



## **CITY MANAGER'S REPORT AGENDA ITEM REQUEST PURCHASING DEPARTMENT**

**TO:** Ed Lavallee, City Manager

**THRU:** Linda Senne, Finance Director

**FROM:** Peter Boers, Procurement Manager

**DATE:** October 4, 2016

**COUNCIL MEETING DATE:** October 11, 2016

**SUBJECT:** Request to purchase one (1) 4x4 loader Backhoe with Canopy from Ring Power Corporation of St Augustine, FL in the amount of \$105,684 plus \$9,514 towards funding depreciation for a total of \$115,198.

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### **Background:**

We are seeking approval of City Council to utilize a cooperative purchasing agreement to purchase one (1) 4x4 loader Backhoe with Canopy off the Florida Sheriff's Association's bid (#16-VEH14.0, specification# 25) through the authorized dealer of Ring Power Corporation of St. Augustine, FL.

This piece of equipment will be used by the Stormwater maintenance crew to perform Stormwater repairs and pipe replacements. This equipment allows for the dual purpose of excavation and loading, and is necessary to properly maintain the City stormwater management system.

The cost of the Equipment is \$105,684, the Stormwater Division has budgeted this line item in the 2017 Fiscal Year Adopted Budget, and does not replace any existing piece of equipment. The City is utilizing this contract because of the economies of scale and the buying power of the Florida Sheriff's Association's bid.

An annual contribution of \$9,514 to fund depreciation is calculated as:

Original Cost:	\$105,684
Annual Inflation Rate	3.5% (Compounded Annually)
Estimated Future Replacement Cost:	\$210,289
Estimated Salvage Value	( \$20,000)
Net Replacement Cost	\$190,289
Vehicle Service Years	20 Years
<b>Annual Amount to fund depreciation</b>	<b>\$ 9,514</b>

The amount to fund depreciation will be transferred from the Stormwater Fund to the Fleet Services Fund annually.

This request is made in concurrence with Kathleen Weeden, City Engineer and Peter Lilholt, Fleet Manager.

**Requested Action:**

Authorization to purchase one (1) 4x4 loader Backhoe with Canopy from Ring Power Corporation of St. Augustine, FL in the amount of \$105,684 plus \$9,514 towards funding depreciation for a total of \$115,198.

**City Attorney Review:** N/A

**Risk Management Review:** N/A

**Funds Availability:** Funds are appropriated in FY 2017 Budget

City of Venice  
Report for New Caterpillar Backhoe  
Peter Lilholt – Fleet Manager

The proposed new Backhoe does not replace any existing equipment in the City Fleet.

It is a unit that will enhance the mission of the Engineering – Stormwater Department. It will have several attachments which will make it extremely versatile.

I recommend the purchase of this Backhoe.

A handwritten signature in blue ink, appearing to read "Peter Lilholt". The signature is written in a cursive, flowing style.



**City of Venice, Florida**  
**Capital Improvement Project Request**  
**FY 2017**



**Department/Division:** Stormwater  
**Contact Person:** City Engineer  
**Project Title:** Stormwater Maintenance - CAT 416 Backhoe  
**Project Number:**

**Estimated Start Date:** Oct-16  
**Estimated Completion Date:** Nov-16

**Relationship to Community Vision and City Council Strategic Goals**

**Investment Objective:** Maintain Service ▼ **Strategic Plan Goal:** Standard Operational Needs ▼

**Description/ Justification:** Purchase of a CAT 416 Backhoe for use by the Stormwater maintenance crew to perform Stormwater repairs and pipe replacements. This equipment allows for the dual purpose of excavation and loading, and is necessary to properly maintain the City stormwater management system. Performing these repairs and pipe replacements in-house will allow for faster response time and a cost savings, as private contractors have become less interested in these smaller repair work items.

