



## *Memo*

To: Board of Directors  
From: Alan E. Clanin, General Manager  
Date: May 09, 2018  
Subject: Backhoe Replacement

We have received a proposal from RDO Equipment for a new John Deere backhoe to replace one of the two aging district backhoes.

### **Background:**

The District currently has two aging backhoes in service. The older of the two is a 1989 Case 580K that was placed in secondary (back-up) service in 1997 and is primarily used for loading trucks with dirt and base material at the District yard. The newer of the two backhoes is a 1997 John Deere 310SE. This backhoe is the primary work horse of the District. Both backhoes have had numerous breakdowns requiring expensive repairs. The purchase of a new John Deere 310HL backhoe will allow the District to place the older John Deere 310 backhoe into secondary service which may prolong its useful life by another 10 to 15 years. The older Case backhoe would be summarily declared surplus and sold. Re-sale value for the 1989 Case backhoe is about \$11,000.

### **Proposal for New Backhoe:**

District Staff has researched new backhoes and have determined that a John Deere 310HL would best fit the District needs. Requests for quotes were sent to RDO Equipment which is the local authorized John Deere dealer, and was the only dealer requested to submit a quote. Attached are copies of the specifications for your information.

The quote received is as follows:

### **RDO Equipment:**

2018, John Deere 310HL

**\$130,784.87**

The above price includes sales tax.

### **Recommendation:**

John Deere tractors are known for longevity and durability, and, because the control platforms have not changed, district personnel will be readily able to operate the equipment. It is my recommendation to accept the quote from RDO Equipment and proceed with the purchase of this backhoe.

The District has \$138,000 in the 2018-2019 fiscal year budget for this vehicle replacement.



# Investment Proposal (Quote)

RDO Equipment Co.  
20 Iowa Avenue  
Riverside CA, 92507

Phone: (951) 778-3700 - Fax: (951) 778-3746

**Proposal for:**  
CRESTLINE VILLAGE WATER DISTRICT  
POBOX 3347  
777 COTTONWOOD DR  
CRESTLINE, CA, 92325  
SAN BERNARDINO

**Investment Proposal Date:** 4/13/2018  
**Pricing Valid Until:** 5/13/2018  
**Deal Number:** 1068505  
**Customer Account#:** 1727017  
**Governmental Account Manager:** Kent Taylor  
**Phone:** (951) 778-3700  
**Fax:** (951) 778-3746  
**Email:** KTaylor@rdoequipment.com

## Equipment Information

Quantity	Serial Number	Hours (approx.)	Status / Year / Make / Model Additional Items	Cash Price
1	TBD	0	New 2018 JOHN DEERE 310HL Prep / Reconditioning PDI / With Fuel / With DEF Freight In Freight Out After Sales Labor INSTALL ALL AT CODES LABOR Customer Discount Gov Discount PM Elite Final Tier 4 - 0 - 3000 Hours Warranty -John Deere Power Train & Hyd.-84 Months, 4000 Hours,Deductible: 0, Exp Date: 4/18/2025	\$174,278.00 \$1,232.12 \$3,117.15 \$450.00 \$2,500.00 (\$75,789.19) \$9,113.25 \$4,975.00
1	TBD	0	Attachment - New 2018 JOHN DEERE 310HL AT333753 BOOM PROTECTION PLATE (NU)	\$504.50
1	TBD	0	Attachment - New 2018 JOHN DEERE 310HL AT347522 REAR WHEEL SPACERS (NU)	\$820.46
1	TBD	0	Attachment - New 2018 JOHN DEERE 310HL AT393180 ENVIRONMENTAL DRAIN KIT	\$493.31
1	TBD	0	Attachment - New 2018 JOHN DEERE 310HL AT408903 MTG KIT-W/5LB FIRE EXTINGUISHE	\$260.13
1	TBD	0	Attachment - New 2018 JOHN DEERE 310HL AT434236 BUMPER GRILLE FRAME FK	\$72.32
			<b>Equipment Subtotal:</b>	<b>\$122,027.05</b>

## Purchase Order Totals

<b>Balance:</b>	\$122,027.05
<b>Total Taxable Amount:</b>	\$112,913.80
<b>Tax Rate 3: (CASD 7.75%)</b>	\$8,750.82
<b>Sales Tax Total:</b>	\$8,750.82
<b>CA Tire Fee:</b>	\$7.00
<b>Sub Total:</b>	\$130,784.87
<b>Cash with Order:</b>	\$0.00
<b>Balance Due:</b>	<b>\$130,784.87</b>