



500 West Big Beaver  
Troy, MI 48084  
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## CITY COUNCIL AGENDA ITEM

Date: October 13, 2020



To: Mark F. Miller, City Manager

From: Robert J. Bruner, Assistant City Manager  
Rob Maleszyk, Chief Financial Officer  
Lisa Burnham, Controller  
Kurt Bovensiep, Public Works Director  
Brian D Varney, Fleet Operations Manager  
MaryBeth Murz, Purchasing Manager

Subject: Standard Purchasing Resolution 4: Award – State of Michigan MiDeal Cooperative Purchasing Agreement – DPW Construction Equipment.

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### **History**

- The State of Michigan MiDEAL Program awarded a contract agreement to *AIS Construction Equipment of New Hudson, MI* for John Deere and Felling commercial equipment; Contract #071B7700090.
- The backhoe, wheel loader and equipment trailer being purchased are planned *replacement* units in the 2021 fiscal year budget.
- In efforts to right size the fleet it was determined that only one (1) replacement loader would be needed. Therefore, we will trade in two (2) obsolete wheel loaders and only purchase one (1) replacement,
- This purchase replaces existing vehicles and reduces the size of the existing Department of Public Works motor pool fleet.
- The one (1) obsolete equipment trailer will be removed from service and sold at auction with estimated proceeds of \$3,000.00.
- *AIS Construction Equipment Company* has agreed to a trade in allowance for our obsolete construction equipment detailed below.
  - 2009 John Deere Backhoe 410J - \$28,000.00.
  - 1994 Case Wheel Loader 621B - \$17,000.00.
  - 1996 Case Wheel Loader 621B - \$17,000.00.

### **Purchasing**

- *AIS Construction Equipment Company* is the low total bidder in the State of Michigan Cooperative Bids. State of Michigan MiDeal Contract ID number #071B7700090.
- The contract pricing is valid thru the 2021 model year on equipment purchased from *AIS Construction Equipment Company*.



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### Purchasing (continued)

- On February 10, 2014 City Council authorized departments to utilize sites such as GovDeals.com to dispose of city owned surplus items (Resolution# 2014-02-017-J-4a). Therefore, note that the City will utilize and market the one (1) obsolete equipment trailer on GovDeals.com site for optimal trade-in value.

### Financial

Funds for this purchase are budgeted and available in the Fleet Replacement Budget 2020-2021 Capital Account Number 661.549.565.7981. Project #'s are detailed below.

Qty.		Vendor	Unit Cost	Total Cost	Project#	Budget
1	John Deere 410L Backhoe	AIS	\$121,089.29	\$121,089.29		
	Trade-in 2009 410J	AIS		\$28,000.00		
	<b>Backhoe Total Cost</b>			<b>\$93,089.26</b>	2021C0121	\$130,000.00
1	John Deere 624L Loader	AIS	\$222,266.03	\$222,266.03		
	Trade-in 1994 Case621B	AIS		\$17,000.00		
	Trade-in 1996 Case621B	AIS		\$17,000.00		
	<b>Loader Total Cost</b>			<b>\$188,266.03</b>	2021C0122	\$230,000.00
1	<b>Felling Eqpt. Trailer Cost</b>	AIS	\$19,929.44	<b>\$19,929.44</b>	2021C0123	\$20,000.00

### Recommendation

City management requests authorization to purchase one (1) John Deere 410L Backhoe for an estimated total cost of \$93,089.26, one (1) John Deere 624L Wheel Loader for an estimated total cost of \$188,266.03 and one (1) Felling Equipment Trailer for an estimated total cost of \$19,929.44 from the low total bidder, *AIS Construction Equipment Company of New Hudson, MI* as per the State of Michigan MiDeal Contract ID number #071B7700090 for an estimated total cost of \$301,284.73.



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G:\Bid Award 20-21 – Award Standard Purchasing Resolution 4 MiDeal DPW Construction Equipment Memo