



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

1000 Rochester Hills Dr.
Rochester Hills, MI 48309
248.656.4630
www.rochesterhills.org

Legislative File No: 2019-0428 Version 2

TO: Mayor and City Council Members
FROM: Allan E. Schneck, P.E., Director Department of Public Services
DATE: November 11, 2019
SUBJECT: Purchase Authorization for Tractor with Backhoe and Trencher

REQUEST:

City Council is requested to amend authorization of the purchase of a tractor with backhoe and trencher utilizing the State of Michigan MiDEAL Extended Purchasing Program from Rochester Lawn Equipment, Rochester Hills, MI to Deere & Company, Cary, NC in the amount of \$52,859.35.

REASON FOR PURCHASE:

The authorization of a purchase order to Rochester Lawn Equipment was approved at the October 7, 2019 Council meeting. The City will receive delivery of the equipment through Rochester Lawn Equipment. Payment, however, is made directly to Deere & Company requiring the purchase order to be issued to Deere & Company. As such, City Council is requested to amend the purchase order authorization from Rochester Lawn Equipment to Deere & Company, Cary, NC.

The City purchases John Deere equipment through the State of Michigan MiDEAL Extended Purchasing Program, as it is the best pricing that can be offered to local units of government for John Deere Equipment. Equipment purchased through this program is at a cost significantly lower than retail. The discount received by utilizing the State of Michigan contract for the tractor, backhoe and trencher is 16%.

The Parks & Natural Resources department will use the tractor and attachments for general grounds maintenance and construction projects that need to be completed throughout the parks and museum.



PROCESS:

Vendor Name and Address:

Deere & Company
2000 John Deere Run
Cary, NC 27513

Reason for Selection:

MiDEAL Extended Purchasing Program

Method of Purchase:

Purchase Order

BUDGET:

Funding is included in the FY 2019 Adopted Budget.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Fleet	661.977000	Equipment Capitalized	\$65,730	\$52,859.35	\$12,870.65

RECOMMENDATION:

It is recommended that City Council amend authorization of the purchase of a tractor with backhoe and trencher utilizing the State of Michigan MiDEAL Extended Purchasing Program from Rochester Lawn Equipment to Deere & Company, Cary, NC in the amount of \$52,859.35.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Chief Financial Officer		
Purchasing Process: Supervisor of Procurement		
Mayor		
Deputy Clerk		

Contract Reviewed by City Attorney Yes N/A