



## PROPOSED AGENDA ITEM

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MEETING DATE: December 21, 2010

SUBJECT: Tractor and snow blower purchase

SUBMITTED BY: Steve Sceiford, Facilities Manager  
(Paul Fritz, Business Manager)

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### RECOMMENDATION:

Motion to approve the purchase of a John Deere 3720 tractor with two-stage snow blower from Z&M Ag and Turf for a total COSTARS price of \$32,618.20 less the tractor trade-in of \$6,900.00 for a net cost of \$25,718.20

### DESCRIPTION:

The proposed tractor and snow blower purchase is to replace the 1990 tractor and the blower currently in use. Cooperative pricing is utilized through COSTARS, the Commonwealth purchasing program with Z&M Ag and Turf in Edinboro as the local vendor.

#### COSTARS pricing:

|                                         |                      |
|-----------------------------------------|----------------------|
| John Deere 3720 Tractor                 | \$28,100.54          |
| John Deere 59 in. Two-stage snow blower | \$ 4,517.66          |
| Less tractor trade-in                   | <u>(\$ 6,900.00)</u> |
| Total net payment                       | \$25,718.20          |

### RATIONALE:

|                                                   |                     |
|---------------------------------------------------|---------------------|
| Annual cost of using ECTS employees and equipment | \$ 5,520.00         |
| Annual cost of contracting additional work        | <u>\$ 21,420.00</u> |
| Added cost of contracting - per year              | <u>\$ 15,900.00</u> |

(Cost calculations are on the attached pages)

### Tractor and snow blower

1. Tractor is needed for both snow removal and grass cutting
2. Current John Deere 955 is twenty years old.
3. The 12' mower needs 30hp to run it, the JD 955 is only 28hp, the new tractor is 35hp.
4. The tractor has over 3000 hrs = to 180,000 miles on it, the motor is close to needing rebuilt- estimated at \$7,500
5. Tractor is starting to have problems with the fuel injectors.
6. Tractor motor mounts replaced this past summer.
7. The snow-blower is ten years old and will need to be replaced; this is the second one for this tractor
8. The equipment replacement is within the Facilities and Maintenance department long range plan
9. Payment will be made from the Capital Projects Fund

### Snow Removal

1. Sub-contracting is permitted for snow removal in the Classified Unit Bargaining Agreement.
  - Currently-Yardmaster, LLC is contracted to plow driveways and parking lots at an annual contract cost of \$9,450
  - Currently ECTS employees and equipment clear sidewalks and entrances
2. Cost of additional annual sidewalk snow plowing with Yardmaster, LLC:
  - Additional work beyond current contract for driveways and parking lots.
  - Quote of \$210 per call for additional work for sidewalks and entrances
  - Estimated 34 snowy days per season needing removal
  - Multiple calls per day: AM session, PM session, evening classes, (3 calls)
  - Cost of additional annual sidewalk snow plowing with Yardmaster, LLC is estimated at **\$21,420**
3. Non-contracted snow removal work is built into the Classified Unit maintenance staff job descriptions. Current maintenance classification
  - Wage rates: M-1-\$16.91, M-2-\$15.38, M-3-\$13.06 – average \$15.12
  - 2.5 hours to clear and salt the sidewalks each time
  - 34 days, 3 times each day = 255 annual hours

### Grass cutting

1. Sub-contracting for grass cutting is not permitted in the current contract at this time.
2. Grass cutting is performed by seasonal workers using ECTS equipment and is allowed by the bargaining agreement but the hourly rate is not negotiable in the contract.
  - The current hourly rate is \$8.00
  - 16 hours per week to cut grass for 20 weeks = 320 hours
  - Seasonal workers employed from May 1 through September 30

### **Classified Unit Bargaining Agreement**

#### **Article I - Section 7 - Subcontracting**

At the High School, the Committee may utilize Subcontractors if the work to be done is temporary in nature and requires special skills and/or special equipment for such tasks as construction, roofing, specialty electrical work, etc. The Committee may also subcontract work for snow removal.

