payment: \$2790.00 a month / 1000 Hours Per Year - Residual \$178,000.00

36 Month Lease Payment Including PM Maintenance: \$3,090.00 a month.

2016 John Deere 624K Wheel Loader / Includes 3.5CuYd Bucket. Hyd Cplr and 96" x 72" Forks (CDOT Bid Award to 4 Rivers Equipment extended to Town of Milliken)

Purchase Price: \$172,500.00

36 Month Lease Payment: \$1475.00 a month / 1000 Hours Per Year - Residual \$130,665.00

36 Month Lease Payment Including PM Maintenance: \$1,750.00 a month

12' JRB Angle Snow Plow: Add'l \$375.00 a month (Town of Milliken owns at end of 36 Months)

Build Codes Attached. Please call with any questions.

Carlos Koons | Territory Manager

C: (970) 301-0605

E: ckoons@4riversequipment.com



TOWN OF MILLIKEN
1101 BROAD STREET
PO BOX 290
MILLIKEN, CO 80543



PURCHASE ORDER

Vendor:

4 RIVERS EQUIPMENT
240 5TH STREET
GREELEY CO 80631

Purchase Order # 4949

Date: 11/16/2016

| <u>Quantity</u> | <u>Description</u> | <u>GL Account</u> | <u>Unit Price</u> | <u>Total</u> |
|-----------------|---|-------------------|-------------------|--------------|
| 1.00 | Lease for 672G Grader | 10-31-4970-100 | 37,080.00 | 37,080.00 |
| 1.00 | Lease for 624K Loader | 10-31-4970-100 | 21,000.00 | 21,000.00 |
| 1.00 | Lease for 12' JRB Plow - Will own in the end. | 10-31-4970-100 | 4,500.00 | 4,500.00 |

Total Order Amount 62,580.00

Approvals:

Town Administrator: _____

Dept. Head: _____

Finance/Budget: Casta, D.L.

Approved Budget: Y N

Budget Amendment: Y N