

# Mayor and Council Communication

DATE: 04/07/20

M&C FILE NUMBER: M&C 20-0221

LOG NAME: 13P20-0010 HEAVY CONSTRUCTION EQUIP LSJ PMD

## **SUBJECT**

Authorize the Purchase of Heavy Construction Equipment from RDO Equipment Company in an Amount of Up to \$168,684.12 for the Water Department Through the Property Management Department (ALL COUNCIL DISTRICTS)

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## **RECOMMENDATION:**

It is recommended that the City Council authorize the purchase of heavy construction equipment from RDO Equipment Company in an amount of up to \$168,684.12 for the Water Department through the Property Management Department.

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## **DISCUSSION:**

The Property Management Department (PMD) approached the Purchasing (Purchasing) Division for assistance with buying a mini excavator and a backhoe that will be used by the Water Department for maintenance and installation of the City of Fort Worth's water and sewer systems. Purchasing issued an Invitation to Bid (ITB) that contained detailed specifications as to the functionality, features and requirements for the new units. The bid was advertised in the Fort Worth Star-Telegram on December 4, 2019, December 11, 2019 and December 18, 2019. Fifteen vendors were solicited from the purchasing vendor database; four responses were received.

Staff recommends awarding the purchase of a 2020 John Deere 17G mini excavator and a 2019 John Deere 401L backhoe to RDO Equipment Company. This combination represents the lowest cost for each model selected meeting all specifications. The new units will be replacements for unreliable units that can no longer be economically maintained. The old units will be sold at auction. Staff certifies that the new units meet the required specification and are expected to operate satisfactorily during their service life. The Warranty information, the manufacturer's Statement of Origin and the original sales invoice will accompany the new units upon acceptance and delivery to the 4100 Columbus Trail facility.

BID TABULATION- (see attached)

TOTAL COST OF OWNERSHIP (TCO) - Over the service life of 10 years the total cost of ownership for mini excavator and the backhoe will be - \$419,778.00.

PRICE ANALYSIS - The price offered is six percent higher than a similar purchase awarded by City Council on December 5, 2017 (M&C P-12137). Staff reviewed the pricing and determined it to be fair and reasonable.

ADMINISTRATIVE CHANGE ORDER - An administrative change order or increase may be made by the City Manager up to the amount allowed by relevant law and the Fort Worth City Code 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 units will be delivered within 120 days after receipt of a purchase order.

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## **FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that funds will be available in the current capital budget, as appropriated, in the Water & Sewer Capital Projects Fund in the Water FY18 and Sewer FY19 Vehicles/Heavy Equipment projects to support the approval of the above recommendation and authorization of the purchase. Prior to an expenditure being incurred, the Water Department has the responsibility to validate the availability of funds.

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