



# CITY OF PLANO COUNCIL AGENDA ITEM

<b>CITY SECRETARY'S USE ONLY</b>				
<input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory				
Council Meeting Date:		8/12/13		
Department:		Purchasing		
Department Head		Diane Palmer-Boeck		
Agenda Coordinator (include phone #): <b>Earl Whitaker x7074</b>				
<b>CAPTION</b>				
To approve the purchase of one (1) Compact Wheel Loader from Holt Cat, in the amount of \$86,021 for the Fleet Department to be utilized by Compost Operations, through an existing contract/agreement with TASB/Buyboard, and authorizing the City Manager to execute all necessary documents. (TASB/Buyboard Contract No. 345-10)				
<b>FINANCIAL SUMMARY</b>				
<input type="checkbox"/> NOT APPLICABLE <input checked="" type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP				
FISCAL YEAR:	<b>2012-13</b>	<b>Prior Year (CIP Only)</b>	<b>Current Year</b>	<b>Future Years</b>
				<b>TOTALS</b>
Budget		0	86,021	0
Encumbered/Expended Amount		0	0	0
This Item		0	-86,021	0
BALANCE		0	0	0
<b>FUND(S):</b> EQUIPMENT REPLACEMENT FUND, SUSTAINABILITY & ENVIRONMENTAL SERVICES FUND				
<p><b>COMMENTS:</b> Funds are available in the FY 2012-13 Adopted Budget to purchase One (1) Caterpillar 906H2 Compact Wheel Loader for the un-scheduled replacement of unit #07507 in Cost Center #714/Compost Operations due to unforeseen damage which the repairs needed exceed the value of the equipment. Early replacement funding will come from fund balance within the Equipment Replacement Fund.</p> <p><b>STRATEGIC PLAN GOAL:</b> Providing One (1) Caterpillar 906H2 Compact Wheel Loader for the City's Fleet Services Department relates to the City's Goal of a Financially Strong City with Service Excellence.</p>				
<b>SUMMARY OF ITEM</b>				
<p>Staff recommends the purchase of one (1) Compact Wheel Loader from Holt Cat, in the amount of \$86,021 for the Fleet Department to be utilized by Compost Operations, through an existing contract/agreement with TASB/Buyboard. The City is authorized to purchase from a Local Cooperative Organization pursuant to Chapter 271 Subchapter F of the Local Government Code and by doing so satisfies any State Law requiring local governments to seek competitive bids for Items. (TASB/Buyboard Contract No.345-10 / City of Plano Internal Contract No. 2013-298-O)</p>				
List of Supporting Documents:			Other Departments, Boards, Commissions or Agencies	
Memo			NA	



# Memorandum

## MEMORANDUM

Date: July 30, 2013  
To: Bruce D. Glasscock, City Manager  
From: Reid Choate, Fleet Manager  
Subject: **Compact Wheel Loader Purchase Recommendation**

It is the recommendation of Fleet Services to purchase one (1) Caterpillar 906H2 Compact Wheel Loader from Holt Cat through the TASB/Buyboard contract #345-10 in the amount of \$86,021.00.

This loader is for the un-scheduled replacement of unit 07507 in Cost Center 714/ Compost Operations due to unforeseen damage. The repairs needed exceed the value of the equipment.

The department has funds available to upgrade the skid loader with a compact wheel loader to be outfitted with a one yard bucket. This loader will be used for loading purchased Texas Pure Products at the Custer Road Compost site, as well as assisting in off-loading brushy loads and smaller operational tasks in a more cost effective manner. In addition, this smaller compact unit is preferred due to increased safety and maneuverability when loading customer's vehicles (pick-up beds and trailers) with purchased bulk or palletized bagged products. Using larger oversized equipment for residential loading in the site's limited space poses increased risk of damage and associated costs to individuals, vehicles and/or trailers.

Equipment replacement is analyzed based on age, mileage, maintenance cost, and re-sale value in determining the need for replacement. Based on these criteria, Fleet Services recommends the replacement of the above loader. If this loader is not replaced we will incur additional maintenance cost and salvage value will be greatly depreciated. In addition, the user department will be limited in their ability to perform their duties to additional down time of the older equipment.

Feel free to contact me if you have any questions at extension 4182.