

# Mayor and Council Communication

DATE: 04/07/20

M&C FILE NUMBER: M&C 20-0222

LOG NAME: 13P20-0027 HYDRAULIC EXCAVATOR LSJ PMD

**SUBJECT**

Authorize the Purchase of a Hydraulic Excavator from Kirby-Smith Machinery, Inc. in an Amount Up to \$407,700.00, for the Transportation and Public Works Department Through the Property Management Department (ALL COUNCIL DISTRICTS)

**RECOMMENDATION:**

It is recommended that the City Council authorize the purchase of a hydraulic excavator from Kirby-Smith Machinery, Inc. in an amount up to \$407,700.00, for the Transportation and Public Works Department through the Property Management Department.

**DISCUSSION:**

The Property Management Department (PMD) approached the Purchasing Division for assistance with buying a hydraulic excavator. The Transportation and Public Works Department (T/PW) will use this unit for digging excavations and in trenching operations. Purchasing issued an Invitation to Bid (ITB) consisting of detailed specifications as to the functionality, features and requirements for the new unit. This bid was advertised in the Fort Worth Star-Telegram on December 25, 2019, January 1, 2020 and January 8, 2020. Fifteen vendors were solicited from the purchasing vendor database and one response was received with alternate pricing and primary pricing. The alternate pricing of \$397,700.00, required an unachievable dispatch date and was subsequently rejected. Staff recommends awarding the purchase of the Gradall XL5200 hydraulic excavator to Kirby-Smith Machinery, Inc. in an amount up to \$407,700.00.

Kirby-Smith Machinery, Inc.	\$397,700.00
Kirby-Smith Machinery, Inc.	\$407,700.00

The new unit will be a replacement for an outdated and unreliable unit that can no longer be economically maintained. The old unit will be sold at auction. Staff certifies that the new unit meets the required specification and is expected to operate satisfactorily during its service life. The warranty information, the manufacturer's Statement of Origin and the original sales invoice will accompany the new unit upon acceptance and delivery to the 4100 Columbus Trail facility.

BID TABULATION- (see attached)

PRICE ANALYSIS - There is no recent purchase history for a hydraulic excavator configured to these exact specifications. Staff reviewed the proposed pricing and concluded that pricing offered by the recommended Vendor is fair and reasonable.

TOTAL COST OF OWNERSHIP (TCO) Over its service life of 10 years, the total cost of ownership for the hydraulic excavator will be \$476,610.00

An administrative change order or increase may be made by the City Manager in the amount up to \$50,000.00 and does not require specific City Council approval as long as sufficient funds have been appropriated

M/WBE OFFICE - A waiver of the goal for MBE/SBE subcontracting requirements was requested by the Purchasing Division and approved by the M/WBE Office, in accordance with the BDE Ordinance, because the purchase of goods or services is from sources where subcontracting or supplier opportunities are negligible.

The unit will be delivered within 160 days after receipt of a purchase order.

**FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that funds are available in the current capital budget, as previously appropriated, of the Storm Water Capital Projects Fund, Storm Water Vehicle & Equipment Replacment Project to support the approval of the above recommendation and authorization of the purchase. Prior to any expenditure being incurred, the Property Management Department has the responsibility to validate the availability of funds.

**Submitted for City Manager's Office by:** Kevin Gunn 2015

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