



AGENDA MEMORANDUM

Action Item for the City Council Meeting of September 15, 2020

DATE: September 15, 2020

TO: Peter Zaroni, City Manager

FROM: Kevin Norton, Director of Water Utilities
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Purchase of One Wheel Loader for Utilities Department
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CAPTION:

Motion authorizing the purchase of one replacement 2020 444L John Deere wheel loader from Doggett Heavy Machinery Services, LLC of Corpus Christi, Texas in an amount of \$167,605.00, to be used by the Utilities Department with funding available through the FY 2020 Water Fund.

SUMMARY:

This motion authorizes the purchase of one wheel loader for the Utilities Department through the BuyBoard Cooperative. This equipment will be utilized to load materials into dump trucks.

BACKGROUND AND FINDINGS:

The Utilities Department currently has an operational requirement for the purchase of one 2020 John Deere 444L wheel loader, which will be used to load material into dump trucks. This unit will be a replacement unit. This replacement unit is 11 years old with approximately 1,500 hours and has met its expected service life of 10 years.

This procurement is through the BuyBoard Cooperative. Contracts awarded through the BuyBoard Cooperative have been competitively procured, in compliance with Texas local and state procurement requirements. The percentage of savings on the BuyBoard

Cooperative quote is 37% less than the list price. In view of these savings through the BuyBoard Cooperative, it is the recommended method of purchase for the City.

ALTERNATIVES:

An alternative is to rent the wheel loader as needed. However, this may result in less construction work and a slower response to emergency repairs, therefore creating a loss of service to City customers if the equipment is not readily available.

FISCAL IMPACT:

The fiscal impact for the Utilities Department in FY 2020 is an amount of \$167,605.00 for the purchase of the wheel loader.

FUNDING DETAIL:

Fund:	4010 Water Fund
Organization/Activity:	31520 Treated Water Delivery System
Mission Element:	041 Distribute Water
Project # (CIP Only):	N/A
Account:	550020 Vehicles and Machinery

RECOMMENDATION:

Staff recommends approval of this motion authorizing the purchase of one-wheel loader from Doggett Heavy Machinery as presented.

LIST OF SUPPORTING DOCUMENTS:

Price Sheet