


CITY OF COOS BAY CITY COUNCIL
Agenda Staff Report

| MEETING DATE | AGENDA ITEM NUMBER |
|--------------|--------------------|
| May 21, 2013 | |

TO: Mayor Shoji and City Council

FROM: Jim Hossley, Public Works and Development Director 

Through: Rodger Craddock, City Manager 

ISSUE: Public Hearing for and Adopt Resolution 13-09; and Approve Special Procurement for a Tractor Brush Mower

BACKGROUND:

Earlier this year the motor in the City's 23-year old brush mower tractor motor broke. It is not cost effective to repair the motor in a tractor this old. Staff is currently searching for a reasonably priced used or new brush mower. The mower was modified by the previous owner to fit the tractor. The mower cannot be modified to fit another tractor.

The reason staff requested the Special Procurement is that the City's procurement rules are not flexible enough for us to take advantage of the used equipment market. The City Council approved a Special Procurement process to purchase equipment earlier this year. Based on our experience with this process, the City saved several thousand dollars. Because of the success of this Specialty Procurement in saving the City money, staff is asking that Council consider approving a similar Special Procurement process to find a tractor and brush mower combination.

I believe the Special Procurement process should be used when the City is considering the purchase of specialty or used equipment. The availability of information on the internet also favors the Special Procurement process. Our existing procurement process assumes that bidders will find our requests for bid advertised. With the internet, staff can easily find equipment meeting our specifications all over the country. Then we can request quotes from multiple suppliers.

Section 2 of the City's contracting rules states in pertinent part: "...if any issue or claim is not resolved or addressed in these Rules of Local Contract Review, then the rules of decision shall be in the Oregon Attorney General's Model Contract Rules Manual, 2004 edition."

In the Model Rules there is discussion of "Special Procurements," the process for which is codified by statute at ORS 279B.085 and at OAR 137-047-0285. The special procurement process is designed to provide additional flexibility to a public agency in purchasing goods or services, where the standard methods do not work well. In the Model Code, the commentary to the special procurement process states in part that "In a Special Procurement, the contracting agency may custom-design any contracting approach it determines will best meet its procurement needs, and submit a written request for approval that describes the selected approach. The process for a contract specific special procurement is as follows:

- City staff will contact four (4) equipment suppliers who specialize in public works equipment to provide items that will meet the City's needs not to exceed \$70,000.

- By contacting four (4) equipment suppliers who specialize in public works equipment they all have equal chance to offer the equipment to the City at the maximum limit of \$70,000.
- This specific special procurement process will allow the City to save money and time by seeking bids from a larger number of suppliers than would normally be found by advertising in The World and Daily Journal of Commerce.
- Pursuant to the OAR, the City will place a public notice in The World Newspaper, a paper in general circulation in the area, informing the public of the special procurement for the purchase of the tractor and brush mower.
- Once notice has been given, staff will look in the advertisements for tractor and brush mower equipment which meet the City's needs and are within the maximum price allowed (\$70,000 total) by the City Council acting as the Contracting Board.

ADVANTAGES:

By purchasing the tractor and brush mower equipment through the Special Procurement process the City could save a few thousand dollars over the traditional method as staff can "shop around" for the best deal available.

DISADVANTAGES:

Other than price, none noted.

BUDGET:

Funding for this purchase would come from the Major Capital Reserve Fund 34. After holding a public hearing, Council may consider adoption of Resolution 13-09. Adoption of the Resolution would ensure that adequate funds are available in the Major Capital Reserve Fund for the purchase of the tractor and brush mower attachment.

RECOMMENDATION:

If it pleases the Council, hold a public hearing and adopt Resolution 13-09; and authorize a specific special procurement process to purchase a tractor and brush mower not to exceed a total cost of \$70,000.

ATTACHMENTS:

Resolution 13-09

City of Coos Bay

Resolution 13 – 09

**A RESOLUTION OF THE CITY OF COOS BAY, COOS COUNTY, OREGON,
SUPPLEMENTAL BUDGET APPROPRIATING MAJOR CAPITAL FUND CARRYOVER**

WHEREAS, appearing to the City of Coos Bay that the City of Coos Bay has complied with the provisions of ORS 294.473 to appropriate funds to adjust one fund's expenditures by more than 10% of the fund's adopted expenditure total; a public hearing shall be held; the governing body at a regularly scheduled meeting shall adopt a supplemental budget by resolution stating the need, purpose, and amount of the appropriation; provide notice of the meeting by publishing not less than five days before the meeting; and the notice includes a summary of the changes proposed; and

WHEREAS, the Major Capital Fund requires additional appropriation for the purchase of Public Works capital equipment to replace a mower and the Major Capital Fund has sufficient unanticipated carryover from FYE 12 of an additional \$291,567; and

Major Capital Fund

| | | | |
|--------------|---|-----------|-------------|
| Resources | Carryover | \$291,567 | |
| Requirements | Capital | 291,567 | |
| | New Total Capital Requirements | | \$1,892,567 |
| | New Total Major Capital Fund Requirements | | 2,158,808 |

NOW, THEREFORE, BE IT RESOLVED THAT, the City of Coos Bay, Coos County Oregon hereby adopts the FY 2012-2013 Resolution as set forth above, and appropriates the sums as shown above.

The foregoing resolution was duly adopted by the City of Coos Bay, Coos County, Oregon this 21st day of May 2013.

Crystal Shoji, Mayor

ATTEST:

Susanne Baker, City Recorder