

**MINUTES
MOAPA VALLEY WATER DISTRICT
BOARD OF DIRECTORS SPECIAL MEETING
HELD
THURSDAY, JUNE 23, 2011**

PRESENT:	Kenneth Staton	Lindsey Dalley
	Jon Blackwell (By phone)	
	Joe Davis	Susan Rose
	Vernon Robison, MV Progress	Joe Gilmer, Blaine Equipment

ORDER OF BUSINESS: At 4:05 p.m., Chairman Ken Staton called to order the regular meeting of the Moapa Valley Water District Board of Directors. The agenda items were addressed in the following order:

1. Approve the purchase of a 2011 310SJ tractor/backhoe from Blaine Equipment in the amount of \$47,304 (Action Item)

Joe Davis explained that in the FY11 budget, money was allocated for the purchase of a new backhoe. The approval to purchase that backhoe from Cashman Equipment was given at the April Board meeting. The sales rep from Cashman Equipment told Joe that the backhoe would be delivered within 18 days. That never happened. When Joe called to find out where the backhoe was, he was told that they were having trouble getting the parts out of Japan to get the machine built. Joe explained to them that we had to have the backhoe before the end of June. So they brought one out and when Joe inspected it, he discovered that it had the wrong transmission and wrong breaking system. The specs call for a non-drive thru break. The non-drive thru break prevents the backhoe from moving when it's turned on. Since the machine did not meet specs, Joe sent it back. The salesman at Cashman offered to take \$2,800 off the price and give us \$2,500 towards rental equipment but Joe told him that wasn't an option because the machine doesn't meet specs. We had to have the machine Cashman bid on. Joe was then told that it would take 24 weeks for it to be built.

The following is an email that Joe received from Cashman:

"Gentlemen,

We sincerely apologize for the mess on the backhoe for the Moapa Valley Water District, if you can work with us we would like to make this right. The backhoe we delivered and ordered was a std shift trans with a power shuttle transmission. The backhoe spec called out for a Power shift trans with auto shift on the column. We ordered the right machine with the wrong transmission spec. With that said, we would like to make the Water District an offer to help secure the relationship between MVWD and Cashman Equipment, so we are still able to still deliver the CAT 420E backhoe.

We propose the difference of 2800.00 less on the invoice which covers the difference between the auto shift and the std shift transmission and an additional 2500.00 rental credit to use towards any rentals on equipment. Or, we can order another backhoe which is currently running 24 weeks out on production. Whatever you decide we hope you stay with the Cashman and CAT family, the difference between us and the competition is that we care and we want your long term business."

Joe said that Cashman understands that we can't wait 24 week because the money has to be spent this year.

Joe contacted Blaine Equipment and they had the machine that they had put in their bid sitting in their yard in Las Vegas. The backhoe actually has an upgraded bucket and some other features that are better than the machine they bid on but they gave us the backhoe for the price they quoted in their bid. Joe Gilmer brought the machine out with him today and it's sitting in our yard.

On motion of Lindsey Dalley and seconded by Jon Blackwell, the Board voted 3-0 in favor to reverse the acceptance of the bid from Cashman Equipment due to failure to deliver in a timely manner and to accept the bid from Blaine Equipment for a 2011 310SJ Backhoe for \$47,304.

2. Adjournment

The meeting adjourned at 4:15 pm.