

## **PUBLIC UTILITIES BOARD AGENDA ITEM**

### **AGENDA INFORMATION SHEET**

**AGENDA DATE:** January 8, 2018

**DEPARTMENT:** Utilities

**ACM:** Mario Canizares, 349-8535

---

#### **SUBJECT**

Consider recommending adoption of an ordinance approving a contract for the purchase of purchase of one (1) John Deere Model 245G Hydraulic Excavator for the City of Denton Drainage Department as awarded by Buy Board Cooperative Purchasing Network Contract# 515-16; providing for the expenditure of funds therefor; and providing an effective date (File 6684-awarded to RDO Equipment Company in the not-to-exceed amount of \$215,236.57).

#### **BACKGROUND**

This item is for the purchase of one (1) hydraulic excavator for the Drainage Department. The hydraulic excavator is a fleet replacement that was approved as part of the 2017-2018 Fiscal Year budget. The hydraulic excavator will be replacing a 2008 model that has accrued over \$108,000 in LTD (lifetime to date) maintenance costs. The 2008 model excavator will be auctioned after delivery of the new unit.

Fleet staff obtained three (3) Cooperative Purchasing Contract quotes through the State of Texas Buy Board from prospective suppliers of hydraulic excavators (Exhibit 2). Pricing obtained through the Buy Board Cooperative Purchasing Network has been competitively bid and meets the statutory requirements of Texas Local Government Code 271.102. Fleet Services is recommending the purchase of a John Deere model 245G excavator quoted by RDO Equipment Company, Buy Board Contract# 515-16. This excavator is deemed to be the best value for the department due to the specified breakout force and swing characteristics. Although the John Deere model is not the lowest cost, it has the highest published breakout force of all of the quoted machines. Breakout force is an important measure of the machine's capability and along with swing characteristics, indicate that this machine is the best value for the Drainage department's application (Exhibit 3). The John Deere quote also includes a comprehensive 5 year/5,000 hour (\$200 deductible) manufacturer warranty.

#### **RECOMMENDATION**

Staff recommends approval of the purchase of a John Deere Model 245G Hydraulic Excavator from RDO Equipment Company in the not-to-exceed amount of \$215,236.57.

#### **ESTIMATED SCHEDULE OF PROJECT**

Delivery of the hydraulic excavator will occur within 180 to 240 days after receipt of order.

## **FISCAL INFORMATION**

The excavator will be funded from the Drainage department operating account 655028645.1355.30100. Requisition #137175 has been entered in the Purchasing software system for the hydraulic excavator.

## **STRATEGIC PLAN RELATIONSHIP**

The City of Denton's Strategic Plan is an action-oriented road map that will help the City achieve its vision. The foundation for the plan is the five long-term Key Focus Areas (KFA): Organizational Excellence; Public Infrastructure; Economic Development; Safe, Livable, and Family-Friendly Community; and Sustainability and Environmental Stewardship. While individual items may support multiple KFAs, this specific City Council agenda item contributes most directly to the following KFA and goal:

**Related Key Focus Area: Organizational Excellence**

**Related Goal: 1.1 Manage financial resources in a responsible manner**

## **EXHIBITS**

Exhibit 1: Agenda Information Sheet

Exhibit 2: Price Comparison/Quote

Exhibit 3: Staff Memo

Exhibit 4: Ordinance

Respectfully submitted:  
Karen Smith, 349-8436  
Purchasing Manager

For information concerning this acquisition, contact: Terry Kader at 940-349-8729