



AGENDA MEMORANDUM

Action Item for the City Council Meeting January 24, 2023

DATE: January 24, 2023

TO: Peter Zaroni, City Manager

FROM: Charles Mendoza, Director of Asset Management
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Off-site Repairs for John Deere Construction Equipment

CAPTION:

Resolution authorizing a three-year service agreement with Doggett Heavy Machinery Services, LLC, not exceeding \$266,250.00 for repairs of John Deere construction equipment for the Asset Management Department, with FY 2023 funding of \$73,958.33 from the Fleet Maintenance Service Fund.

SUMMARY:

This item authorizes a three-year service agreement to provide off-site repairs at the vendor's John Deere construction equipment facility for the Asset Management Department. Doggett Heavy Machinery Services, LLC is the fully authorized warranty provider for these repairs and the sole source supplier. This service will consist of repairs needed to keep the City's off-road construction equipment running.

BACKGROUND AND FINDINGS:

The Asset Management Department maintains John Deere construction equipment for City departments. The services from Doggett Heavy Machinery Services, LLC are to repair excavators, backhoes, loaders, skid steers, maintainers, and other equipment respectively. In each case, the use of these services is to repair equipment that operates in support of public health and safety requirements for the City of Corpus Christi.

These services range across the spectrum of operational requirements. This service is essential for Asset Management (Fleet) to ensure successful Fleet readiness and availability. Doggett Heavy Machinery Services, LLC is the fully authorized warranty provider for these repairs.

PROCUREMENT DETAIL:

This is a sole-source purchase. Doggett Heavy Machinery Services, LLC has the area of responsibility for all John Deere Construction and forestry parts sales for Nueces County. Due to supply and demand, the incumbent has increased the markup for parts and materials by 10%.

ALTERNATIVES:

No alternatives have been considered due to Doggett Heavy Machinery Services, LLC being the fully authorized sole source provider for these repairs.

FISCAL IMPACT:

The fiscal impact for Asset Management in FY 2023 is estimated at \$73,958.33 for this three-year supply agreement. The remaining \$192,291.67 will be budgeted through the annual budget process in future years.

FUNDING DETAIL:

Fund: 5110 Fleet Maint Svc
Organization/Activity: 40170 Fleet Operations
Mission Element: 202 Maintain the Fleet
Project # (CIP Only): N/A
Account: 530100 Vehicle Repairs

RECOMMENDATION:

Staff recommends approval of the resolution authorizing a three-year agreement with Doggett Heavy Machinery Services, LLC, as presented.

LIST OF SUPPORTING DOCUMENTS:

Resolution
Service Agreement
Price Sheet