



## Legislation Text

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**File #:** 16-0200, **Version:** 1

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Resolution to Approve the Purchase of One Wheel Loader, One Mini Excavator and One Trailer from AIS Construction Equipment Corp. (State of Michigan MiDeal Contract \$271,792.92)

The attached resolution authorizes the purchase of one 2016 John Deere model 544K wheel loader at \$174,152.00, one 2016 John Deere model 60G mini excavator at \$79,725.92 and one Felling model FT-30-2 LP trailer at \$17,915.00 for a total of \$271,792.92 through the 2016 State of Michigan's MiDeal cooperative purchasing contract (contract #'s 071B1300116 and 071B1300081).

The John Deere loader will replace a 2005 loader used by the Street Maintenance Unit. The loader has been in service for 10 years and has 7,015 hours of operation. Over its service life it has averaged 0.87 breakdowns per month and the total repair cost has exceed 91% of the original purchase price.

The John Deere mini excavator will replace a 2003 backhoe tractor used by the Water System Maintenance Unit. The backhoe has been in service for over 12 years and has 3,240 hours of operation. Over its service life it has averaged one breakdown every two months and the total repair cost has exceeded 104% of the original purchase price. The excavator's ability to rotate its bucket and cab 360 degrees allows us to position the dump truck behind the unit keeping equipment and personnel out of the flow of traffic. An excavator is more maneuverable and allows us to dig closer and safer to obstacles than a backhoe.

Unlike the backhoe a mini excavator cannot be driven to the job site so a new trailer will be needed to transport it from the Wheeler Service Center to the job location.

Both the loader and mini excavator 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 the John Deere equipment and number 071B1300081 is for Felling brand trailers. These contracts are part of the States MiDeal, extended purchasing program.

The Fleet & Facility Unit has budgeted \$147,875.00 in the FY 2016 budget for the purchase of the wheel loader and the remaining \$26,277.00 will come from the Street Maintenance Unit's FY 2016 Major Street Maintenance operations and maintenance budget. The Water Supply System FY 2016 operations and maintenance budget has adequate funds for the purchase of the mini excavator and the Sewage Disposal Systems FY 2016 operations and maintenance budget has adequate funds for the purchase of the trailer.

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

discrimination ordinances.

Prepared by: Thomas A Gibbons, Financial Analyst -Fleet & Facility Unit

Reviewed by: Matt Kulhanek, Fleet & Facility Unit Manager and Craig Hupy, Public Services Area Administrator

Approved by: Tom Crawford, Interim City Administrator

Whereas, The Fleet & Facility Unit needs to purchase a replacement wheel loader for the City's fleet;

Whereas, The Fleet & Facility Unit needs to replace a backhoe with a mini excavator for the City's fleet;

Whereas; The new mini excavator is more maneuverable and allows us to dig closer and safer to obstacles than a backhoe;

Whereas; The new mini excavator will require a trailer to transport it to the job site;

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 \$271,792.92 for the purchase of one 2016 John Deere model 544K wheel loader at \$174,152.00, one 2016 John Deere model 60G mini excavator at \$79,725.92, and one 2016 Felling model FT-30-2 LP trailer at \$17,915.00 for a total of \$271,792.92;

RESOLVED, That \$147,875.00 come from the FY 2016 Fleet and Facility Unit's approved budget, that \$26,277.00 come from the FY 2016 Street Maintenance Unit's approved Major Street Maintenance budget, that \$79,725.92 come from the FY 2016 Water Supply System approved operation and maintenance budget; and that \$17,915.00 come from the FY 2016 Sewage Disposal System approved operation and maintenance budget with the funds to be available without regard to fiscal year;

RESOLVED, That the units being replaced, nos. 4773 and 3775 be sold at the next City vehicle auction after delivery of new units; and

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