



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: 2012-0146

TO: Mayor and City Council Members
FROM: Allan E. Schneck, Director of Public Services
DATE: May 7, 2012
SUBJECT: Tractor-Loader-Backhoe for Parks & Forestry Department

REQUEST:

City Council is requested to authorize the purchase of one (1) new John Deere 4320 Tractor, 400CX Loader, and RB2307 Backhoe utilizing the State of Michigan MiDeal Extended Purchase program in the amount of \$37,264.13; John Deere Company, 2000 John Deere Run, Cary, NC.

REASON FOR PURCHASE:

The City purchases John Deere equipment through the State of Michigan MiDeal Extended Purchase Program. 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 4320 Tractor and RB2307 Backhoe is 17% and the 400CX Loader is 21%.

The Parks and Forestry Department utilizes Tractor Loader Backhoes for numerous maintenance and construction tasks such as loading and unloading bulk and palletized materials, grading roads, pathways, parking lots, infields and warning tracks, rototilling, heavy mowing, aerating, topdressing, fertilizing and over-seeding, excavating for irrigation and drainage construction.

Based on estimated utilization, the new Tractor Loader Backhoe is anticipated to have a 10 year life cycle. The 2002 John Deere Tractor Loader Backhoe currently in use will be relocated from Borden Park for use at the Museum. The Fleet Division is responsible for maintenance and repairs for both pieces of equipment.

PROCESS:

Vendor Name and Address:

John Deere Company
2000 John Deere Run
Cary, NC 27513

Reason for Selection:

Purchased through the State of Michigan MiDeal extended purchase program at a cost significantly lower than retail.

Method of Purchase:

Purchase Order

BUDGET:

This item was included and adopted as part of the 2012 Budget. Funding to cover the additional expense over budget is proposed to come from excess funds budgeted for 3 city mowers which came in \$3,741.00 under budget presented as part of 2012-0147. Pending approval by City Council, appropriate budget amendments shall be brought forth as part of the 2nd Quarter Budget Amendment (early June 2012).

| Fund Name | Department Account No | Account No. Description | Budget Amount | Cost | Remaining Budget |
|----------------------|-----------------------|-------------------------|---------------|-------------|------------------|
| Fleet Equipment Fund | 661.977000 | Equipment Capitalized | \$35,030.00 | \$37,264.13 | \$(2,234.13) |
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RECOMMENDATION:

It is recommended that the Rochester Hills City Council authorize the purchase of one (1) new John Deere 4320 Tractor, 400CX Loader, and RB2307 Backhoe utilizing the State of Michigan MiDeal Extended Purchase program in the amount of \$37,264.13.

| APPROVALS: | SIGNATURE | DATE |
|--|-----------|------|
| Department Review | | |
| Department Director | | |
| Budget Content: Finance Director | | |
| Purchasing Process: Supervisor of Procurement | | |
| Mayor | | |
| City Council Liaison | | |