



City of Keller

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Legislation Text

File #: 20-391, **Version:** 1

To: Mark R. Hafner, City Manager

From: Alonzo Liñán, Director of Public Works

Subject:

Consider a resolution approving the purchase of one (1) replacement Bobcat E55 compact excavator from Bobcat or North Texas - Fort Worth of Fort Worth, Texas through the Buyboard Cooperative Purchasing Program and authorizing the City Manager to execute all purchase documents relating thereto on behalf of the City of Keller, Texas.

Action Requested:

Consider a resolution approving the purchase of one (1) replacement Bobcat E55 compact excavator from Bobcat of North Texas - Fort Worth of Fort Worth, Texas through the Buyboard Cooperative Purchasing Program in the amount of \$62,959.58.

Background:

The requested compact excavator is utilized by Public Works Department staff in order to move earth and material in confined spaces that will not support or allow the movement of larger machines. The existing compact excavator is 13 years old, has a 3 year average repair cost of \$3,200 per year and has 3,043 hours of use.

The City created a Fleet Management Plan during Fiscal Year 2011-12 to provide standards and improve consistency and efficiency in the management and procurement of City vehicles and equipment. The plan established a Fleet Management Committee made up of representatives from Public Works, Parks, Finance, Administration, Police, Fire, Utility Billing and Building Services to implement fleet policies and review vehicle and equipment requests during the annual budget process. The Fleet Management Plan is applicable to all on-road City vehicles and heavy equipment in excess of 2,500 pounds.

During the initial establishment of the Fleet Management Plan, it was determined that the small-vehicle fleet would be budgeted via account transfers from their applicable operating funds at the start of the program. This was not applied to heavy equipment purchases such as excavators, tractors and/or other specialized equipment at the time due to the general expense of these types of items. The purchase of this excavator will continue the process of rolling these heavy equipment purchases into the Fleet Replacement Fund and will continue with the additional purchases of heavy equipment items in the future.

During the Fiscal Year 2020-21 budget process, all equipment requests were submitted to the City Manager for review. Because of the type and size of these heavy equipment items, this compact excavator and any additional future heavy equipment purchases are not subject to the terms of the City's fleet agreement with Enterprise Fleet Management for the small-vehicle fleet.

BuyBoard is a purchasing program that allows state and local governments to benefit from the shared purchasing power of numerous state entities. A detailed bid sheet for the requested compact excavator is included with this memo as an exhibit.

Financial Impact:

The funding for this piece of equipment is contingent upon approval of the related expenditure in the proposed Fiscal Year 2020-21 budget. The total amount budgeted for this equipment is \$85,000.00 which is included in the FY 2020-21 Fleet Replacement Fund with funding provided from the Water & Wastewater Utility Fund. An estimate provided by the vendor prices this equipment at \$62,959.58, a difference of \$22,040.42 from the budgeted amount. The difference will go towards the purchase of equipment accessories, including those necessary to complete work tasks, road & life safety equipment and equipment markings not included in the equipment purchase.

Citizen Input/Board Review:

Not applicable

Legal Review:

The City Attorney has reviewed and approved the proposed resolution.

Alternatives:

City Council has the following alternatives:

- Approve as submitted
- Approve with changes
- Denial