



**CITY OF PLANO
COUNCIL AGENDA ITEM**

| | | | | |
|---|----------------------------------|-------------------------|---|----------------|
| CITY SECRETARY'S USE ONLY | | | | |
| <input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory | | | | |
| Council Meeting Date: | | 12/18/12 | | |
| Department: | | Purchasing | | |
| Department Head | | Diane Palmer-Boeck | | |
| Agenda Coordinator (include phone #): Earl Whitaker x7074 | | | | |
| CAPTION | | | | |
| To approve the purchase of one (1) Caterpillar 906H2 Compact Wheel Loader for Fleet Services, to be utilized by Compost Operations in the amount of \$73,732, from Holt Cat, through an existing contract/agreement with National Intergovernmental Purchasing Alliance (National IPA), and authorizing the City Manager to execute all necessary documents. (National IPA Contract #120377) | | | | |
| FINANCIAL SUMMARY | | | | |
| <input type="checkbox"/> NOT APPLICABLE <input checked="" type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP | | | | |
| FISCAL YEAR: 2012-13 | Prior Year (CIP Only) | Current Year | Future Years | TOTALS |
| Budget | 0 | 88,000 | 0 | 88,000 |
| Encumbered/Expended Amount | | 0 | 0 | 0 |
| This Item | 0 | -73,732 | 0 | -73,732 |
| BALANCE | 0 | 14,268 | 0 | 14,268 |
| FUND(S): EQUIPMENT REPLACEMENT FUND & SUSTAINABILITY & ENVIRONMENTAL SERVICES FUND | | | | |
| <p>COMMENTS: Funds in the amount of \$88,000 were included in the FY 2011-12 Adopted Budget to purchase One (1) Caterpillar 906H2 Compact Wheel Loader for the scheduled replacement of unit #03506 Cost Center #714/Compost Operations. However, this item was not purchased in FY 2011-12 and thus, funding was carried-forward to FY 2012-13. The remaining balance of \$14,268 will be used for other equipment replacement purchases.</p> <p>STRATEGIC PLAN GOAL: Providing a Caterpillar 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> | | | | |
| SUMMARY OF ITEM | | | | |
| <p>Staff recommends the purchase of one (1) Caterpillar 906H2 Compact Wheel Loader for Fleet Services, to be utilized by Compost Operations in the amount of \$73,732, from Holt Cat, through an existing contract/agreement with National Intergovernmental Purchasing Alliance (National IPA). 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. (National IPA Contract #120377 / City of Plano Internal Contract No. 2013-10-B)</p> | | | | |
| List of Supporting Documents: Award Memo | | | Other Departments, Boards, Commissions or Agencies N/A | |



MEMORANDUM

Date: November 28, 2012
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 National IPA contract #120377 in the amount of \$73,732.00. Prior to selecting the National IPA contract to purchase this equipment, Purchasing researched the Buy Board cooperative contract to evaluate its pricing for this equipment. Buy Board did not offer the 906H2 Compact Wheel Loader, thus the selection of the National IPA contract.

This loader is for the scheduled replacement of unit 03506 in Cost Center 714/ Compost Operations.

The department has funds approved to upgrade the skid loader with a compact wheel loader to be outfitted with a one and two yard bucket as well as a set of pallet forks. This loader will be used for loading residential customers, moving 4000 pound totes of colorant, as well as loading the hopper for the bagging operation and moving and loading pallets for commercial pallet deliveries.

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 due to additional down time of the older equipment.

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