

*Please return to:*  
**Kennewick Irrigation District**  
12 West Kennewick Avenue  
Kennewick, WA 99336

**KENNEWICK IRRIGATION DISTRICT  
RESOLUTION 2015-05**

**AUTHORIZATION TO WAIVE COMPETITIVE BIDDING AND AWARD A  
SOLE SOURCE CONTRACT TO PURCHASE USED 2013 JD 85D  
EXCAVATOR; PURSUANT TO RCW 87.03.435(3)(c)**

**WHEREAS**, the Board of Directors of the Kennewick Irrigation District has established a General Purchasing Policy 2.13 that establishes the rules for acquiring services, contractors, materials, supplies, and equipment; and

**WHEREAS**, RCW 87.03.435(3)(c) provides for establishing the purchase price by direct negotiation if the purchase is clearly limited to a single source of supply or to purchases involving special facilities, services, or market conditions, in which instances the purchase price may be best established by negotiation; and

**WHEREAS**, pursuant to KID General Purchasing Procedure 2.13, Paragraph 6.3.1.5, a sole source purchase may be approved if there is a need for a used item that can be purchased through a distributor, that would represent a good value and is advantageous to KID; and

**WHEREAS**, KID has ongoing maintenance and replacement activities and a capital improvement program that includes canal lining and piping projects that requires an excavator of this size and KID has been renting an excavator for these activities; and

**WHEREAS**, ongoing maintenance and replacement activities and capital improvements will continue in the future, and this size excavator will be necessary for these ongoing activities; and

**WHEREAS**, during the evaluation process for the purchase of a new excavator, it was brought to our attention that Rowand Machinery has a used 2013 85D excavator available for \$85,975.00; and


**WHEREAS**, through an analysis, the hourly cost of ownership of this equipment is \$7.96, which is a significant cost savings compared to other excavator options, which represents a market condition in which the purchase price is best established by direct negotiation; and


*Please return to:*  
**Kennewick Irrigation District**  
12 West Kennewick Avenue  
Kennewick, WA 99336

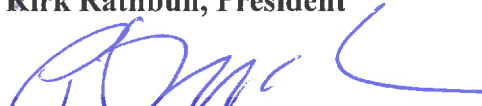
**WHEREAS**, this used 2013 John Deere 85D Excavator represents a unique situation that is of good value and is advantageous to KID;

**NOW, THEREFORE, BE IT RESOLVED** that the Kennewick Irrigation District Board of Directors waives competitive bidding, and authorizes the purchase of the aforementioned used 85D excavator in the amount of \$85,975.00 plus the applicable tax from Rowand Machinery.

Resolution 2015-05 is hereby adopted by the Board of Directors of Kennewick Irrigation District, Benton County, Washington, at an open public meeting thereof this 17<sup>th</sup> day of February, 2015.

  
\_\_\_\_\_  
**Kirk Rathbun, President**

  
\_\_\_\_\_  
**Gene Huffman, Vice President**

  
\_\_\_\_\_  
**Patrick McGuire, Director**

  
\_\_\_\_\_  
**David McKenzie, Director**

  
\_\_\_\_\_  
**Dean Dennis, Director**

# Kennewick Irrigation District Sole Source Justification Form

(This form is not required, but justification must be written and signed by the authorized purchaser & submitted to the District Manager for drafting of the Sole Source Resolution)

Your Name: Jason McShane, P.E.	Your Department: Engineering and Operations
Your Phone: (509) 205-9794	Purchase Order #:
Requested Vendor: Rowand Machinery	Cost Estimate:
Vendor Address: P.O. Box 2761 Pasco, WA 99302-2761	Vendor E-Mail & Website: bhulse@rowand.com
Vendor Contact: Blaine Hulse	Vendor Phone: (509)514-8813

Purchase of the following:

- Used 2014 John Deere Excavator

Below are eligible KID reasons for sole source. Check all boxes below that apply to your sole source situation and attach any useful documents to justify the sole source.

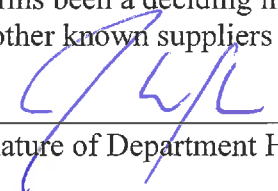
- Compatibility to existing KID standard or to existing equipment, inventory, systems, data, programs or service.
  
- Licensed or patented product with only one dealer. Describe. Attach documentation if available, to confirm your source is the only dealer or supplier for this region.
  
- Only authorized Service Provider, Repair and/or Warranty Services. Describe.
  
- Unique design: Requires unique features that are essential, aesthetic requirements, or not practical to match to existing design or equipment. Describe.
  
- Used item: Surplus item bought through an auction or distributor that would represent good value and is advantageous to KID. Describe.

The used 2013 John Deere 85D Excavator to be purchased from Rowand Machinery represents good value and is advantageous to KID. The hourly cost of ownership of this equipment is \$7.96, much lower than other excavator options. See attached analysis.

- Delivery date: Only one supplier can meet required delivery date. Describe and list efforts to find other suppliers to meet the date.
  
- Project or Research Continuity: Product, systems, services or data must comply with an ongoing project, research, data, testing or analysis. Results would be interrupted or compromised without continuity. (ex. Might be sole source of chemical treatment that requires multiple years of treatment) Describe.
  
- Other: Describe.

STATEMENT OF NEED:

My department's recommendation for sole source is based upon an objective review of the goods/services being required and appears to be in the best interest of KID. I know of no conflict of interest on my part or personal involvement in any way with this request. Neither has my personal familiarity with particular brands, types of equipment, materials or firms been a deciding influence on my request to sole source this purchase when there are other known suppliers to exist.

  
\_\_\_\_\_  
Signature of Department Head

2/12/15  
\_\_\_\_\_  
Date

**Please complete entire form and forward to District Manager's Office**  
***District Manager can approve if under \$5,000 and then report to Board***  
***If over \$5,000 the Board has to approve prior to purchase***

### Excavator Evaluation

Purchase or Rent	Monthly Rate	Rental Months/ year	Yrs to Net Purchase price of New Machine	Yrs to Net Purchase price of New Machine
Rental	2800	5	7	
Purchase Options:				
	Capital Purchase Price	Hours	Yrs to Surplus	Hourly Cost of Ownership
New 2014 JD 85D EXC	\$ 111,750.00	0	12.9 \$	11.11
Used 2013 JD 85D EXC	\$ 85,975.00	707	11.8 \$	7.96
Used 2010 JD 85D EXC	\$ 82,200.00	2428	9.4 \$	9.46
Used 2010 (2) JD 85D EXC	\$ 83,600.00	1658	10.5 \$	8.66
Used 2010 (3) JD 85D EXC	\$ 82,900.00	2034	10.0 \$	9.03
Used 2010 (4) JD 85D EXC	\$ 83,000.00	1957	10.1 \$	8.95
Used 2011 (1) JD 85D EXC	\$ 78,000.00	1863	10.2 \$	8.13
Used 2012 (1) JD 85D EXC	\$ 112,000.00	1151	11.2 \$	11.72
New 2015 CAT 308 EXC	\$ 111,182.27	0	12.9 \$	10.13
Used 2013 (1) CAT 308 EXC	\$ 99,000.00	1464	10.8 \$	10.48
Used 2013 (2) CAT 308 EXC	\$ 114,000.00	740	11.8 \$	11.38
Used 2013 (3) CAT 308 EXC	\$ 96,600.00	1315	11.0 \$	9.97
Used 2013 (4) CAT 308 EXC	\$ 97,700.00	1200	11.1 \$	9.96
Used 2013 (5) CAT 308 EXC	\$ 102,000.00	940	11.5 \$	10.17