**Financial Information**

**Funding Sources**

Funding Type	Fund	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Operating Rev	480	\$ 115,000				
						-
<b>Totals</b>		\$ 115,000	\$ -	\$ -	\$ -	\$ -

**Project Expenditures/Expenses**

Activity	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Capital Purchase	\$ 115,000				-
<b>Totals</b>	\$ 115,000	\$ -	\$ -	\$ -	\$ -

**Impacts on Operations**

**Operating Impacts (negative entries indicate an operating reduction)**

Activity	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Personnel					
Operations	\$ 1,500	\$ 2,000	\$ 2,000	\$ 3,000	\$ 3,000
Debt Service					
<b>Totals</b>	\$ 1,500	\$ 2,000	\$ 2,000	\$ 3,000	\$ 3,000

Ring Power Corporation  
500 World Commerce Parkway  
St. Augustine, FL 32092

## QUOTE PER THE FLORIDA SHERIFF'S ASSOCIATION CONTRACT

Quote Prepared For:  
The City of Venice

10/1/2016

### (1) NEW CATERPILLAR 420F2-IT BACKHOE LOADER

#### CONTRACT DETAILS

Florida Sheriff's Association  
Bid # FSA 16-VEH14.0  
Specification # 25, 4x4 Loader Backhoe with Canopy ( Standard Stick ) And Options  
Effective: October 1, 2016 Through September 30, 2017

#### BASE MACHINE

BASE	Caterpillar 416F Per Sheriff's Contract Specifications	\$67,061
450-8450	Upgrade to Cat 420F-IT, Base Machine Only	<del>(\$1,387)</del>
<b>TOTAL OF BASE MACHINE</b>		<b>\$65,674</b>

#### NON-SPECIFIED OPTIONS

450-8730	STICK, EXTENDABLE, 14FT	\$4,755
450-8606	PT, 4WD, STD SHIFT	\$9,460
450-8757	ENGINE, 74.5KW,C4.4 ACERT, T4F	\$6,970
450-8531	HYDRAULICS, MP, 5FCN/7BNK, IT	\$2,000
447-0049	PRODUCT LINK, CELLULAR, PL641I	NC
450-8683	CAB, DELUXE	\$8,280
433-4806	SEAT, DELUXE FABRIC	\$910
206-1747	BELT, SEAT, 2" SUSPENSION	NC
450-8715	AIR CONDITIONER, T4	\$2,355
379-2161	TIRES, 12.5 80/19.5L-24, GY	\$1,450
337-9696	COUNTERWEIGHT, 1015 LBS	\$1,740
398-2853	LINES, COMBINED AUX, E-STICK	\$3,450
9R-6007	STABILIZER PADS, FLIP-OVER	\$330
251-1800	BUCKET-GP, 1.31 CYD, IT	\$3,610
9R-5320	CUTTING EDGE, TWO PIECE,WIDE	\$329
219-3387	BUCKET-HD, 24", 6.2 CFT	\$1,683
430-9944	INSTRUCTIONS, ANSI	NC
421-8926	SERIALIZED TECHNICAL MEDIA KIT	NC
398-2681	RIDE CONTROL	\$1,470
423-7607	PLATE GROUP - BOOM WEAR	\$213
353-1389	GUARD, STABILIZER	\$825
6W-8832	CARRIAGE, FORK	\$2,511
195-6939	FORK TINE, 2" X 5" X 54"	\$1,586
282-5409	THUMB, HYDRAULIC ARR, W/O TINE	\$5,542

221-4282	THUMB, TINE, A 1	<u>\$376</u>
	SUB TOTAL	\$59,845
	LESS 27% SHERIFF'S CONTRACT DISCOUNT	<u>(\$16,158)</u>
	<b>TOTAL OF NON-SPECIFIED OPTIONS</b>	<b>\$43,687</b>

	SUB TOTAL	\$109,361
	LESS ONE TIME ADDITIONAL DISCOUNT	<u>(\$3,677)</u>
	<b>TOTAL TRANSACTION PRICE</b>	<b>\$105,684</b>

#### OPTIONAL ITEMS

	3 YEAR / 5,000 HOUR POWERTRAIN WARRANTY	\$1,107
	5 YEAR / 7,500 HOUR POWERTRAIN WARRANTY	\$1,653

Best regards,

Mike Hamer  
Sales Representative  
Ring Power Corporation