| Equipment Purchase vs Contracted Service |            |          |          |
|------------------------------------------|------------|----------|----------|
|                                          | Total      | Snow     | Turf     |
| Annual usage - hours                     |            |          |          |
| Hours                                    | 575        | 255      | 320      |
| % allocation                             | 100%       | 44%      | 56%      |
| Capital Cost                             |            |          |          |
| Tractor cost                             | \$ 28,101  |          |          |
| tractor residual value                   | \$ (6,900) |          |          |
| Capitalized value                        | \$ 21,201  |          |          |
| Useful life                              | 20         |          |          |
| Annual cost                              | \$ 1,060   | \$ 470   | \$ 590   |
| Snow blower                              | \$ 4,518   |          |          |
| Useful life                              | 10         |          |          |
| Annual cost                              | \$ 452     | \$ 452   |          |
| Turf mower                               | \$ 9,500   |          |          |
| Useful life                              | 10         |          |          |
| Annual Cost                              | \$ 950     |          | \$ 950   |
| Total Annual Capital cost                | \$ 2,462   | \$ 922   | \$ 1,540 |
| Operating Costs                          |            |          |          |
| Estimated operating costs                | \$ 615     | \$ 230   | \$ 385   |
| repairs/insurance/fuel                   |            |          |          |
| Labor Cost                               |            |          |          |
| Average wage rate 2010-11                | \$ 15.12   | \$ 8.00  |          |
| Annual hours                             | 255        | 320      |          |
| Labor cost                               | \$ 3,856   | \$ 2,560 |          |
| Employer payroll cost                    | \$ 512     | \$ 196   |          |
| Total annual labor cost                  | \$ 7,124   | \$ 4,368 | \$ 2,756 |
| Total allocated cost                     | \$ 5,520   | \$ 4,681 |          |
| Contracted cost estimate                 | \$ 21,420  | NA       |          |
| Annual excess cost to contract           | \$ 15,900  | NA       |          |
| Cost savings over contracting            |            |          |          |



**Z&M Ag and Turf**  
13521 CAMBRIDGE ROAD  
EDINBORO, PA, 16412  
Phone: 814-734-1552  
Fax: 814-734-1556

Quote Id : 4862360

Customer Name : ERIE COUNTY VO-TECH SCHOOL

### Quote Summary

**Contract Number:** 2420-01

**Contract Period:** October 1, 2009 through September 30, 2011

### Purchase orders should Read:

#### Vender:

**John Deere Company**  
**2000 John Deere Run**  
**Cary, NC 27513**

|                                                                                                                  |                                                                                                                        |                                                                                                                                                              |
|------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Prepared For :</b><br>ERIE COUNTY VO-TECH SCHOOL<br>8500 OLIVER RD<br>ERIE, PA 16509<br>Business:814-864-0641 | <b>Prepared By:</b><br>CHUCK THOMPSON<br>13521 CAMBRIDGE ROAD<br>EDINBORO, PA 16412<br>cthompson@zahmandmatson.<br>com | <b>Quote Id :</b> 4862360<br><b>Created On :</b> October 27, 2010<br><b>Last Modified On :</b> November 3, 2010<br><b>Expiration Date:</b> December 31, 2010 |
|------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|

| Equipment Summary                                                                                                     | Suggested List | Selling Price  | Qty | Extended            |
|-----------------------------------------------------------------------------------------------------------------------|----------------|----------------|-----|---------------------|
| John Deere 3720 Tractor (MY 2011)                                                                                     | \$ 34,845.00   | \$ 28,100.54 X | 1 = | \$ 28,100.54        |
| John Deere 59 In. Two-Stage Snow Blower (For 3120-3720, 3005, 790, 855, 955, 670, 770, 4200-4400, 4210-4410 Tractors) | \$ 5,612.00    | \$ 4,517.66 X  | 1 = | \$ 4,517.66         |
| <b>Equipment Total</b>                                                                                                |                |                |     | <b>\$ 32,618.20</b> |

| Trade In Summary                | Qty | Each        | Extended           |
|---------------------------------|-----|-------------|--------------------|
| 1990 John Deere 955 4WD TRACTOR | 1   | \$ 6,900.00 | \$ 6,900.00        |
| Pay-off                         |     |             | \$ 0.00            |
| Total Trade Allowance           |     |             | \$ 6,900.00        |
| <b>Trade In Total</b>           |     |             | <b>\$ 6,900.00</b> |

### Quote Summary

|                    |                     |
|--------------------|---------------------|
| Equipment Total    | \$ 32,618.20        |
| Trade In           | \$ (6,900.00)       |
| SubTotal           | \$ 25,718.20        |
| Total              | \$ 25,718.20        |
| Down Payment       | (0.00)              |
| Rental Applied     | (0.00)              |
| <b>Balance Due</b> | <b>\$ 25,718.20</b> |

