

MEMORANDUM

To: Mayor and City Council
Steve Parker, City Manager

From: John Donnelly, Director of Public Works

Subject: Zipper Purchase with Trade-In Option

Date: June 8, 2020

In February 2016, the city purchased the Asphalt Zipper® machine for street rehabilitation projects, utility cuts and pothole repairs. Since then, asphalt maintenance projects have been completed quickly and more economically.

However, major damage to the main frame of the current machine has occurred resulting in an estimated \$30,000, to return the machine to full operation use. While mechanical issues have occurred since the original purchase of this first-generation zipper machine (all which Asphalt Zipper has guaranteed), none were to this extent or cost (see pictures)

Therefore, staff requests consideration of a 4-year trade in option. Asphalt Zipper will provide a trade-in allowance of \$72,000.00, towards the purchase of the 2021 480Xi-260H Reclaimer/Stabilizer (see quote). This new model will allow Public Works staff to continue the high rate of production established in the last four years. In summary, the city has spent \$74,900, the last four years at a rate of \$18,725/year for the current zipper. To rent a machine to accomplish this rate of production would cost approximately \$9,000/month.

A quote for a 2021 480Xi-260H Reclaimer/Stabilizer Model AZ500 Asphalt Zipper® was obtained from the manufacturer in American Fork, Utah, in the amount of \$244,900 less the \$72,000, trade-in, plus additional warranty and start up kit, totaling a final cost of \$163,515. Delivery is expected in approximately six weeks.

Staff recommends approval. Funding for this purchase will be included with the mid-year budget.

CURRENT ZIPPER

