



Legislation Text

File #: 16-0618, **Version:** 1

Resolution to Approve the Purchase of Two Backhoes from AIS Construction Equipment Corp. (State of Michigan MiDeal Contract \$195,792.00)

The attached resolution authorizes the purchase of two 2016 John Deere model 310SL HL backhoes at \$97,896.00 each for a total cost of \$195,792.00 through the 2016 State of Michigan's MiDeal cooperative purchasing contract (contract # 071B1300116).

One backhoe will replace a 1999 backhoe used in the Storm Water System maintenance operations. The loader has been in service for 17 years and has 4,369 hours of operation. Over its service life it has averaged 0.39 breakdowns per month and the total repair cost has exceeded 92% of the original purchase price.

The other backhoe will replace a 2003 backhoe used in the Water System maintenance operations. The loader has been in service for 13 years and has 4,675 hours of operation. Since the backhoe was not in the Fleet fund over the unit's full service life, the maintenance records are not complete.

Both backhoes will be equipped with Tier 4 diesel engines. The Tier 4 engine is the cleanest class of off road engine available. The purchase follows the goals and guidelines of the City's Green Fleet Policy.

The AIS Construction Equipment Corporation of New Hudson, MI was awarded contracts by the State of Michigan, for Earth Moving and Work Zone Safety Equipment and Road Maintenance Equipment. Contract number 071B1300116 is for John Deere equipment. This contract is part of the State of Michigan's MiDeal extended purchasing program.

The Fleet & Facility Unit has budgeted \$68,882.00 in the FY 2017 budget for the purchase of one backhoe and the remaining \$29,014.00 will come from the Storm Water System's FY 2017 operations and maintenance budget. Funding for the second backhoe in the amount of \$97,896.00 has been budgeted in the Water Supply System FY 2017 operations and maintenance budget.

AIS Construction Equipment Corporation complies with the requirements of the City's non-discrimination ordinances.

Prepared by: Matthew Kulhanek, Fleet & Facility Unit Manager

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Tom Crawford, Interim City Administrator

Whereas, The Fleet & Facility Unit needs to purchase two replacement backhoes for the City's fleet;

Whereas, Competitive bids were received by the State of Michigan;

Whereas, AIS Construction Equipment Corporation of New Hudson, MI, received the contract for Road Maintenance Equipment; and

Whereas, AIS Construction Equipment Corporation complies with the requirements of the City's Non-Discrimination Ordinances;

RESOLVED, That City Council approve the issuance of a purchase order to AIS Construction Equipment Corporation in the amount of \$195,792.00 for the purchase of two 2016 John Deere model 310SL HL backhoes at \$97,896.00 each for a total of \$195,792.00;

RESOLVED, That \$68,882.00 come from the FY 2017 Fleet and Facility Unit's approved budget, that \$29,014.00 come from the FY 2017 Storm Water System approved maintenance and operations budget, and that \$97,896.00 come from the FY 2017 Water Supply System approved operation and maintenance budget with the funds to be available without regard to fiscal year;

RESOLVED, That the units being replaced, nos. 2773 and 3776 be sold at the next City vehicle auction after delivery of the new units; and

RESOLVED, That the City Administrator be authorized to take the necessary actions to implement this resolution.