



**PURCHASING ITEM
FOR
COUNCIL AGENDA**

1. Agenda Item Number:

39

2. Council Meeting Date:
January 17, 2008

TO: MAYOR & COUNCIL

3. Date Prepared: December 26, 2007

THROUGH: CITY MANAGER

4. Requesting Department: Municipal Utilities

5. SUBJECT: Approval to use Houston Galveston Area Cooperative for the purchase of a backhoe from RDO Equipment Company, in an amount not to exceed \$73,450.

6. RECOMMENDATION: Recommend approval to use Houston Galveston Area Cooperative for the purchase of a backhoe from RDO Equipment Company, in an amount not to exceed \$73,450.

7. HISTORICAL BACKGROUND/DISCUSSION: The Water Treatment Plant needs to purchase a new backhoe to replace the current one. This backhoe is a 1987 model and has been declining mechanically over the last five years. The transmission needs to be rebuilt at an estimated cost of \$7,000, it leaks hydraulic and transmission fluid, and the water pump is replaced continuously. In many instances, staff is unable to start or complete a job because the backhoe is out of service for repairs. This is a critical piece of equipment that is used on a regular basis to move sludge in the drying beds, as well as making repairs on pipes and valves in a timely manner.

8. EVALUATION PROCESS: The City approved using the Houston Galveston Area Cooperative on December 21, 2006. They bid the requested equipment, and by using this contract, the City will save cost and time on the bid process. A purchase order will be used as the contract.

9. FINANCIAL IMPLICATIONS:

Cost: \$73,450

Savings: NA

Long Term Costs: N/A

Fund Source

<u>Account No.</u>	<u>Fund Name</u>	<u>Program Name</u>	<u>CIP Funded</u>	<u>Funds</u>
712.3830.0000.6310	Capital Replacement/Water Treatment	Motor Vehicles	Non-CIP	\$73,450

10. PROPOSED MOTION: Move to approve the use of Houston Galveston Area Cooperative for the purchase of a backhoe from RDO Equipment Company, in an amount not to exceed \$73,450.

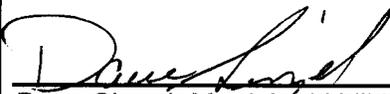
ATTACHMENTS:

APPROVALS

11. Requesting Department

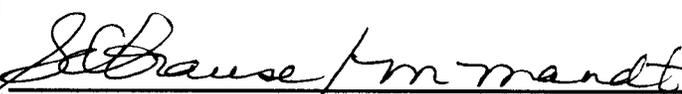
13. Department Head

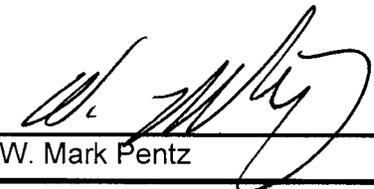

Robert Mulvey, Assistant Municipal Utilities Director


Dave Siegel, Municipal Utilities Director

12. Buyer/Contract Admin.

14. City Manager


Mike Mandt, Purchasing


W. Mark Pentz