Salesperson : X \_\_\_\_\_

Accepted By : X \_\_\_\_\_



# Selling Equipment

Quote Id :4862360

Customer Name :ERIE COUNTY VO-TECH SCHOOL

## John Deere 3720 Tractor (MY 2011)

Suggested List

\$ 34,845.00

Selling Price

\$ 28,100.54

| Code                               | Description                                                                 | Qty | Unit                | Extended            |
|------------------------------------|-----------------------------------------------------------------------------|-----|---------------------|---------------------|
| 6823LV                             | 3720 Tractor (MY 2011)                                                      | 1   | \$ 24,799.00        | \$ 24,799.00        |
| <b>Standard Options - Per Unit</b> |                                                                             |     |                     |                     |
| 1514                               | Deluxe Cab with Air Ride Seat                                               | 1   | \$ 8,200.00         | \$ 8,200.00         |
| 2025                               | eHydro                                                                      | 1   | \$ 0.00             | \$ 0.00             |
| 2505                               | Mid PTO                                                                     | 1   | \$ 415.00           | \$ 415.00           |
| 4520                               | 27x8.50-15 6PR Front R3 Turf 2<br>Pos.41x14.0-20 4PR Rear R3 Turf 2<br>Pos. | 1   | \$ 318.00           | \$ 318.00           |
| 7030                               | Dual Mid & Single Electrohydraulic<br>Rear SCV                              | 1   | \$ 855.00           | \$ 855.00           |
| <b>Standard Options Total</b>      |                                                                             |     |                     | <b>\$ 9,788.00</b>  |
| <b>Dealer Attachments</b>          |                                                                             |     |                     |                     |
| LVB25015                           | 55 Amp Alternator                                                           | 1   | \$ 258.00           | \$ 258.00           |
| <b>Dealer Attachments Total</b>    |                                                                             |     |                     | <b>\$ 258.00</b>    |
| <b>Discount</b>                    |                                                                             |     | <b>\$ -6,744.46</b> | <b>\$ -6,744.46</b> |
| <b>Total</b>                       |                                                                             |     |                     | <b>\$ 28,100.54</b> |

## John Deere 59 In. Two-Stage Snow Blower (For 3120-3720, 3005, 790, 855, 955, 670, 770, 4200-4400, 4210-4410 Tractors)

Suggested List

\$ 5,612.00

Selling Price

\$ 4,517.66

| Code                               | Description                                                                                                      | Qty | Unit                | Extended            |
|------------------------------------|------------------------------------------------------------------------------------------------------------------|-----|---------------------|---------------------|
| 2758M                              | 59 In. Two-Stage Snow Blower (For<br>3120-3720, 3005, 790, 855, 955, 670,<br>770, 4200-4400, 4210-4410 Tractors) | 1   | \$ 3,910.00         | \$ 3,910.00         |
| <b>Standard Options - Per Unit</b> |                                                                                                                  |     |                     |                     |
| 1005                               | Snow Blower Mounting Kit and<br>Driveshaft (3120-3720)                                                           | 1   | \$ 293.00           | \$ 293.00           |
| 2005                               | Front Three-Point Hitch with A-Frame<br>Quick Attach System (3120-3720)                                          | 1   | \$ 1,171.00         | \$ 1,171.00         |
| 3005                               | 2000 RPM Front PTO (3120-3720)                                                                                   | 1   | \$ 238.00           | \$ 238.00           |
| <b>Standard Options Total</b>      |                                                                                                                  |     |                     | <b>\$ 1,702.00</b>  |
| <b>Discount</b>                    |                                                                                                                  |     | <b>\$ -1,094.34</b> | <b>\$ -1,094.34</b> |



JOHN DEERE

# Selling Equipment

Quote Id :4862360

Customer Name :ERIE COUNTY VO-TECH SCHOOL

**Total**

**\$ 4,517.66**

**Proposal & Contract**

**YARDMASTER OF PENNSYLVANIA, LLC**  
**SNOW MANAGEMENT DIVISION**  
 2016 Baur Lane, Erie, PA 16502  
 (814) 455-1752

|                                              |                           |                      |
|----------------------------------------------|---------------------------|----------------------|
| PROPOSAL <b>Erie County Technical School</b> | PHONE <b>814-454-8400</b> | DATE <b>12-13-10</b> |
| STREET <b>8500 Oliver Road</b>               | JOB NAME                  |                      |
| CITY, STATE AND ZIP <b>Erie, PA 16509</b>    | JOB LOCATION              |                      |

We hereby submit specifications and estimates for:

**Snowplowing / shoveling of walkways only per occurrence basis. Plowing is to be done after 2-3" (approx.) accumulation of snow as the result of snowfall or drifted snow.**

**Cost per plow / shovel:**

**\$145.00 per occurrence**

**Application of calcium to walks:**

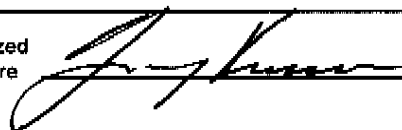
**\$65.00 per occurrence**

- **Stacking and hauling snow are not included in the above cost, although these services are available upon request.**
- **Skid Steer rate per hour is \$55.00, Backhoe rate per hour is \$75.00, 3 Yard Loader per hour is \$95.00; dump truck rate per hour is \$45.00.**
- **This proposal is for two (2) seasons and is valid from the 2010/2011 – 2011/2012 winter season.**
- **Past due accounts will not be serviced until account is brought up to date.**
- **Customer has read Terms & Conditions on the reverse side and accepts the same.**
- **Contract may be cancelled upon 30 day written notification.**

Payment to be made as follows:

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workmens' Compensation Insurance.

Authorized  
Signature



Note: This proposal may be withdrawn by us if not accepted within 10 days.

**Acceptance of Proposal** - The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above. I have read the Terms and Conditions and understand them.

Signature: \_\_\_\_\_

Date of Acceptance: \_\_\_\_\_

Signature: \_\_\_\_\_