



City of Rochester Hills  
AGENDA SUMMARY  
FINANCIAL ITEMS

1000 Rochester Hills Dr.  
Rochester Hills, MI 48309  
248.656.4630  
[www.rochesterhills.org](http://www.rochesterhills.org)

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Legislative File No: 2015-0544

**TO:** Mayor and City Council Members  
**FROM:** Allan E. Schneck, P.E., Director of Public Services  
**DATE:** January 11, 2016  
**SUBJECT:** Wheel Loader

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**REQUEST:**

City Council is requested to authorize the purchase of one (1) new John Deere 544K Wheel Loader in the amount of \$157,659.00 utilizing the State of Michigan MiDeal Extended Purchase program to AIS Construction Equipment Corporation, New Hudson, MI.

**REASON FOR PURCHASE:**

The City purchases John Deere equipment through the State of Michigan MiDeal Extended Purchase Program, as it is the best pricing that can be offered to local units of government for John Deere Equipment. The discount received by utilizing the State of Michigan contract for roadside maintenance and earth moving equipment is 34% for the 544K Wheel Loader. Equipment purchased through this program is at a cost significantly lower than retail and the City's recent market research supports this. Purchase of John Deere equipment through the State of Michigan Extended Purchasing Program offers the best value to the City.

This new machine will replace 39-95, a 2001 John Deere 928G wheel loader with approximately 7,500 hours on the meter. 39-95 has holes rusted through its sheet metal in several places, needs tires, and has recently developed mechanical issues that will incur substantial maintenance cost increases in the near future. It is in the city's best interest to replace this machine now.

**PROCESS:**

**Vendor Name and Address:**

AIS Construction Equipment Corporation  
56555 Pontiac Trail  
New Hudson, MI 48165

**Reason for Selection:**

Best Value/MiDeal Extended Purchase Program

**Method of Purchase:**

Purchase Order

**BUDGET:**

Funding is included in the FY 2016 Adopted Budget

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Fleet	661.977000	Equipment Capitalized	\$175,890	\$157,659	\$18,231

**RECOMMENDATION:**

City Council is requested to authorize the purchase of one (1) new John Deere 544K Wheel Loader utilizing the State of Michigan MiDeal Extended Purchase program to AIS Construction Equipment Corporation, New Hudson, Michigan for a total purchase cost not-to-exceed \$157,659.00.

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