



Memo

To: Board of Directors
From: Alan E. Clanin, General Manager
Date: June 25, 2019
Subject: Sale of Surplus Case 580K Backhoe

The Crestline Village Water District Board of Directors declared the 1990 Case 580K Backhoe S/N JJG0029547 surplus and authorized the General Manager to proceed with the sale of the backhoe. The District received two bids for the purchase of the surplus backhoe. The two bids opened by General Manager Clanin and Field Supervisor Wood were from Leopoldo Orona for the amount of \$12,000 and from Chris Heryford for the amount of \$12,500. The bid was discussed by District Staff as it did not meet the minimum bid requirement of \$17,500. At the May Board meeting, the Board of Directors authorized Manager Clanin to re-open the bidding process and negotiate for the highest price.

The District contacted both bidding parties and requested last, best, final bid. Bids were received from Leopoldo Orona for the amount of \$13,000, and from Chris Heryford for the amount of \$13,100.

The District accepted the bid from Chris Heryford for \$13,100.

While the final bid price for the backhoe is lower than desired, it should not be considered overly low when you account for the diminished availability of replacement parts and non-compliance with modern emission standards.